

## NEWSWEEK LOSES STRUGGLE TO REMAIN RELEVANT IN INTERNET ERA: TO CLOSE SHOP BY YEAR END



For eight decades, Newsweek was a regular in American homes, bring to them news about the week that had just passed and telling them in profound tones, what to expect in the foreseeable future. It was considered to be a competitor, a plucky challenger to the more esteemed Time magazine and the rivalry between both enriched the publishing folklore of American journalism. Well, the battle has ended as Editor Tina Brown and President Baba Shetty have announced that the end of the year will also mean the end of the printed version of the magazine and that come 2013, there will be no more Newsweek but just a global digital edition. In a memo to the staff, they wrote, "Ch-changes. Newsweek Global, as the all-digital publication will be named, will be a single, worldwide edition targeted at highly mobile, opinion-leading audience who want to learn about world events in a sophisticated context." The transition period began a couple of years back when Newsweek, struggling to make ends meet, had a new owner in Sidney Harman, who purchased it from the Washington Post Co. Harman merged it with the Daily Beast, a news website backed by Barry Diller. Harman passed away last year and Diller became sole in charge. Earlier this year Diller had made it clear that investments on the magazine this year would be considerably less than the previous years and the decision to eliminate the magazine by the end of the year was a distinct possibility. Newsweek was reportedly losing between \$ 20 million and \$40 million every year and Diller said that he was no longer interested in underwriting the amount. He made it clear that he was not a sentimentalist when it came to business and anything that did not work out was cast out without compunction: "Sell it, write it off, go on to the next thing." However, even though purging the print edition would plug the financial hemorrhaging, it would also lead to cut in staff, which was something that the magazine was reluctant to do, but had little choice over. Brown and Shetty said, "Regrettably we anticipate staff reductions and the streamlining of our editorial and business operations both here in the United States and internationally. More details on the new organizational structure will be shared individually in the coming weeks and months." The all-digital version of the magazine will be called Newsweek Global and will be run on a paid subscription model. The management said that saying goodbye was an extremely hard thing to do. "We realize news of a big change like this will be unsettling. We wish to reassure you the transition is well planned, extremely mindful of the unavoidable impact on our staff and respectful of our readers, advertisers and business partners." With its rivals unable to stand the heat, Time magazine will be the last title to stand in print.