

SHAMELESS MAGAZINE: MAKING IT TO 10 YEARS AND BEYOND

Revenue Strategies For Small Magazines

by

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A B S T R A C T

Shameless magazine is a Canadian magazine for teen girls and transgender (“trans”) youth. Its first issue was published in June 2004 with the aim to be an alternative to what was offered in the mainstream media for young women, to fill a perceived gap in the magazine racks. Shameless is entering its tenth year of publishing in June 2014. It hangs by a thread financially, and even though its editorial voice has grown and flourished over the years, the mechanics of funding and financing the publication have not. This report summarizes the history of Shameless magazine, and is the only account on paper to date. It identifies the need for more revenue as a major and immediate need, and surveys four main sources of revenue for magazines: circulation, advertising, grants, and donations, with discussion on how each of these applies, or does not yet apply, to Shameless magazine. The result of this analysis and reflection on the history of the magazine is a set of nine recommendations to guide the magazine in building and maintaining financial stability. Shameless contributes an important voice to Canadian media, and with careful focus on the most suitable revenue streams it will continue to publish for years to come.

Above: 204 words.

Keywords: Canadian periodical publishing, small magazines, niche publishing, magazine revenue

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I N T R O D U C T I O N

Shameless magazine was founded in 2003 and published its first issue in 2004. The magazine’s award-winning content has made important contributions to alternative media for young people, acting on its mission “to do more than just publish a magazine: we aim to inspire, inform, and advocate for young women and trans youth” (see full mission statement in Appendix 1). However, the magazine’s economic sustainability has always been imperiled. This report asks how *Shameless* can address its economic difficulties yet continue to publish, grow, and reach readers long into the future with its current mandate. The report begins with an examination of the magazine’s history, covering its birth and development over nine years of publishing. This never-before-documented history sheds light on the ups and downs of the magazine as an organization. It also illuminates the long-term weaknesses in the magazine’s revenue generation strategy, offers suggestions on how a magazine of its nature can implement a plan to grow, and speculates on what it can reasonably expect for the future. Next, the report evaluates revenue streams that are appropriate to *Shameless* both ideologically and strategically, and evaluates them in terms of their applicability to the magazine. Finally, the report makes suggestions for a revenue strategy for *Shameless* magazine, based on industry lessons and best practices. As the magazine moves forward into its tenth year of publishing, these recommendations can be instrumental in forging a sound financial plan, enabling *Shameless* to continue publishing for many years to come, and suggesting strategies for similar independent magazines to achieve a stable, appropriate revenue mix.

Background

The environment in which *Shameless* was created was one of steady growth

for Canadian magazines. Between 1998 and 2003, single-copy sales across the country had increased by 28 percent.¹ Subscriptions had grown too, though substantially less so at only 2 percent. Other revenues were also increasing for magazines across the country, from websites, ancillary products, back issue sales, and various other sources. A higher rate of activity was also defined by the increase in full- and part-time employees, as magazines slowly became workplaces for a growing number of Canadians. Total annual circulation of all magazines across Canada rose by 30 percent.² In the period 1998–2003, Ontario magazines had an average circulation of 32,746.³ This number reflects more closely the circulation of larger magazines, which typically had revenues of approximately \$9 million, but the general trend was upward for magazines of all sizes. *Shameless* falls into the categories used in Rowland Lorimer’s “Heterogeneous World” of a “small-circulation zine” in that its revenue is closer to \$12,000 annually.⁴ In reality, the revenue for *Shameless* has been double that, almost \$25,000 since 2012, which leaves it in a small magazine category of limited resources, because this amount of revenue still doesn’t come close to paying staff or renting an office, much less any kind of investment in readers. However, one ongoing challenge for the magazine has been inconsistent revenue levels; in other words, \$25,000 has not been a consistent annual revenue.

The data for Canadian magazines in 1998–2003 paint a much different picture than we have today. In 2011, *Masthead* magazine, the trade periodical for the magazine industry, calculated that of the top 50 titles, 34 (or 74 percent) saw a decrease in total revenue.⁵

Ontario’s periodical publishing industry is the largest in the country, generating more than half of all national magazine revenues (\$1.18 billion in 2011).

1 Lorimer, *The Heterogeneous World of British Columbia Magazines*.

2 *ibid.*, 12, 13.

3 *ibid.*, 13.

4 *ibid.*, 33.

5 Hayward, “The Top 50.”

However, the Canadian periodical sector as a whole continues to decline from the buoyancy it once enjoyed. Between 2010 and 2011 alone, operating revenues decreased by 2.2 percent.⁶ These numbers suggest that periodical readership is in decline, but Statistics Canada shows that four out of five Canadians who are 15 years old and older read magazines as a leisure activity, with 42 percent of Canadians reading magazines once a week.⁷ Good news for magazine publishers.

Nine percent of Canadian magazine readers in 2012 accessed their content of choice via laptops, smartphones, and tablets, and 14 percent planned to do so in the coming year. However, recent data from the Periodical Marketers of Canada shows that 71 percent of magazine readers still prefer print, while only 9 percent prefer digital magazines. This will be an important statistic for *Shameless* magazine to watch as it evaluates its performance on the newsstand and plans for expansion of its print readership in the future.

The target demographic of *Shameless* magazine consists of readers between the ages of 12 and 24. Again, the common assumption is that teenagers are online all the time, and while that may be true for some content, Print Measurement Bureau of Canada's (PMB) 2012 Fall Report still found that Canadians aged 12 to 34 read just as many print magazines as those in other age groups.⁸

An Ontario Media Development Industry profile on magazine publishing reports that in 2011, eleven magazines were established and eight print magazines closed, for a net gain of three magazines. The previous year, there was a net gain of eight magazines, revealing that publishing continues to have movement across Canada. However, growth in the magazine market is concentrated on digital platforms, and digital advertising in Canadian online consumer magazines rose fourfold

6 Ontario Media Development Corporation Industry Profile, Magazine Publishing, 6.

7 *ibid.*, 4.

8 *ibid.*, 5.

between 2008 and 2012.⁹ The long-term viability of a print magazine continues to be uncertain in early 2014.

These details describe the climate in which *Shameless* was born, grew, and currently publishes. As an independent, volunteer-driven publication with an articulated political mandate of practising an inclusive feminism and supporting and empowering young writers, editors, and artists from communities that are under-represented in mainstream media (see Appendix 1), *Shameless* is doing respectably well as a volunteer organization, but quite poorly as a business. The challenge for *Shameless* at this stage of its life is to maintain its editorial appeal and to concentrate on its business plan, a process that can start by pinpointing revenue streams that will bring in reliable and consistent income for the magazine. In recent years, from 2010 to 2013, the magazine has begun to streamline its revenue sources and to focus on stabilizing and expanding those streams.

Current revenue sources for *Shameless* magazine are listed in Table 1.

Table 1: Current revenue streams for *Shameless* magazine 2013

Revenue Stream	Approximate Annual Revenue*
Grants	\$0
Subscriptions	\$5,250
Newsstand	\$1,000
Hall of Shameless (donors'/sustainers' program)	\$7,800
Advertising	\$7,500
Events and other revenue (including The Word on the Street Festival and CanZine)	\$2,500
Total	\$24,050
* Estimates provided by current publisher of <i>Shameless</i> (at the time of writing), December 2014, using receipts, Disticor Direct (distributor) reports, subscription spreadsheets, and donations received through the PayPal account.	

⁹ *ibid.*, 6.

The main missing opportunity for *Shameless* magazine, as revealed by Table 1, is public funding (grants). Specifically, *Shameless* must evaluate opportunities for public support through the Department of Canadian Heritage (DHC), including the Canada Periodical Fund (CPF), the Canada Council for the Arts, Ontario Arts Council (OAC); and Ontario Media Development Corporation (OMDC). The other revenue streams shown in Table 1 need to be stabilized and expanded, but public funding is missing altogether.

The next sections of this report will explore opportunities for improvement in the revenue mix, and make recommendations for *Shameless* magazine as it begins year 10 of publishing.

PART ONE : A HISTORY OF
SHAMELESS¹⁰

There is a gap in mainstream media for material that speaks to young women, and young people in general, about gender equality, politics, transgender (“trans”) issues, and activism on these questions. According to the documentary *MissRepresentation*, less than 20 percent of mainstream news stories are about women and girls; only 3 percent of top positions in communications, television, entertainment, publishing, and advertising are held by women; and, 5.8 percent of television and 6 percent of radio are owned by women.¹¹

Shameless was born out of the need to fill this gap on the magazine rack. This need remains the motivation for continuing to make a print product. It is the conviction of *Shameless* staff, readers, and supporters that the media presents such limiting options for young women, and no other national magazine is dedicated to covering concerns for trans youth as part of its mandate. Today, in 2014, the options for accessing alternative media, especially in print, remain limited; but ten years ago this was even more the case. In a letter to *Bust* magazine, after the second issue of *Shameless*, co-founder Nicole Cohen wrote of the important role of the magazine in light of the recent death of *Sassy* magazine, which was then largely regarded as one of the only feminist magazines that spoke specifically to teen girls. The letter¹² read as follows:

Dear Bust,

10 This history was researched and retold via interviews with *Shameless* co-founder Nicole Cohen, current editorial director Sheila Sampath, back issues of *Shameless* magazine, and interviews with ex-editorial staff who have asked not to be named.

11 Stats were taken from the documentary *MissRepresentation*: <http://film.missrepresentation.org/>; <http://therepresentationproject.org/statistics>.

12 From *Shameless* archived files, retrieved from DVD December 1, 2013.

It was with great interest that I read your Fall 2004 issue, first the feature on the demise of Sassy magazine and then your letters to the editors. I was particularly intrigued by the letters that asked why no smart, sassy, progressive magazines for teens currently exist.

I am writing because there is in fact a magazine that has picked up where Sassy left off, albeit in a very different way. This magazine is called Shameless, and I believe a copy was sent to you in June. I would be happy to send you another copy, just let me know.

In October, Shameless issue 2 hit the newsstands, covering sex, the arts, sports, activism and teen life with wit, wisdom and a cool feminist slant. We have a 12-member teen editorial collective made up of a diverse group of girls who keep us in touch with our audience.

Since we launched, our subscriber base has been growing quickly, even in the U.S. We have been praised on the pages of Venus, Utne, Adbusters, The Globe and Mail and much more. We have been thanked from girls in Canada, the U.S. and even Brazil for providing a refreshing voice in a sea of trite. We have been throwing all-ages concerts featuring female artists, a reading series featuring women we love, and recently released Good Grooming For Girls, a girl/ band singer compilation CD. We are starting a teen media revolution, and are taking Canada by storm.

Please visit www.shamelessmag.com for information on the magazine and how to subscribe. And please tell your readers -- especially those two letter writers -- about us.

Yours shamelessly,

Nicole Cohen

Co-Editor & Co-Publisher,

Shameless

This bold letter makes a good case for the magazine even today. However, it is important to know how *Shameless* came into existence and grew over the years, to understand its ups and downs, and how its organizational weaknesses developed, and to recommend changes to strengthen its course.

In 2003, *Shameless* founders Nicole Cohen and Melinda Mattos were young students in Ryerson University's journalism program and taking a class called Magazine Editing taught by Steven Trumper. The major project for the semester was to come up with an idea for a magazine that didn't exist but, in the opinion of students, should exist. The class was divided into small groups and Cohen found herself in the wrong group. She overheard Mattos's group discussing a feminist magazine for teen girls, and she immediately asked to switch groups. The two young women didn't know each other well, but over the next several years ended up spending most of their free time together creating what soon became *Shameless* magazine, for girls who get it. "For girls who get it" was the tagline for the magazine up until 2011, when it was changed to "Talking Back Since 2004." This came at a time when the magazine was updating its vision and mandate to be more outwardly and pointedly inclusive of trans youth.

Shameless magazine was created in a classroom, then nurtured and cultivated in the independent music and arts scene in early '00s Toronto. Back then *Shameless* was very much part of the small magazine scene, including Spacing, THIS, Broken Pencil, and other small cultural periodicals, an environment that eventually changed as the politics and activism aspects of the magazine matured and became the primary focus over arts and culture. Mattos and Cohen were influenced heavily by the feminism and gender politics of indie pop bands like Le Tigre, and the cur-

rent landscape of third-wave feminist magazines like *Bust* and *Bitch*.

That school year, the two young women and their group worked on a prototype of *Shameless*, the name of the magazine from the beginning. The group came up with three tables of contents, the editorial idea of the magazine being the most important. Because of the requirements of the class project, the founders of the magazine did not place much emphasis on how to run a business. Content was king – or rather, queen. That was the goal of the project, not to create an actual magazine or even a magazine business plan; so the content was the only aspect of the magazine that was developed that academic year. By the time Cohen and Mattos had finished the project, they both felt they had such a strong editorial product, filling a glaring gap in media for young women, that they were excited and felt compelled to publish an issue.

At that time the Ontario Media Development Corporation (OMDC) had just launched a grant program for new magazines. The two women put together an application. In order to fulfill the mandate of the grant program, *Shameless* needed to be a real magazine in the business sense, therefore it needed a publisher, an ad sales manager, and a circulation manager. The two founders assembled a masthead and applied for a grant.

Their application was unsuccessful, but Cohen and Mattos decided to move forward with the magazine anyway. The first issue was published in June 2004. The masthead showed Cohen and Mattos as co-editors and co-publishers, Jason Pare as art director, Colleen Langford as ad sales, Lisa Whittington-Hill as subscriptions manager, and Luke Doucette as webmaster. *Shameless* also had a long list of contributors, copy editors and proofreaders (ten of them), and a teen advisory board that they called their editorial collective, which had twelve members of its own. The stories in the magazine covered a range of issues relating to young women, from how

globalization impacts young women in third-world countries, to feminist blogging, to being vegan, to dressing alternatively, to a critical look at popular slang terms, and more, everything from arts coverage to light articles on fashion and music.

Cohen and Mattos paid for the magazine by throwing a party at a local Toronto club that raised \$2,000 from ticket and merchandise sales, and \$3,000 from an anonymous donor, which was arranged through a meeting Mattos had at the Toronto Star, where she was working at the time. These funds paid for the printing and mailing of the very first issue of *Shameless* magazine.

With no business experience and no business plan, the two founders continued to publish the magazine, driven by their passion for the ideas and the editorial work. Most of their contributors were friends and colleagues from journalism school. The magazine was an instant success, named by NOW magazine as Best Magazine 2004 before the first issue ever hit the stands. It also was nominated for two Utne Independent Press Awards (Best New Title and Best Design).¹³ In 2005 *Shameless* won an Utne award for Best Personal Life Writing, and in 2006 it was nominated again. Also in 2005, just one year after the first issue was published, *Shameless* was shortlisted for a National Magazine Award, a feat that has not yet been repeated.

Connections to the media and music community were key to garnering attention and support, according to Cohen. There was a lot of excitement around city building and political projects in Toronto at the time. One year earlier, Spacing magazine had launched its first issue, and Coach House Books, Spacing, and the Toronto cultural scene together started the Torontopia movement: the arts and literary community joined together with urban planners and people working toward civic engagement to encourage people to really care about Toronto and share ideas for

13 <http://www.shamelessmag.com/about/>.

what the city could be.¹⁴ All of these media projects and conversations were happening at the same time, creating a welcoming space for *Shameless* to be born into.

Cohen and Mattos then hit the ground to look to peers for support and advice. Susan G. Cole at NOW magazine, Hal Niedzviecki at Broken Pencil, Lisa Whittington-Hill (now the publisher of THIS) at the national association now known as Magazines Canada, and Michele Landsberg, a prominent journalist, social activist, and feminist, were among those who offered direction and advice on how to keep *Shameless* going. Slowly the magazine built editorial infrastructure, and experimented with different models; for example, sometimes it could afford honoraria, sometimes it couldn't. At one point in the magazine's history a person was paid commission for ad sales, and at other points not. The subscription list bloomed to 800 after a direct mail campaign led by then publisher Stacey May Fowles, assisted by Lisa Whittington-Hill.

During the first few years of *Shameless* magazine, it enjoyed a high profile, high subscription levels and popular launch parties. It occupied a space in the magazine community along with other local small magazines. It truly became a voice for young feminism in the Toronto community. Cohen and Mattos were often called on by mainstream media to speak on panels as experts on women's issues, because of their work with the magazine. Though it never hired staff, rented an office, installed its own phone line, received regular grants, or achieved regular ad sales, the magazine always had enough money in the bank to print another two issues.

But then things started to change. In 2007, after burning out from running a magazine for no remuneration—an experience many small magazine publishers can relate to—Cohen and Mattos decided that the magazine either had to fold or had to be passed on to other publishers. A lawyer volunteer helped them register the magazine as a non-profit society, and they passed it on to new staff.

14 Barclay, 2006.

The years after Cohen and Mattos left were tumultuous for *Shameless*. There are very few surviving bank statements, and almost no records of honoraria paid, money spent, or money earned between 2007 and 2010; no accounts of grants or other public subsidies received during that time, no bookkeeping or accounting records; and no former publisher or editor was willing to inform the new staff or speak to the issues. On more than one occasion, the magazine didn't make the self-mandated publishing quota of three issues a year, which is also the minimum number of issues that need to be produced annually to qualify for some grants. In 2007 and 2008, only two issues of the magazine were published, down from the three issues a year that had been planned and sold to subscribers. In 2009, only one issue of the magazine was published. Internally *Shameless* was also struggling to agree on its political voice. The new blog, which had its own editor, played a large role in bringing a positive new political outlook and a more serious political direction to the magazine, which conflicted with the focus expressed in the print magazine. Because these two media clashed editorially, and there was no organizational structure, things started to fall apart.

By 2010, *Shameless* found itself in big trouble. The magazine had borrowed money from staff and was officially in debt, and editorial staff quit over content issues and in-fighting due to bad management, accusations of racism, and political clashing. Subscribers, who had not received the magazines they had paid for, were leaving in droves and asking for refunds. The magazine was losing its good reputation, and readers and staff along with it.

Cohen returned to the magazine in early 2010 to help find solutions to the troubles *Shameless* was facing. Because the magazine became a registered non-profit society just before Cohen and Mattos left in 2007, *Shameless* was able to remain an independent entity subject to decisions of the board of directors. Cohen and Mattos were co-directors of the board and therefore Cohen was able to successfully re-enter

the picture without any serious objections. The main differences of opinion fracturing the magazine at that time had to do with political convictions. Cohen and Mattos, along with a few current staff members, including art director Sheila Sampath, knew that *Shameless* needed to reform, rewrite its mandate, and devise a way to regain its reputation, its readers, and the momentum that it had once enjoyed in the early years, because there was still a gap in the racks, and that gap could still be filled by *Shameless* magazine.

That year, after much collective reflection, discussion, and planning, Sheila Sampath became Editorial Director. With the help and collaboration of remaining *Shameless* staffers, she wrote a new vision and mission for the magazine that explicitly included anti-oppression politics and trans inclusiveness, and set out to make the magazine not only a place for alternative culture and viewpoints, but more directly persuasive politically. *Shameless* was born again as an activist magazine.

With Sampath at the helm, the magazine's remaining staff went on to hire nine new volunteer staff members. With the new mission and the new team, *Shameless* was on the road back to regular publishing and, in a way, building a bright new organization. The content of the magazine began to take shape as the politics of the magazine came into focus. Articles about youth sex work, unpaid interns, racism in sports, First Nations politics, and other serious topics were explored earnestly by the magazine and its growing group of editors and writers.

Three years later, *Shameless* has steadily published progressive content, covering issues from youth labour, to politics in rock and roll, to stories about trans issues, ableism, fat shaming, female body hair, and sex workers' rights. A new issue comes out three times a year: every spring, fall, and winter. The editorial mandate of the magazine has become clear (see Appendix 1) and the editorial side of the magazine has worked well with regular face-to-face editorial meetings, open dialogue

between editors and contributors, and transparency about the magazine's finances, structure, intention, and status. *Shameless* has become more than just a magazine; it has become a community, which is the key to any magazine's success. This community is also what keeps *Shameless* working and producing a magazine on 100-percent volunteer power under the harsh realities of small-circulation independent periodical publishing in Canada.

What hasn't come so easily for *Shameless* over the last three years—or nine years, for that matter—has been revenue. With no institutional memory of grants or organizational structure for raising money, *Shameless* struggles with financial stability. The publishing side of the magazine has taken a back seat to the editorial side. While volunteers are perfectly capable of running *Shameless*, the stability that would come from a staff of two, even if they were part-time, would greatly assist the magazine. However, that might threaten the editorial equilibrium that prevails when everyone is a volunteer, by creating a situation where there are unequal wages. *Shameless* is 100-percent volunteer. Therefore, people working full-time jobs while trying to run a magazine on the side find it hard to complete the many tasks and processes needed to bring all the pieces into place and keep them there.

This report recommends strategies to put into action with the goal of strengthening four basic revenue streams: circulation, advertising, public subsidy (grants), and private subsidy (donations and sustainers' program). These streams can work together to build a financial foundation for the magazine with which it can move into its 10-year-anniversary with new hope. Currently, *Shameless* operates all four of these revenue streams; however, there is much more potential in all of them. In the context of a review of best practices and the landscape of small publishing in Canada, as well as the mandate and resources of *Shameless*, this report will consider the value and feasibility of each revenue stream, point out where *Shameless* has room to grow, and make recommendations on how to proceed. With its excel-

lent content, strong reputation, and enthusiastic community, *Shameless* can enjoy a long and healthy life if it can develop a publishing vision that complements its editorial vision.

Like any periodical, *Shameless* magazine needs a variety of revenue streams in order to grow and survive as an organization. Not all revenue sources accessed by other magazines are appropriate for *Shameless*, however. Its circulation is small, its staff work on a volunteer basis, and it has minimal income from donors and ad sales—factors that may disqualify *Shameless* for some arts grants and limit the magazine’s appeal to advertisers.

The key to *Shameless*’s long-term financial growth, therefore, is to establish a reliable, sustainable combination of income streams. To rely on just one or two streams would compromise the financial stability of the magazine, and the combination of revenue streams must be compatible with the strong editorial mandate and audience that *Shameless* has built.

What follows is an overview of revenue streams that have contributed to the financial health of magazines of all kinds. *Shameless* magazine, and the publishers’ renewed commitment to be a political project as well as a magazine, will be well served if the magazine can capitalize on tried and true revenue streams.

Circulation

Circulation is one of the most important revenue-generating activities for any magazine. In the words of the Independent Press Association, “Fulfillment covers every activity involved in getting your publication to your subscribers and keeping those subscribers coming back for more. It includes record-keeping and organization; data collection and manipulation; mailing out not only the magazine but items such as renewal notices, bills, and special offers; and every aspect of sub-

scriber service. Without an efficient fulfillment system, even the best magazine will fold.”¹⁵ A magazine’s total “circulation” includes copies distributed to its paid subscribers, controlled subscribers, and controlled non-subscriber readers, as well as its newsstand sales. In a way, circulation fulfills a magazine’s reason to exist: to deliver content to the consumer. However, many magazine publishers, large and small, have reported fluctuating circulation numbers over the last five to eight years.¹⁶ “Data for the first half of 2013 released by the Alliance for Audited Media (AAM) showed that the Top 10 Canadian magazines saw an overall 7 percent decrease in paid and verified circulations compared with the same period in 2012. Sales of single copies were down 5.4 percent, while paid subscriptions declined 7.4 percent.”¹⁷ Print circulation of Canadian magazines in total, however, declined 10.7 percent between 2006 and 2011; the volume of magazine distribution through mail subscriptions decreased 18 percent in this same period.¹⁸

These numbers tell the story that while publishers continue to publish both established and new titles, aggregate circulation numbers across the country are down for some magazines in both categories. As of 2011, there were 262 Canadian magazine titles with a circulation lower than 20,000—29.9 percent of all Canadian titles.¹⁹ The downward trend is a result of changes in how people consume media in general, but for small magazines, reading trends are not the only challenge in maintaining adequate circulation. This report focuses on paid subscriptions and newsstand sales for *Shameless*, outlining common roadblocks for any magazine circulation department and highlighting the particular application to *Shameless*. The report goes on to make recommendations on paid circulation for *Shameless* moving forward into year 10 of publishing.

15 Gardiner, “Feeling Fulfilled,” page 3.

16 Ursi, “Digital Evolution: In trad circ, the Internet rules -- and that’s a good thing.”

17 Ontario Media Development Corporation Industry Profile, Magazine Publishing, 2012, 5.

18 Ibid., 7.

19 ibid., 14.

Size Matters

For many small magazines, the circulation department is just one person, sometimes one part-time person. According to Stacey May Fowles, circulation and marketing director for Walrus magazine and former *Shameless* publisher, “the average circ work day consists of innumerable possibly disastrous decisions that for the most part work out just fine. Data pulls and complex coded mailings, judgements on the fly, last minute choices made with seconds to spare.”²⁰ One of the challenges for circulation personnel is a lack of full awareness of what is involved in the job on the part of the editor and other staff at the magazine. Circulation is a much larger, more complicated, and more strategic job than it is often perceived to be. Add to that the inadequate resources and support that are required to do the job well, and circulation becomes one of the most challenging yet most important jobs for a magazine of any size. Circulation managers at small magazines often have other responsibilities as well, such as fundraising, event organizing, and marketing.²¹

Subscriptions

According to “Keeping Readers: Fulfillment For Small Canadian Magazines,” a study carried out by Abacus Circulation, funded by Canadian Heritage, small magazines in Canada find subscription fulfillment to be “a time-consuming, painstaking process, and [they] usually make do with very basic computer software and procedures.”²² This work is often a limiting exercise, consisting of routine tasks that take time away from analysis and other marketing activities necessary to manage and grow the business of the magazine. Good fulfillment software, which can be very costly for small magazines, incorporates contact management and mailing

20 Fowles “Making the Big Mistake.”

21 Fowles, “The Scope Creep of Circ.”

22 Abacus Circulation, *Keeping Readers*, 3.

list functions. With these features, magazine publishers can record and use data on subscription sales such as subscriber order history, records of mailings and emailings sent, and data on new and renewed subscriptions that can be analyzed to focus future marketing efforts.²³

For small-circulation Canadian magazines, the expense of database software can be compounded by minimal in-house expertise or staff time to master the program, or even manage it properly. “Most small publishers have no data quality safeguards, such as prevention of duplicate subscriptions and adherence to addressing standards,” according to a fulfillment study for small magazines conducted by Abacus Circulation in 2004.²⁴ Some trends observed by the Abacus study were that magazines were using word-processing programs to create mailing labels or to mail-merge databases whose record template contained only the most basic fields—name, address, and expire issue; or relational generic databases with some time-saving features; or inflexible DOS-based database programs. Specialized fulfillment software doesn’t always meet the publisher’s need, or it is not used because of the lack of training and/or comfort with the software.²⁵

In the end, Abacus found that the majority of publishers surveyed for the study “suffered from serious deficiencies in their software systems and in the procedures these systems engendered.” None of the systems used included any “significant renewal analysis capabilities, and their analysis of promotions to new subscribers was usually inadequate.”²⁶ Renewals are essential for any magazine, not only for reasons of continuity and reader loyalty, but for the simple reason that it is much more cost efficient to have subscribers renew than to attract new subscribers. Even in a modest circulation campaign, it can cost up to \$50 to court one new subscriber using direct mail, because of the cost of planning, writing, designing,

23 *ibid.*, 4.

24 *ibid.*, 4.

25 *ibid.*, 5.

26 *ibid.*, 5.

producing, packaging, and mailing the solicitation, and sometimes even the cost of acquiring the address list, commonly known as “The List.” Direct mail campaigns have an industry average response rate of 1.5 percent to 2.5 percent.²⁷ A subscription to *Shameless* costs \$15 per year; direct mail circulation campaign costs per new subscriber are at least \$20 per new subscriber; therefore, subscriptions brought in by direct mail are fulfilled at a loss of at least \$5 per new subscriber.

Because small publishers are using such divergent systems, there is currently little room for sharing knowledge or tricks-of-the-trade when it comes to fulfillment. Abacus provides criteria for “the basic capabilities that almost all publishers would require to manage their circulation instead of being controlled by it,” including:

- *overall data integrity and functions*
- *address hygiene*
- *duplicate detection and prevention*
- *table-driven data validation policies*
- *order and payment processing capabilities*
- *renewal promotion and analysis*
- *invoice preparation and analysis*
- *new subscription entry and reporting*
- *issue mailings*
- *production reports and financial reporting*²⁸

The goal of good fulfillment practices is to get the magazine into the hands

27 Devereaux, “The Outsiders.”
28 *ibid.*, 5,6.

of subscribers. Once those magazines are in the hands of readers, renewal campaigns are much more lucrative. For small magazines, even this simple objective of fulfillment can be very challenging because of limited resources and staff time. The bigger the total circulation becomes, the more complex fulfillment becomes. *Shameless* is so far behind in its business development that it can address its lack of institutional memory (see Recommendation 2, below) in the most basic subscription order data in one flat-file database. A flat-file database is a simple database containing all the information in a single table: name, address, start issue, expire issue, amount paid, and comments – a field showing when to send a renewal notice.

For its premier issue, *Shameless* had no subscriber database at all. Being the editorial-driven start-up project that it was at the time, it had a Microsoft Word document titled “Send Magazines To,” consisting of the names and addresses of 36 recipients, among them like-minded magazines, contributors who were to receive complimentary issues, and local feminist celebrities. This remained the magazine’s practice into the fifth issue. Because *Shameless* has not kept regular, complete, or systematic institutional records, subscription data for many years is unknown. After Issue 4, Fall 2005, there are no records until Spring 2010. A manila file folder with old subscription forms and evidence of an insert tell the partial story of attempts to increase circulation via common circulation practices, such as inserts and direct mail campaigns. However, the lack of infrastructure is still evident in the option to pay for the subscription with either a cheque or “well-concealed cash,” according to a subscription form generated by *Shameless* staff in 2007.²⁹ A credit card option through PayPal eventually became available and is still available today. Among the minimal existing records are letters from angry subscribers who didn’t get their copies and can’t find a phone number to call and complain to – another symptom of the rickety infrastructure of a volunteer-run magazine with no overhead expense budget for even a phone. Some of the subscription forms have “renewal” written on

29 Analysis of available historical documents conducted by the author.

them, but without a good database and enough years' worth of trackable data, this information is not sufficient to analyze and assess who when, and where the magazine is gaining or losing subscribers. The Independent Press Association (IPA) lists the publisher's essential fulfillment needs as the following:

- *the subscriber needs to get their issues unfailingly*
- *the subscribers need to have their payments, address changes, gift subscriptions, and renewals recorded accurately and properly*
- *the subscriber needs to have their complaints and/or questions dealt with right away*
- *the magazine needs to track the response to each mailing in their renewal and billing series*
- *the magazine needs to track the results of all the promotional activities it carries out*
- *the magazine needs to project future income from renewal and new subscriptions*
- *the magazine needs to compute the amount of deferred income it owes its subscribers*
- *the magazine needs to estimate accurately the quantity of renewal and invoices it needs to reprint for the coming year*

If these systems are not in place, says the IPA, then it's time to get a new system.³⁰ That is precisely where *Shameless* magazine is today—in need of a new system.

Table 2 shows the available data for the historical trajectory of subscribers at *Shameless* magazine.

30 Abacus Circulation, *Keeping Readers*, 38.

Table 2: Subscription Growth

Issue/Year	Number of Subscribers*
Issue 1, Spring 2004	36
Issue 14, Spring 2010**	804***
Issue 22, Winter 2012	411
Issue 23, Spring 2013****	360
Issue 24, Fall 2013	252
*Numbers include institutions, contributors and Hall of Shameless subscribers/donors. **Disticor Direct Publishers Unit Affidavit and Sales Report, June 30th 2010 ***Between 2004 and 2010 there was a direct mail campaign that drove circulation to over 800. Circulation had slowly been growing until this point, but enjoyed a spike after the renewals. ****Disticor Direct Publishers Unit Affidavit and Sales Report, May 31, 2013.	

Like most volunteer-run magazines, *Shameless* currently has a very hands-on approach to subscription renewals. In an email interview,³¹ circulation manager Kate-Christine Miller described the current practice: to send an individual email to each subscriber when the subscription is close to an end. This contact is tracked in a spreadsheet, and the entries are separated by province. These renewal efforts are free, in terms of out-of-pocket expense, but Miller spends an average of fifteen to twenty hours per issue working on them. It should be pointed out that the personal touch in circulation work is known to have value, and Miller reports that the *Shameless* renewal rate is 30 percent. But a small, independent magazine like *Shameless* cannot afford to sell subscriptions at a deficit. There are no investors and there is nowhere to borrow money, and razor-thin margins keep the magazine budgeting on an issue-to-issue basis (see Recommendation 1, below). That is why subscription and renewal deals thus far have been few and far between. *Shameless* subscription forms include an option for a one-time donation as well as a subscription or renewal, but as Abacus Circulation points out, “when small magazines cannot easily

31 Email interview, Dec 6, 2014.

accomplish renewal testing and analysis, it ultimately prevents them from managing their operation as cost-effectively as possible, or indeed from understanding the intertwined economic underpinnings of their business.³² Stabilizing and increasing circulation gives the magazine the opportunity to earn revenue and continue to publish. Tracking and testing renewal strategies gives the magazine information on what strategies work for their readers, allowing staff to focus resources on strategies that are the most economically beneficial to the magazine.

In a hypothetical but realistic scenario in Abacus Circulation's 2004 study *Keeping Readers: Fulfillment for Small Canadian Magazines*, the postage alone for a direct mail campaign to recruit new subscribers can cost 60 cents, or even more, per mailing piece. If the magazine gets a 2-percent response to the mailing (another realistic figure), then to bring in 600 new subscribers the publisher would need to mail packages to 30,000 potential subscribers.³³ It isn't hard to see how fast a direct mail campaign can become costly. For *Shameless*, a much-needed goal is to increase subscribers; specifically, the magazine needs 500 new subscribers to qualify for arts grants at any level (see Recommendations 1 and 8, below). However, the probability of a low response rate and high mailing costs puts direct mail campaigns out of reach, making renewal efforts even more important. Had the magazine installed a strong renewal infrastructure early in its life, many of the 800 subscribers it enjoyed at the beginning of 2010 would likely have renewed at a fraction of the cost. Given that *Shameless* now enjoys a 30-percent renewal rate, with some strategizing it could begin to rebuild its subscriber base much more quickly and economically than finding new subscribers.

Newsstand

32 Abacus Circulation, *Keeping Readers*, 20.

33 *Ibid.*, 18.

Shameless has experienced extreme subscription-list instability and inconsistent subscription and renewal practices over its nine-year tenure, and to compound matters, newsstand sales have plummeted.

The fourteen top-selling newsstand magazine titles in Canada are American. People magazine sits at the top, selling 6.4 million copies.³⁴ American publishers with that kind of sales momentum can not only attract more advertisers, but also fund newsstand promotions to make their titles more visible on the racks, and still keep cover prices low. This puts them at a clear advantage to do well and keep growing. Some American titles, such as People and Time, cheaply produce Canadian versions, and the Foreign Publishers Advertising Services Act (2002) allows them to produce these editions with only a small percentage of Canadian content and up to 20 percent new ads.³⁵ Competitively speaking, Canadian content in Time magazine won't make much of a dent in newsstand sales for a magazine like *Shameless*. What does make a difference is that these magazines dominate the newsstands at the expense of visibility for Canadian titles. In Canada, "most single-copy magazine sales take place in supermarkets, drugstores, and convenience stores," which are dominated by American titles.³⁶ Magazine sales provide revenue to the distributor based on number of copies sold, not number of copies distributed, so mainstream magazines with much larger audiences hold more appeal for retailers and distributors. This is tough competition for small-circulation, independent, low-budget, volunteer-run magazines with a message like that of *Shameless*. Table 3 shows the decline in newsstand sales for *Shameless* magazine over the last five years.

Table 3: Newsstand Sales ³⁷

34 Gidney, *Understanding the Canadian Small Magazine Landscape*, 10.
35 ibid., 11.
36 ibid., 13.
37 Based on available records from Disticor.

Shameless					
Year	Issue	Total Distributed	Total Returns	Net Sale	Sell Thru
2013	3	700	417	283	40.40%
2013	2	700	556	144	20.60%
2013	1	700	529	171	24.40%
2012	3	681	504	177	26.00%
2012	2	820	636	184	22.40%
2012	1	820	643	177	21.60%
2011	3	800	553	247	30.90%
2011	2	1100	843	257	23.40%
2010	1	1120	887	233	20.80%
2010	3	1560	1194	366	23.50%
2010	2	1560	1128	432	27.70%
2009	1	1560	913	647	41.50%

Shameless experienced a steep and persistent decline in newsstand sales between 2010 and 2013. One reason for this could be the adjustment in editorial mandate during that period, to be more politically oriented and more serious, and to incorporate a more mature activist politic than when it began. In other words, to some extent *Shameless* has to find a new audience, or rather, the new audience has to find it. Another reason for the decline could be that print media sales have dropped across the board. One could speculate that particular covers lead to higher or lower pick-up rates on the newsstand, but Table 3 tells a story of steady incremental drops in newsstand pick-up. This is heartbreaking data to see for the staff of a labour of love such as *Shameless* magazine. What is even more heartbreaking is that “a large number of copies of magazines are distributed to newsstands but most copies are never sold, and there are no incentives to reward efficiency ... Profit margins are so slim that, rather than return unsold copies to publishers ... distributors and wholesalers will either pulp unsold magazines or ask retailers to destroy them.”³⁸

38 Gidney, 14; Abacus Circulation, Taking Back the Rack, 5.

As of 2013, *Shameless* is distributed by Disticor in 99 Indigo/Chapters stores across Canada and 140 Coles/Smithbooks stores.³⁹ *Shameless* also mails magazines to the small American distributor Ubiquity, and small bundles to select independent bookstores in Canada and the US. However, *Shameless* has been hit hard by the closing of independent bookstores across the country – precisely the stores the magazine relied on not only to stock the magazine, but to promote it, from one pusher of independent culture to another. Toronto alone has lost many independent stores over the last five years. In just the past few years, Pages, Toronto Women’s Bookstore, and other independent bookstores that deliberately ordered the magazine have closed, and more closures are sure to come.⁴⁰

In part to make up for this decline, *Shameless* does have an app version of the magazine. The sales of the app are still very low, less than 50 per issue, and the app is made with PDF technology, so it doesn’t adapt to various mobile devices, is only available on iTunes, and does not have reflowable text technology or other features that would make it attractive to the young reader. However, future newsstand sales will need to be replaced with some kind of more sophisticated digital technology, and the existing app is a start. It will need to be improved upon (see Recommendation 3, below).

Even though consumers are increasingly reading periodicals on electronic devices, especially mobile devices, paper subscriptions and newsstand sales are important revenue generators for a magazine like *Shameless*. The very fact that *Shameless* prides itself on providing an alternative to what is normally on the racks requires that it is physically present on the racks. Increasing these two sources of revenue, subscriptions and newsstand sales, will provide the magazine with enough economic stability to begin to explore other sources. Both of these basic traditional

39 Disticor Direct store list provided to the Publisher (the author) by Disticor Direct August 2013.

40 Terefenko, “Pages Bookstore Going Down”; DeMara, “Toronto Women’s Bookstore closing after 39 years.”

streams of revenue, despite their challenges, have a much higher earning potential for *Shameless* than what is currently being realized. This is good news in that there is a lot of positive space to grow. The challenge for *Shameless* staff will be to find the wherewithal to establish and maintain a robust central database from which data can be gathered for analysis and targeted marketing. That challenge can be met through small but persistent efforts.

Advertising

Advertising is absolutely necessary for a print magazine to offset the high costs of printing and publishing. However, according to “Assessing business and audience-building initiatives for cultural magazines,” a Magazines Canada report commissioned in 2012, “there is a good deal of education required, particularly for smaller magazines, in order to make them advertiser-ready.”⁴¹ Basically, for small magazines with niche audiences, it becomes an uphill battle to pull advertisers away from media outlets with which they have existing relationships, and which sell lots of magazines. Even if they advertise with a small magazine, they are not being pulled away from the larger-circulation titles. In addition, the report suggests that bundling online ads with magazine ads will increase advertisers’ interest. *Shameless* already engages in this practice, but it is not a policy, a strategy, or part of the magazine’s existing ad kit; it is a case-by-case sales tactic used by the publisher, who also is the ad salesperson.

Each issue of *Shameless* costs \$5,000 to print and mail, so at three issues per year and a print run of 2,000 per issue, the magazine incurs printing and mailing costs of \$15,000 a year. *Shameless* is 100-percent volunteer run, and has no office or telephone. It rents a small post office box for mail, and occasionally pays fees for

⁴¹ Magazines Canada, *Assessing Business and Audience-Building Initiatives for Cultural Magazines*.

tabling events, transportation, bookkeeping, and DNS and web hosting. However, these are comparatively small costs, which bring the magazine's total expenditures per year to less than \$20,000. Revenue from circulation remains low, but the monthly sustainers' program, which is named the Hall of Shameless, brings in \$6,000 annually. The sustainers' program asks readers and supporters simply to donate monthly to the magazine.

At the very least, *Shameless* must bring in enough revenue not only to cover its modest production and operations expenses but also to grow. In 2010, when the newly hired volunteers began to rebuild the magazine, they noticed that there was a distinct lack of advertisers. In fact, there was only one regular paying client – CUPE (Canadian Union of Public Employees). The advertising culture of *Shameless* to this point had consisted mainly of exchange and in-kind advertising: ad exchanges with like-minded magazines and organizations, swaps of ads for merchandise discounts or prizes for event launches from local vendors, straight-up giveaways, and house ads imploring readers to subscribe, donate, or buy ads. *Shameless* had once had more advertisers, but had lost many of them during its turbulent middle years because of inconsistent and unreliable publication. Some planned issues of the magazine did not come out at all: in 2009, *Shameless* published only one issue. During those troubled years, the magazine had to rebuild not only its staff, vision, and reputation with readers, but also its relationships and reputation with advertisers. It is common, and expected, that magazines will rely heavily on advertising for revenue. Between 1993 and 2003, when Canadian periodicals' revenue from subscriptions declined from 25 percent to 19 percent of total revenue,⁴² advertising revenue grew from 61 percent to 64 percent of the total.

Selling advertising is challenging in the most affluent times. Glossy fashion and lifestyle magazines like *Vogue* or *GQ* that focus on readers interested in haute

42 Gidney, 20.

couture and other expensive goods and services, sell hundreds of thousands of dollars' worth of ads in addition to subscriptions and single copies. In 2013, *Vogue's* ad sales had the highest percentage growth of any first quarter in the last five years, reaching 11 million readers in print, and one million readers a month online.⁴³ Some of these high-end consumer magazines, such as *Vice*, distribute their magazine for free, but the ad content paid for by one client like American Apparel more than covers the costs of printing and distributing the magazine. In 2010, American Apparel spent over \$9 million on advertising.⁴⁴ Since 2003 it has held the back cover of every issue of *Vice* magazine, a prime spot with a price tag of \$24,000 for the Canadian print run alone.⁴⁵ In the online version, *Vice* has been able not only to sell pricey advertising, but also to make a big-ticket deal with Intel in which the tech company sponsors the offshoot websites that deal directly with technology stories, creating an unusual symbiotic relationship between publisher and advertiser. Because of the computer savvy and technically audacious audience of *Vice's* Creator's Project, an online destination for multi-disciplinary artists who use technology in an innovative way, Intel was eager to fund the project as a way to gain access to markets who need the type of fast processors that Intel provides.⁴⁶ The deal, a hybrid of advertising and sponsored content, was beneficial to both *Vice* and Intel.

Another Canadian example of sponsored content is *Macleans*' magazine's 2004 feature series by Peter C. Newman called "The New Canadian Establishment." The series of articles was "brought to you by" General Motors Canada's Cadillac division. The car's logo appeared alongside the article. In a third example, Home Depot arranged with *Chatelaine* magazine to sponsor an eight-page home decor section, for which the content and the ads were designed to work together by *Chatelaine's* own design department. Nowadays it would be hard to find an advertiser

43 Forbes, "The 100 Women who are redefining power."

44 Fischer, "Whither *Vice* Without American Apparel?"

45 *Vice* Media Kit, 2010.

46 Van Buskirk, "Intel and *Vice* Launch Creators Project: Selling Out or Boosting Creativity?"

who will bulk-buy ads, or buy eight pages of advertising.⁴⁷

The consumer magazines mentioned above cannot be compared to *Shameless* except in that they are all in the magazine business, but these examples do raise questions about whether and how *Shameless* might expand its thinking about advertising. Could sponsored content ever be a good thing, a harmless thing, given *Shameless*'s editorial mandate and the expectations of its readers? Are such partnerships becoming necessary to magazines' financial viability? Do they always veer too close to violating ad-edit guidelines, especially for a magazine like *Shameless* with a deliberately anti-mainstream political mandate? Could *Shameless* produce an issue on trans sexuality and discrimination, sponsored by Mt. Sinai Hospital in Toronto, known for their work bringing equity into health care via popular education on trans people and barriers to health care access, without compromising its editorial autonomy and integrity? Perhaps even more urgently than most magazines today, niche magazines like *Shameless* must face these sorts of questions and be innovative and creative in setting up and maintaining revenue streams if they want to continue to publish.

In a well-known Canadian incident relevant to the issues involved in sponsored content from 2005, *Avenue* magazine's editor Janice Paskey was fired after taking issue with a new policy giving the advertising sales director the authority to approve story lineups.⁴⁸ Other editors believe that a closer relationship between editorial and advertising has advantages for both parties. Editorial and advertising personnel at *Canadian Business*, *Profit*, and *MoneySense* magazines sit at the same table when planning upcoming issues.⁴⁹ To some extent, *Shameless* tries to find continuity between editorial content and advertising. For example, for an education-themed issue in 2012, the ad salesperson hotly pursued educators for advertising dollars,

47 Chiesa, "Too High A Price."

48 *ibid.*

49 *ibid.*

specifically citing the magazine's upcoming content – compatible with the objectives of these potential advertisers – as further reasons to advertise in *Shameless*. Sponsorship deals might be just one or two steps beyond this.

At any time, but especially in an age when magazine sales are declining, small magazines like *Shameless* must work particularly hard to persuade advertisers to see the value in small niche markets. With only 1,000 to 1,200 copies of the magazine reaching readers, *Shameless* cannot claim to offer a lot of bang for the advertiser's buck. The question is how, in a time of austerity and free content of all sorts available on the internet, does an independent magazine create value for advertisers in its pages or on the screen – especially when that magazine has not yet established such value?

There are several ways in which *Shameless* struggles to establish advertising relationships and momentum. First, *Shameless* lacks the in-depth analysis and numbers that advertisers want to see. In 2011, magazine staff conducted the first online reader's survey, to find out who the readers of *Shameless* were in actuality, as compared to the targeted audience objectives. *Shameless* has always branded itself as an alternative to mainstream media for teen girls and trans youth, and therefore expected that one substantial group of readers was high school-aged people. The reader's survey of 2011 showed that in fact a large number of the magazine's readers were university-aged women (ages 18 to 24), working part-time, starting or completing undergraduate degrees, interested in politics and current events, and looking for exactly the content that *Shameless* was providing.⁵⁰

Second, *Shameless* has a niche audience that is small. The magazine sets out to be an alternative to mainstream media, specifically a feminist, anti-oppression voice for audiences who often do not feel represented by what they see in mainstream media. For example, the magazine speaks to trans youth and teen girls

50 Shameless Reader's Survey, 2011.

who demand more from their media than fad diets and sex tips. In fact, *Shameless* remains one of the very few Canadian magazines that has an explicit mandate to speak to teen girls *and* trans youth. This focus sets organic limits on circulation, making it difficult to compete for advertising dollars, and even to attract those dollars in the first place.⁵¹

Third, for *Shameless* to honour its specific political mandate, it must be microscopically careful in working with mainstream advertisers, whose products and values may support the very socio-political conditions that *Shameless* was founded to change, like fat-shaming diets, “whitening creams” for non-Caucasian people, or any product or service suggesting that someone has to behave and look a certain way to fit into society. The questions here are not just whether readers would be critical of the magazine’s choices of ads and advertisers, but also whether such advertisers would find their consumers in the *Shameless* audience. Many of the preferences reported by respondents to the *Shameless* Reader’s Survey indicate that readers are interested in DIY crafts, vegetarianism, and subcultures. If the online craft store Etsy isn’t advertising with *Shameless*, then who will?

Shameless has found recent success with Canadian universities. Between 2010 and 2013, the magazine has forged advertising relationships with Mt. Allison University, the University of Ottawa, York University, and the University of Windsor. These efforts were undertaken in response to the reader information revealed in the Reader’s Survey – the fact that more subscribers were in university than in high school illuminated a new advertising opportunity. However, advertising and circulation go hand in hand. Without a significant number of readers, it is hard to convince any advertiser that there is dollar value in the pages.

According to the PMB 2013 Fall Report, print magazine readership has stayed the same for five years: readership of Canadian magazines remains at around

51 Gidney, 21.

1 million. Advertisers need to know that Canadians still value the print magazine,⁵² and the numbers show that there is room for *Shameless* to grow its audience, which in turn promises that the magazine can realize more advertising dollars.

Grants

One of the main potential revenue opportunities for *Shameless* magazine is publishing grants. Public funding for Canadian magazines based in Toronto is available through the Department of Canadian Heritage (DHC) and its Canada Periodical Fund (CPF); the Canada Council for the Arts; the Ontario Arts Council (OAC); and the Ontario Media Development Corporation (OMDC). *Shameless* has never systematically explored the eligibility and criteria for these programs; therefore, the magazine is not in a position to set goals for this revenue stream in the short or long term.

Shameless has received one grant in its nine-year tenure, from the Department of Canadian Heritage. Current staff have made several attempts to find documentation on this grant, without any luck. Anecdotal information is that the grant supported *Shameless*'s one and only direct mail circulation campaign.

Earlier in the magazine's life, before printing the first issue, founders Nicole Cohen and Melinda Mattos applied for a unique award for start-up magazines from the OMDC, in the amount of \$75,000. They recruited people to fill all the appropriate positions and created a mock-up of the magazine, but in the end, they did not receive the OMDC grant.⁵³ "No quality magazine with limited circulation can survive without subsidies," said *Geist* publisher Stephen Osborne in an article in the *Ryerson Review of Journalism* on the 2005 folding of *Saturday Night* magazine, and

52 PMB Fall Report 2013; PriceWaterhouseCoopers "Global Entertainment and Media Outlook – 2011-2015."

53 Ende, "A Shame Not To."

Shameless is no exception.⁵⁴

Canada Periodical Fund (CPF)

The Canada Periodical Fund provides financial assistance to those Canadian print magazines that are confronted with market disadvantages, such as the aforementioned domination of the Canadian marketplace by American magazines, to ensure that Canadian readers have a variety of options from periodicals across the country.⁵⁵ Of the three components of the CPF – Aid to Publishers, Business Innovation, and Collective Initiatives – the one most appropriate to *Shameless* currently is the Aid to Publishers.

Aid to Publishers provides base operating funding to publishers to support their most basic publishing tasks, such as creation of content, production, distribution, and business development. The other two CPF components are also of interest for the future of *Shameless*, when it is in a position to benefit from project-based funding, but given its situation now, fundamental support for business operations is appropriate and necessary. *Shameless* meets most of the requirements for the Aid to Publishers component: it is Canadian owned, has published at least twice a year, and has an uninterrupted twelve-month print cycle behind it. But there is one requirement it does not meet: “Have sold during the financial year at least 5,000 paid copies through subscription copies and single-copy/newsstand copies.”⁵⁶ Therefore, circulation and grant objectives must be worked on together.

Ontario Media Development Corporation (OMDC)

54 Hodgkinson, “The Morning After.”

55 Canadian Heritage, Canada Periodical Fund.

56 Canadian Heritage. Aid to Publishers – Applicant’s Guide 2014-2015

Support from this organization has promise for *Shameless*, as it has had in the past, through the OMDC Magazine Fund. According to its website:

The OMDC Magazine Fund supports the business development of independent Ontario-based magazine publishers. Funds are provided to assist in the growth of these businesses through the creation and implementation of new strategic business and marketing initiatives, and digital activities that enable publishers to achieve business development and/or marketing objectives.

Eligible projects should have clear, objective and measurable results.

OMDC Magazine Fund guidelines say that funding will be provided to “support projects that have clear, objective and measurable results and/or indicate direct and positive impact on the overall long-term business growth of the magazine publisher. Priority results include enhancement of publisher revenues and the creation/retention of jobs in the Ontario publishing industry. OMDC will measure results of the program based on return on investment and jobs created and retained.”⁵⁷

For *Shameless*, the apparent immediate hurdle in this respect is that the organization has always operated with 100-percent volunteer power, and a commitment to begin to create stable paid jobs is not as straightforward as for more conventional publishers. As stated by editorial director Sheila Sampath, “It’s difficult to think about paying just one or two full-time staff and not paying all the editors and writers, it doesn’t seem fair. Part of the camaraderie around the production of the magazine is that we all volunteer our time, or get the same small stipend per issue, the point being that everyone is equal and getting recognized for the good work we

57 OMDC Magazine Fund Guidelines.

do. To pay just one or two people throws off that balance.”⁵⁸ Without goals to create paid employment, *Shameless* has no chance of being eligible for this grant. At the same time, operating a 100-percent volunteer-run magazine, without plans to pay workers, limits the amount of time people can give to the magazine and number of years they will volunteer there.

OMDC also has a digital project component, a grant that is project-based. For *Shameless*, this could be a source of funding for a website, a digital edition of the magazine, and a podcast series – with a budget of up to \$75,000. However, *Shameless* needs funding for its primary activities. The question *Shameless* must ponder is whether project-based funding will support those primary activities while strengthening the digital presence and raising the profile of the magazine, and not simply create more work for an already stretched volunteer team.

Digital projects funded through OMDC must either be wholly digital, or have a digital/traditional media mix. *Shameless* meets some of the eligibility requirements. The magazine(s) that the application is being submitted for must:

- *have completed a full 12 month business year by the time of application submission;*
- *define itself as a magazine;*
- *have published at least two editions or, in the case of a web-based publication, been through two significant content refreshes;*
- *be published at the time of application, throughout the application process, and until completion of the proposed project;*
- *present a clearly displayed masthead or equivalent;*
- *be edited, designed, and published in Ontario;*

58 Interview, Dec. 7, 2013.

- *maintain an editorial function where the editor is named (editorial function is described as the commissioning of editorial material and artwork; directing writers, illustrators and photographers regarding the final form of this material; and laying out, copy editing and proofreading, and otherwise preparing the contents for publication);*
- *contain an average of at least 75% Canadian editorial content;*
- *present editorial content from more than one person;*
- *be a minimum of 28 pages in length on average for regular published issues, regardless of physical size of the pages (print only);*
- *appear in consecutively numbered or dated issues, published under a common title, in accordance to an established publishing or update calendar;*
- *be published at regular intervals, no more than once every week (excluding special issues) and no less than twice a year;*
- *have a publishing revenue stream, e.g., subscription revenues, advertising sales, donations;*
- *if a web-based magazine, have a valid URL address specific to the title;*
- *if an app-based magazine, have an application currently available for download;*
- *maintain one of the following types of circulation over six months:*

Print:

- *have a circulation size of at least 2,500 copies per issue if applying for an individual project or 1,000 copies for a group project;*

Digital:

- *Open-access service: maintain a minimum of 15,000 unique monthly visitors*
- *Application-based circulation: maintain a minimum of 10,000 installs*
- *Email-based service: maintain an average of 10,000 registered email recipients*
- *Paid subscription service: maintain a minimum of 2,500 subscribers*
- *Note: Verification of digital circulation may be requested⁵⁹*

The requirements of this last category, maintenance of circulation, make *Shameless* ineligible. The magazine's circulation is not large enough to meet OMDC criteria. *Shameless*'s unique visitors data represent an opportunity for access to this grant: the website does attract between 12,000 and 17,000 unique visitors a month and has the Google Analytics to prove it. However, getting an extra 2,000 copies into circulation in addition to increasing web traffic in just one year is a daunting task.

Canada Council for the Arts

Canada Council is the lead granting agency for all cultural magazines in Canada outside of Quebec.⁶⁰ Without its support, the magazine industry in Canada would go into decline, and many publishers would likely close up shop. Because the cultural magazine industry provides so many meaningful jobs for Canadians, and contributes to the promotion and preservation of Canadian culture, the Canada Council is an important part of the Canadian magazine publishing sector.

Canada Council's basic eligibility criteria are:

⁵⁹ http://www.omdc.on.ca/Assets/Industry+Initiatives/English/Content+and+Marketing/Magazine+Fund/Magazine+Fund+Guidelines_en.pdf

⁶⁰ Lorimer and Associates, "A Guide to the Canada Council Benchmarks for Canadian Magazines."

Publishers of magazines that meet the criteria listed below are eligible to apply.

They must:

- *have published at least two issues of the magazine before applying for a grant and be committed to a continuing magazine publishing program*
- *have identified the target audience for the magazine and developed an appropriate distribution method to reach it*
- *have a paid circulation of at least 40 percent of the copies printed (except for electronic magazines); for magazines linked with an association or sharing editorial resources with another organization, only copies sold to non-members are taken into consideration*
- *have and honour a clear policy with respect to the use of contributors' writing and intellectual property.*

Eligible magazines:

To be eligible for support, magazines must:

- *be written principally in English, French or one of Canada's Aboriginal languages*
- *the arts or literature in Canada must be an important and regular, not occasional or peripheral, editorial focus of the periodical*
- *be at least 75 percent Canadian-owned*
- *be published at least twice a year*
- *focus mainly on editorial content written or created by Canadians*

- *have a demonstrated editorial capability and financial stability*
- *focus mainly on previously unpublished material*
- *have a print run of at least 500 copies per issue (except for electronic magazines).⁶¹*

Again, *Shameless*, with just over 20 percent of its print run distributed through paid subscriptions and even less than that through newsstand sales, falls well short of the required 40 percent of copies going to paid circulation. In Recommendations (below), this report addresses the crucial need to focus on increasing circulation, not only to grow readership but to qualify for this and other Canadian publishing grants.

Canada Council offers support to magazines that contain “literary” and “art” components. While staff and fans of the magazine feel very strongly about its artistic integrity, and support emerging artists by soliciting contributions to the magazine and website, the principal mandate of the magazine is a political one, having to do with anti-oppression politics and activism, and intersectional feminisms. *Shameless*’s steadfast commitment to emerging writers and artists puts this grant within reach, provided the magazine can increase its circulation. However, until *Shameless* begins to pay contributors, it will not meet this criterion either. The mandate of the Canada Council, the Ontario Arts Council (discussed below), and other provincial and municipal arts councils, is to support artists and writers; the programs that fund publishers do so because publishers find and maintain audiences for artists and writers, and pay them for their work.

Ontario Arts Council

61 Canada Council for the Arts. Grants to Literary and Art Magazines.

In 2013, thirty-three grants were awarded to periodical publishers by the Ontario Arts Council. Among the recipients were the magazines *Fuse*, *THIS*, *POV*, *Worn*, and *Descant*. The *Walrus*, another recipient, received \$45,000 in 2013. According to the website:

*OAC offers more than 50 funding programs for artists and arts organizations based in Ontario, with funds from the Ontario government. Grants provide assistance for specific activities and for the ongoing operating expenses of an organization; we also provide support for a period of time.*⁶²

Like other Canadian arts councils, this fifty-year-old council is in place to create space and support for Canadian artists.⁶³ Because *Shameless* doesn't directly include literary or fine arts content, in that (for example) it doesn't publish fiction or art commentary, it does not qualify for funding. Other magazines that do not identify mainly as literary or art periodicals, such as *THIS* magazine and *Walrus*, devote some pages in their magazine to the work of Canadian fiction writers. *Shameless* does publish original work by Canadian visual artists, both on the cover of every issue, and inside, as illustrations. However, *Shameless* is ineligible for another reason: it does not pay writers.

On the face of it, *Shameless* does not meet the full criteria of any of these grants. However, none of the criteria is totally out of the question for *Shameless*, even though the application process is competitive, and the editorial formula of *Shameless* would require some rethinking. For example, does the magazine want to make space for fiction compatible with the mandate, or content sponsored by a like-minded organization? Can some of the written non-fiction content of the magazine be presented as literary? Yet again, however, low circulation is the main circumstance holding *Shameless* back from eligibility for publishing grants.

62 Ontario Arts Council. Frequently Asked Questions. <http://www.arts.on.ca/Page70.aspx>
63 Magazines Canada. "Happy 50th Birthday to the Ontario Arts Council."

Sustainers' Program

Many nonprofits and small magazines rely on private donations, particularly sustainers' programs, as a revenue stream. *Canadian Dimension* magazine has been running its sustainers' program for at least fifteen years, according to associate publisher James Patterson in an email interview. "It brings in between 50-60k per year, which is about 20-25 percent [of our annual revenue] from just 225 subscribers."⁶⁴ *Canadian Dimension* offers books, advance tickets to events, and occasionally holiday gift subscriptions to its sustainers. On the *Canadian Dimension* homepage, there is no call to action to readers to donate, just a call to subscribe. The magazine finds its donors with direct mail campaigns that are attached to donation campaigns, and direct mail campaigns to gain new subscribers, some of whom then become donors. Twice a year *Canadian Dimension* sends a fundraising letter to its subscribers, and in that letter is a pitch to become a sustainer. This reliable stream of revenue is maintained in part by the consistency of mail campaigns by *Canadian Dimension*, and also by the consistency of its message: it is a magazine speaking to the political Left, a constituency it knows and is part of, so that it can rally support around a cause and hold a community together across provincial lines. *Canadian Dimension* also has history and momentum, having been an important voice on the Left in Canada for fifty years.

In another example, *Bitch* magazine runs a sustainers' program called the B-hive that encourages people to sign up as sustainers, one benefit of which is a free subscription. *Bitch* has a similar audience and purpose to both *Shameless* and *Canadian Dimension* in that it is the voice of a group with particular political views, and it rallies political support to continue publishing. *Shameless* used the *Bitch* model to start its own sustainers' program, founded in 2011, named the Hall of Shame-

64 Email interview with James Patterson, January 11, 2014.

less. The Hall of Shameless uses a baseball metaphor to categorize donors: for \$5 a month, a donor is a Shameless Rookie; for \$10 a Shameless Pro; for \$25 a Shameless Champ; for \$50 a Shameless Team Captain; and for \$100 a Shameless Most Valuable Player. These categories were designed to offer people a variety of donation levels, to make it easier to donate. Whether this is one of the most effective ways to encourage people to donate to *Shameless* specifically has not been established. The magazine has not done an analysis of what motivates people to donate. When *Shameless* establishes a process for carrying out systematic market tests and data analysis, it will have an important tool for growing the sustainers' program (see Recommendation 7, below). What is certain is that the vast majority of donors to the Hall of Shameless give \$10 a month and have some direct relation to the magazine, whether they are parents of an editor, or former editors themselves, or friends, colleagues, or family members of *Shameless* staff.

Donor recognition is another important part of maintaining the sustainers' program and accepting gifts from donors in general. For *Shameless*, this area needs improvement. Outside of a complimentary subscription, a thank-you in each issue and free admission to all *Shameless* events, there are few perks for donors and sustainers. People donate because they believe in the project, but donor recognition plays more of a role than just saying thank you. It encourages people to continue to donate, to tell their friends about the project, and to help generate enthusiasm for the magazine and the community that is built around it. *THIS* magazine publisher Lisa Whittington-Hill advises that keeping in touch with donors and supporters is key to retention. "Make sure you have a strategy for communicating with donors throughout the year," she advises. "The last thing you want is for your donors to only hear from you once a year ... Donor retention and renewal should be an important part of your strategy."⁶⁵ Whittington-Hill suggests that magazines need a strong case for support when they ask for financial donations from people. In

65 Whittington-Hill, "Fundraising 101."

particular, the magazine or organization needs to tell people where the donations will go. “Most people donate because they believe in a cause so think about how the world is a better place because your magazine exists.”⁶⁶

Saying thank you is a very important part of maintaining a donor community, so it is important to take people’s money only when there is a plan to thank them. Whittington-Hill advises that magazine staff write a personal card or a thank-you letter, and maintain a donor thank-you page on the website or in the pages of the magazine, of course ensuring that each donor is comfortable with their name being publicized.

Another example is the successful project-based donor programs run by the Vancouver-based online left-wing news and features magazine the *Tyee* (theyee.ca).⁶⁷ In April 2009, the *Tyee* ran a “fundraising drive that asked readers to provide financial support for extended coverage of election issues [during a provincial election campaign in BC]; in return, readers could choose the topics to which their donations would be directed.”⁶⁸ The fundraising experiment was a success and the magazine’s goal was exceeded “by a factor of nearly five.”

For sustainers’ programs to work, they need long-term plans, which include a strategy to gain new donors, a donor recognition program to keep donors on board, and mechanisms to gather and analyze data. A sustainers’ program is an important revenue stream that can have a relatively low up-front cost. Unlike subscription and renewal campaigns, and other direct mail, such a program can be a less expensive way to raise a dollar.⁶⁹

In 2010, English language magazines in Canada, literary and arts included, realized 11 percent of their revenue from donations and fundraising.⁷⁰ Both ad sales

66 *ibid.*

67 Halpape, *Finding friends for the Tyee: A plan for a reader-supported journalism program.*

68 *ibid.*, 3.

69 “3-keys-for-a-sustainer-program.”

70 Lorimer and Associates, “A Guide to the Canada Council Benchmarks for Canadian

and circulation make up far more of the revenue, 17 percent and 13 percent respectively.⁷¹ But donations are a significant and reliable source of revenue, especially in the current environment, in which advertising sales generally are dropping. About 49 percent of the revenues of literary and arts magazines in Canada in 2010, on average, came from grants: some combination of Canada Council grants, Canada Magazine Fund, and provincial and municipal grants.⁷²

For *Shameless* magazine, a sustainers' program is a reliable and achievable revenue stream. So far, it has worked well for the magazine, although it has experienced very slow growth.

There is good news ahead for *Shameless* magazine. Opportunities to grow and refine existing revenue streams, and to increase overall circulation, donations, and ad sales are within reach with some careful planning and allocation of existing resources. What the magazine needs in the next year or two is to focus firmly on a few revenue streams and to make those streams perform well. If the magazine remains staffed exclusively by volunteers for the foreseeable future, one major financial pressure is significantly lessened, although *Shameless* then becomes ineligible for some funding. Hiring full-time staff may be in the best interest of the magazine's long-term future. However, given that current volunteer staff have no desire to change the balance achieved when all work on the magazine is volunteer work, there is no value in recommending such a large change at this time.

For that reason, and because success will be realized only if *Shameless* starts small and builds gradually, the recommendations in this report (below) focus on the four main revenue streams discussed here: circulation, advertising, grants, and sustainers' program. Other sources of revenue, such sales of apps and merchandise, are less cost-effective and should only be considered later, when the four major

Magazines.”

71 *ibid.*

72 *ibid.*

magazine revenue generators are well established.

PART THREE: RECOMMENDATIONS

Shameless magazine will be able to continue publishing only with a funding base comprising a variety of reliable revenue streams. Table 4 shows a recommended balance of several sources of revenue for *Shameless*, and their percentage contribution to total revenue, following industry standards in the cultural magazine sector as laid out by Rowland Lorimer and Associates in the Magazines Canada Benchmark Study, 2011.

Sales to Readers	35%
Sales of Advertising	35%
Other Earned Revenue	10%
Donations	20%

Table 5 shows *Shameless* magazine's existing revenue-stream breakdown. Comparing these two tables shows that for *Shameless*, donations contribute a higher percentage than the industry standard, and sales to readers and sales of advertising contribute a lower percentage than the standard.

Sales to Readers	27%
Sales of Advertising	31%

Other Earned Revenue	10%
Donations	32%

Following are nine recommendations for *Shameless* magazine, designed to strengthen the business infrastructure by establishing and growing a mix of revenue streams. These recommendations comprise a basis for a business plan, rather than describing a full business plan. They focus on priorities, identifying specific activities that can feasibly be undertaken by a small, part-time, volunteer staff, with very limited resources, for an independent niche magazine with a small circulation. The recommendations seek to bring *Shameless* a better balance of three of the revenue streams – sales to readers, sales of advertising, and donations – outlined in Tables 4 and 5, above; and to get *Shameless* started on public funding (grants), another important source of revenue.

A. Sales to Readers

The task of increasing subscription and single-copy sales to readers is a large but essential task for *Shameless*. The magazine has to regain lost readers, gain new readers, and renew existing readers whose subscriptions are running out. This aspect of revenue is critical to any magazine’s success for other reasons besides the income it generates. A broad, consistent, growing audience strengthens relationships with advertisers, enhances the magazine’s reputation in the trade, improves newsstand presence, and attracts a high calibre of artists and writers.

1. New subscription sales

It is recommended:

- **that *Shameless* buy or trade for an email list from a similar-sized magazine or magazines, and undertake a pilot subscription drive, sending out email invitations to subscribe;**
- **that *Shameless* create concrete and long-term plans to design and execute regular direct mail campaigns.**

Direct mail campaigns are known to be effective; the standard subscription success rate is 2 percent. Canada Post data shows that one-third of Canadians prefer to receive promotional material by mail.⁷³

Direct mail campaigns also have a cumulative effect, each one proving more successful than the last when campaigns are carried out regularly with targeted lists. This process can require an investment of some \$25,000 over a year or two.⁷⁴ As James Patterson, publisher of *Canadian Dimension* magazine, puts it: “Despite the digital age, direct mail has a solid rate of return, better than the internet can ever offer. I think about it like this: if I had to spend \$20,000 but got \$14,000 of it back this year it’s not great that I lost \$6,000. But I got 450 (a 2.25% return rate) subscribers who really liked my letter, so what if half of those subscribed again because they like my magazine? I’d probably break even in the second year and by the third year those 225 remaining subscribers would begin to create profit.”⁷⁵ He makes the important point that renewal rates for those subscribers can be 80 percent or even higher, providing a longer-term reliable stream of revenue that expands the subscriber base. This is crucial for *Shameless*.

73 <http://www.canadapost.ca/web/business/solutions/direct-marketing/direct-mail.page>.

74 Patterson, James. Email to the author.

75 *ibid.*

However, because *Shameless* cannot afford the upfront costs of direct mail at this time, the magazine should start with a subscription drive carried out as a series of eblasts, or an email campaign. The first step is to buy or trade for an email list from a magazine with a similar readership, such as *Worn*, *Herizons*, or *Canadian Dimension*. If these periodicals will rent parts of their lists – certain postal codes, for instance – the expense can be reduced even further. Use of the lists might require some negotiation, as most magazines limit the number times the lists can be used. *Shameless* would do well to negotiate for two uses, staged over a period of twelve months, so that follow-up emails can be sent. The email messages can be sent using Campaign Monitor, an electronic newsletter service that charges \$27 to send out one email to a large list. A specially designed email invitation to subscribe, with a donation option included, would result in a modest increase in subscriptions, and the process would yield information on how to plan a larger, broader campaign when it is feasible. To some extent the size and scope of that future campaign will depend on the results of the pilot email campaign – the extent of funds donated, for instance.

When *Shameless* is in a position to become a member of Magazines Canada, it can participate in joint projects. For example, Magazines Canada can bundle *Shameless* with other magazines in subscription deals through direct mail campaigns at a much lower price than *Shameless* would have to pay on its own.⁷⁶ The base fee for membership in Magazines Canada for *Shameless* is \$500 annually.⁷⁷

2. Subscription renewals

It is recommended:

- **that *Shameless* undertake a regular renewal campaign;**

⁷⁶ “Direct Marketing Campaign,” Magazines Canada.

⁷⁷ Membership Kit. Magazines Canada.

- **that *Shameless* track results of each renewal effort in order to improve fulfillment and to maximize results of future renewal campaigns.**

The magazine must establish a continuing renewal campaign strategy, using email and print enclosures in mailed issues to keep costs down. A three-effort or a two-effort strategy is required. Because *Shameless* publishes three issues per year, a three-effort renewal campaign suggests that a renewal appeal would go out with the very first issue of *Shameless* that a subscriber receives. A better strategy is to send an email renewal notice after a subscriber has received the first issue. Either way, the email address of the subscriber must be a required field in the online order page, with the choice to opt out of receiving the newsletter.⁷⁸

3. Analytics and Formats

It is recommended:

- **that *Shameless* keep a database or spreadsheet tracking newsstand sales to covers, content, time of year, and concurrent promotion or publicity;**
- **that *Shameless* encourage app sales.**

Newsstand sales are declining, even for large Canadian magazines like *Chatelaine* and *Maclean's*.⁷⁹ As noted above, *Shameless* newsstand sales have dropped from an approximate 40 percent sell-through to almost a 20 percent sell-through in four years. Magazine staff need to have a close understanding of this and other

78 Currently, that is not an option: <http://www.shamelessmag.com/subscribe/>.

79 Laurantaye, "Canadian magazines sales slip in 2nd half of 2011."

trends, to understand what portion of the reduced sales are specific to *Shameless* and what portion are a result of wider magazine readership trends. Keeping specific data on single-copy sales and factors that might affect them (content, cover art, time of year, concurrent promotion activities, etc.) will assist *Shameless* in creating strategies for newsstand sales. In addition, the existing app for *Shameless* must be aggressively promoted. Magazines Canada's FactBook, published in 2012 and showing new trends in accessing online content, revealed that the gap between time spent reading on mobile apps and the web had widened to 94 minutes versus 72 minutes respectively. This study also shows that 9 percent of magazine readers reported buying a magazine app and 14 percent planned to do so.⁸⁰ This information highlights the importance of apps to the magazine's sustainability. *Shameless* must monitor the numbers carefully as reading technology and readers' habits shift.

B. Sales of Advertising

Increasing advertising revenue is never easy. However, *Shameless* has an audience that some advertisers want to reach. Ideally, *Shameless* would undertake an ambitious program of testing and experimenting to find appropriate advertisers and sponsors. Meanwhile, there are some first steps that can be taken toward increasing sales of advertising.

4. Co-operation with advertisers/sponsors

It is recommended:

- **that *Shameless* approach selected advertisers and/or sponsors for themed issues.**

80 Digital Magazine Fact Book. Magazines Canada.

Consistent with the editorial calendar that *Shameless* has organized for the coming year, the publisher and editorial director should approach selected potential advertisers that offer goods or services related to the theme of each issue. *Shameless* should also consider working with advertisers on sponsored content. In future years, and even in the current year, on a simplified basis, editorial content can be shared with potential advertisers/sponsors in the ad kit that goes out to all prospects. Editorial planning and ad kit development can be coordinated to really engage advertisers in the product and audience that *Shameless* speaks to.

5. Reader Survey

It is recommended:

- **that *Shameless* conduct a new readership survey to learn more about its readers.**

The last readership survey was conducted in 2011, so the magazine needs a new survey for 2014. This survey will support advertising sales, content direction, and subscription sales, and it will enhance audience-building activities such as launches, silent auctions, and other fundraising parties and workshops, as well as supplementary merchandise.

6. Special ad kit for the 10-year anniversary

It is recommended:

- **that *Shameless* design a custom ad kit celebrating the 10-year an-**

niversary, including one-time offers for both new advertisers and long-time supportive advertisers.

In the interest of building new relationships with advertisers and strengthening existing ones, the magazine should design special celebratory 10-year-anniversary advertising offers.⁸¹ These might include print-online bundle deals, bonus banner ads, terrific prices for six-issue contracts, and similar deals. The aim is to entice new advertisers and consolidate relationships with existing loyal ones, rather than to reduce the magazine's margins:

C. Donations

7. Donor relations

It is recommended:

- **that *Shameless* establish a donor recognition strategy and grow the donor list.**

Establishing a series of rewards for sustaining donors is essential to retaining donors and encouraging new ones. In addition to an email thank-you and a handwritten thank-you card sent by mail, *Shameless* should consider offering gifts or perks, appropriate to each tier. Donors who give \$100 a month might be given an original piece of *Shameless* art when they sign up, and donors who give \$50 a month might receive a complimentary gift subscription (as well as their own subscription), or a special rate on multiple subscriptions. All donors should be publicly recognized in the magazine and on the website, with the option for anonymity.

81 See current ad kit in Appendix 2.

This strategy can be coordinated with the subscriber direct mail effort (see Recommendation 1), or be deployed simultaneously to double efforts to bring new attention to the magazine. Results of these early activities must be carefully tracked and analyzed, building a strong foundation for a larger, more detailed private funding strategy for the future.

D. Public Funding (Grants)

In addition to the value that increased circulation will bring to the potential for grant revenue, *Shameless* can make other efforts to meet eligibility criteria.

8. Access to grants

It is recommended:

- **that *Shameless* ascertain details of eligibility for Canada Council for the Arts and Ontario Arts Council grants;**
- **that if necessary, *Shameless* consider balancing editorial content to meet the literary eligibility criteria for grants.**

Other Canadian magazines whose main articulated mandate is not literary or cultural receive arts funding. Therefore, *Shameless* must speak directly to literary officers at both councils to confirm that the content mix disqualifies the magazine, and, if so, to identify ways to meet the requirements of an eligible editorial mix.

9. Writers' and artists' fees

It is recommended:

- **that *Shameless* pay writers modest fees for work published in each issue and online.**

The 100-percent volunteer policy at *Shameless* disqualifies the magazine from many opportunities. A payment structure should be developed, after consulting like-minded small magazines who pay modest fees; for example, *THIS* and *Broken Pencil*. In addition to improving access to grants, there are many good reasons to pay writers. It fosters good author-publisher relations, it generally enhances the reputation and credibility of the magazine, and it supports a position that cultural workers should get paid for what they do.

C O N C L U S I O N S

Shameless magazine has the editorial capacity to be the best magazine in its category. The staff is devoted, engaged, and professional. A shortage of revenue, and a lack of consistent attention to the business side of the magazine, have severely limited its potential. Given its minimal resources and all-volunteer staff, *Shameless* can begin by focusing maximum effort on a few essential revenue streams, and collecting basic information to enable, enhance, and develop those streams in a slow, steady growth pattern. When these key streams have achieved momentum, the magazine will see a change in its financial security and will be able to stabilize its future footing in the Canadian small magazine landscape.

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APPENDIX A: Mission Statement

Retrieved from: www.shamelessmag.com/about

Shameless is an independent Canadian voice for smart, strong, sassy young women and trans youth. It's a fresh alternative to typical teen magazines, packed with articles about arts, culture and current events, reflecting the neglected diversity of our readers' interests and experiences. Grounded in principles of social justice and anti-oppression, *Shameless* aims to do more than just publish a magazine: we aim to inspire, inform, and advocate for young women and trans youth.

Shameless strives to practice and develop an inclusive feminism. We understand that many of the obstacles faced by young women and trans youth lie at the intersection of different forms of oppression, based on race, class, ability, immigration status, sexual orientation, and gender identity. As a grassroots magazine, we are committed to supporting and empowering young writers, editors, designers and artists, especially those from communities that are underrepresented in the mainstream media.

Proudly independent, *Shameless* is a grassroots magazine produced by a team of volunteer staff members.

shameless

Shameless magazine, the fresh alternative to typical teen media, has been covering issues that matter to young women and trans youth for seven years. *Shameless* has been praised for not talking down to readers. It's a trusted friend and co-conspirator: a teen magazine that makes girls and trans youth feel good about themselves.

Shameless magazine publishes the work of emerging artists and writers across Canada. We provide content for youth who often feel marginalized by mainstream media: trans youth, youth of colour, queer youth and youth with critical minds.

Our magazine is also distributed in high school libraries as well, meaning that our readers have access to our printed magazine even if they haven't yet subscribed. (See page 3 for print rates.)

SHAMELESS ONLINE

Each month *Shameless* gets over 13,000 unique visitors to our blog. We cover contemporary topics from what's happening in upcoming elections, to body politics, to media critiques, and so much more. During the last municipal election in Toronto Ontario, our blog attract over 7,000 hits to a single post about the mayoral race. People are listening to *Shameless*!

SHAMELESS NEWSLETTER

Because our print magazine is published three times a year, *Shameless* is starting a newsletter project to keep delivering our incredible content to our readers year round. In addition to the blog, *Shameless* mails out a dedicated newsletter to readers, straight to their email, beautifully designed, with original content, interviews with writers and activists, and event listings.

“Publications like [Shameless] are so important and it’s great to see a magazine that so accurately represents the voices of young women and encourages and inspires them to speak up.”

***—Jane deacon, editor
Kingston publications***

“[Shameless] deals with real issues — important stuff — not how to flirt... this is a magazine for real girls.”

***— Shannon, 14
Regina, Saskatchewan***

Your magazine is a true work of art and intellect.”

***— Ashling, 14
Cambridge, Ontario***

Thank you for creating such a life-altering magazine!”

***— Esther, 15, Holyrood,
Newfoundland***

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SHAMELESS READERS

Our readers' survey showed us a few things about *Shameless* readers that you might like to know:

***Shameless* readers are online!** 75% of our readers shop online, buying clothes, books, and shopping at independent craft stores (like Etsy).

***Shameless* readers are interested in pursuing education.** 80% of readers who filled out our survey are pursuing a post-secondary education. Many of them are already students. *Shameless* proudly maintains a high school audience, with many of our readers still finishing up secondary school.

***Shameless* Readers are conscious consumers.** 43% of our readers live a vegan or vegetarian lifestyle.

***Shameless* readers work hard!** 51% of our readers are working full or part time. (Keeping in mind, that many of our readers are students!)

***Shameless* readers love *Shameless*.** 70% of our readers who subscribe to the magazine save their issues when they've finished reading it.

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COLOUR

	SINGLE AD	2 ADS 10% DISCOUNT PRICE PER AD	3 ADS 15% DISCOUNT, PRICE PER AD
OUTSIDE BACK COVER	\$1 730	\$1 557	\$1 470
INSIDE FRONT COVER	\$1 320	\$1 188	\$1 122
INSIDE BACK COVER	\$1 150	\$1 035	\$977

BLACK AND WHITE

	SINGLE AD	2 ADS 10% DISCOUNT PRICE PER AD	3 ADS 15% DISCOUNT, PRICE PER AD
FULL PAGE	\$1 090	\$981	\$926
1/2 PAGE	\$630	\$567	\$535
1/3 PAGE	\$520	\$468	\$442
1/4 PAGE	\$460	\$414	\$391
MARKETPLACE	\$60	N/A	N/A

ONLINE

	SINGLE AD	ACCEPTED FILE FORMATS: TIFF, PDF, JPEG
NEWSLETTER	\$200	<p><i>The advertiser is responsible for the quality and contents of any supplied artwork. All prices are in Canadian dollars. The Publisher reserves the right to refuse to publish any ad that is in contraction with the Shameless mandate</i></p>
PREMIUM WEB BANNER (30 DAYS)	\$200	

AD SPECS

	WIDTH	HEIGHT	RESOLUTION	COLOUR	BLEED
OUTSIDE BACK COVER	8.125"	10.875"	300ppi	CMYK	+ .25"
INSIDE FRONT COVER	7.2917"	9.5764"	300ppi	CMYK	N/A
INSIDE BACK COVER	7.2917"	9.5764"	300ppi	CMYK	N/A
FULL PAGE	7.2917"	9.5764"	300ppi	BW	N/A
1/2 PAGE	7.2917"	4.7083"	300ppi	BW	N/A
1/3 PAGE	2.3125"	9.5764"	300ppi	BW	N/A
1/4 PAGE	3.5625"	4.7083"	300ppi	BW	N/A
MARKETPLACE	2.3069"	2.9069"	300ppi	BW	N/A
WEB BANNER	728 px	90 px	72dpi	RGB	N/A
NEWSLETTER	728 px	90 px	72dpi	RGB	N/A

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www.shamelessmag.com