

PROFIT DECREASES FOR POPULAR PUBLISHING COMPANY



A popular publishing company is currently dealing with a decline in profit from the months of July-September in 2011. The popular publishing company is the Meredith Corporation, most commonly known for being the publisher of popular magazines such as Family Circle and Better Homes and Gardens. The major publishing corporation has recently reported that there has been a decline in profit and the amount of income received has decreased for the first quarter of the year.

The Meredith Corporation typically earned close to \$22 million dollars from the months of July to September in the year of 2011. While this amount may still seem very high, in the period of July to September in 2010, the corporation was earning close to \$26 million. The corporation is currently dealing with a \$4 million dollar decrease compared to last years earnings.

While the decrease in profit can be discouraging for the corporation, the analysts were actually expecting a significantly higher decrease in the amount of money earned from the period of July to September. The advertising revenue for the corporation decreased by about \$20.5 million dollars. In 2010, revenue earnings were at an average of \$204.8 million and in 2011, the revenue earnings are now at \$184.3 million. Revenue has been decreasing for magazines and publishing corporations for magazines partly due to the Internet. The Internet is just as resourceful and sometimes more resourceful than magazines. Many people are now using information on the Internet instead of purchasing these magazines that are being published by the Meredith Corporation. Advertisers have started looking elsewhere and will often post their ads onto online websites instead of pages of magazines in hopes of gaining more attention.

The economy is also partly to blame for the decrease in profit for the Meredith Corporation. Because the economy has gone downhill since 2007, and the United States is in a major recession, many major companies have had to make serious changes to their budgets as a means of survival. There are signs of progress for the recession which means that the earnings for the Meredith Corporation may increase in years to come. However, it can take some time for things to return to normal.

The Meredith Corporation is the publisher for popular magazines and also runs some local stations on television. The revenue from television stations has even decreased by about nine percent. The corporation believes that the decline in earnings for the television stations is partly due to the fact that it is not an election year. With elections coming in 2012, there is potential for the Meredith Corporation to earn more revenue from the television stations. However, that is to be determined in the upcoming months.