cni

**LOUIS A. WEIL III**
PRESIDENT/CEO

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## Capital Guardian:

Zac Guevara, newspaper analyst
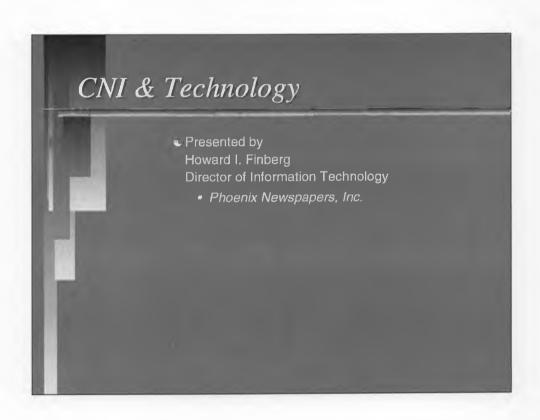Steve Moore, newspaper analyst for mutual fund group

## CNI:

Chip Weil, President/CEO
Tom MacGillivray, CFO

## PNI:

John Oppedahl, Publisher/CEO
Cathy Davis, Sr. VP Marketing & Development
Howard Finberg, Director of Information Technology

# Central Newspapers & Technology

# CNI & Technology

- Presented by
  Howard I. Finberg
  Director of Information Technology
  - *Phoenix Newspapers, Inc.*

## CNI's Technology Strategy

- Meet the information needs of customers
  - Advertisers, readers, employees
- Become the information leader
  - Effective collection, storage, retrieval and distribution of information
    - Not just news and advertising

## Supporting information needs

- Two types of information support needed within the organization
  - Internal
    - Advertising, finance, circulation
  - External
    - News and information regardless of delivery

## CNI is building tools

- Respond to customers quicker
- Reduce costs
- Create and support new products, services
  - In advertising, editorial and circulation
- Company has been a technology leader
  - PNI's pagination project
    - Provided experience and a foundation for change

## Infrastructure for tomorrow

- Moving from mainframes to client/server technology
  - Throughout PNI first
  - Started in 1994

# Our current initiatives

- Communication
- Advertising
- Editorial
- Circulation
- Electronic

# Communication

- **Focus**: sharing information internally
  - And provide better information throughout organization
- **Goals**: organize, direct workforce more effectively
    - To respond to changing market
- **Status**: mostly complete at PNI; underway at INI; other properties shortly

## Advertising

- **Focus**: efficiency and accuracy
  - Re-engineer sales process to better serve customers
  - Allow sales representatives to give customer more information
    - Sales team can sell, create ads faster

## Advertising

- **Goals**: increased revenue
  - Estimate is that each representative will have more than 15+ hours to sell
  - Estimate a reduction in mistakes and make-good requests by 98%
- **Status**: launched in October

## Editorial

◆ **Focus**: improve design/production system
- Replace aging pagination equipment with database publishing system
- Manage key asset: news and information

## Editorial

◆ **Goals**: support new products, delivery methods
- Use same staff to do more
  - Zoning and specialty publications
- Use same system to support print and online

◆ **Status**: first phase 85% complete
- INI will use same system
  - Allows for faster, easier conversion from paste-up

## Circulation

- **Focus**: customer service, subscriber acquisition and retention
  - Customer database to effectively target prospective subscribers
  - Route lists, in delivery sequence order
    - Allows for quicker recovery
  - Ability to isolate stops reasons by type
    - Increase long-term retention

## Circulation

- **Goals**: reduce turnover costs, more effective marketing
  - Easier to track carrier problems
  - More effective marketing
  - Foundation to support other database initiatives
- **Status**: launch this month

## Electronic

- **Focus**: delivery of online information
  - Two online services
    - http: www.azcentral.com
    - keyword: arizona [on America Online]
  - Content deeper than newspaper
    - Targeted information for travel, sports, house seekers, job hunters, small businesses
    - Also traditional news and information

## Electronic

- **Goals**: learn and earn
  - Revenue ahead of projections
    - Advertising, subscription and services
      - *Major auto dealership will use PNI to build, host information @ $200,000+ annually*
  - New skills developed throughout organization
- **Status**: ongoing

## Technology investments

- Working with others via PAFET
  - A.H. Belo, Cowles, Freedom, McClatchy, Pulitzer

## Technology investments

- CNI's strategic investments
  - InfoSeek
    - Search technology for the Web
  - Pointcast
    - Broadcast technology to the PC
  - Firefly Network
    - Intelligent agents for online users
- **Goals**: support electronic initiatives, develop new skills

*Future projects*

- Develop databases to support direct marketing
  - Increased revenue potential
- Explore electronic route delivery system for carriers
  - Further reduction of costs
  - Increased revenue with targeted information delivery



*Future projects*

- Create new financial reporting system
  - True product costing
- Explore centralized back office functions
  - Reduces costs, streamlines processes
- Improve production tracking process
  - Reduces staffing, support new products

## CNI & Technology

- In conclusion
- Moving quickly to leverage current technology
  - To increase or create revenues streams
  - To reduced costs
- Building strong information technology foundations to support our business today and tomorrow

## CNI & Technology

- Thank you for your kind attention