

# Slim chance of a 'white knight' riding to rescue



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Irish Times building

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A recent encounter with an Irish Times staffer made for a sobering experience. Usually a bon viveur with the optimism of a Leaving Cert student heading to Magaluf, this Irish Times veteran couldn't hide their melancholy. Asked how the mood was in the grand old institution that is the Irish Times, they reflected momentarily, cast their eyes down and after a short pensiveness, looked up and replied: "Like the Mary Celeste."

Taking into account any subjectiveness by our journalistic colleague, matters do appear to be coming to a head - and quite swiftly.

There has been increasing speculation that the [Irish Times](#) is in need of a 'big beast' philanthropist to bolster its finances and preserve the trust that owns the company.

The print media, despite the naysayers, is doing well, but only where restructuring and rigorous cost-cutting have been implemented, something that has yet to impinge on the cost base of the Irish Times.

The recent decision of editor Kevin O'Sullivan to stand down and the departure last year of some key executives, indicates the first tentative steps towards a reorganisation to save the paper and preserve the trust - enforcing

managing director Liam Kavanagh's message that "if we don't make a profit we won't exist".

The 'paper of record' has only been marginally profitable over the last five years - 40pc of its readership is online and continuing efforts to get more of them to pay for it are running into consumer resistance.

It would seem that if a 'white knight' is called in the trust will be kaput and some of the harsher realities of commercial life may apply.

Adding to the problems for new editor Paul O'Neill is the fact that the London Times is to publish an Irish edition, which can only lead to confusion at the news stands. The two companies have already fought a High Court battle because of confusion over digital brand titles.

Staff are expecting O'Neill to start wielding the axe on headcount. The general gloominess at the Tara Street offices is not helped by the sense of being under siege from digital advertising, which has grabbed up to 50pc of the total advertising market.

The latest circulation figures also show that the Irish Times sold an average of just over 66,000 copies a day in the second half of 2016, down almost 8,000 or 11pc on the second half of 2015.

Average daily circulation has fallen by 42pc from 114,000 copies since the first half of 2009.

*advertisement*



The Irish Times is particularly vulnerable to the increasing proportion of advertising going online as, traditionally it had been far more dependent on advertising revenue than most of its main competitors. Lucrative property and jobs advertising revenue allowed the Irish Times to rack up annual profits of over €20m during the Celtic Tiger era.

Advertising revenue at INM, the publishers of this newspaper, was €63.9m in 2016. This was the equivalent of about 36pc of its newspaper revenues (excluding distribution and contract printing). State broadcaster RTE recorded €110m of advertising revenue in 2015, the last year for which figures are available, 33pc of its total revenues (including €179m from the TV licence). Unfortunately the Irish Times doesn't publish a breakdown of its newspaper-related turnover, claiming that to do so "would be seriously prejudicial to the interests of the Group". However, industry sources believe that it represents a much higher proportion of total sales than at most of its rivals, perhaps 50pc or more.

The IAPI, which represents advertising agencies, calculated that total billings through its members were worth €639m in 2015. However, a large chunk of advertising, both on and off-line, is booked directly by the advertiser and so isn't included in the IAPI figures.

Newsbrands Ireland reckons that of the €154m spent on newspaper advertising last year, €60m or almost 40pc was placed directly with its members. This €60m figure would include everything from death notices to planning permission applications.

Unfortunately the IAP figures for digital advertising don't break out agency spending from direct advertising.

However, most digital advertising, particularly with Google and Facebook, doesn't go through traditional agencies. This means that the total Irish advertising market is worth about €1bn annually. Which means that the Irish Times is swimming against the digital tide.

All of which goes some way to explaining the pessimism of our bon viveur friend. It also makes it very hard to envisage a charitable 'white knight' with very deep pockets coming to the rescue.

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## Three-quarters in highest pay bracket are men

**Niall O'Connor** Less than a quarter of the highest-paid staff at RTÉ are women, according to the last gender-balance breakdown provided by the national broadcaster.

RTÉ director general Dee Forbes will be asked to appear before TDs and senators to explain what RTÉ is doing to tackle concerns over

## RTÉ chief faces grilling by TDs on gender salary balance and finances

**Cormac McQuinn** RTÉ director general Dee Forbes is to be grilled by an Oireachtas committee on gender pay balance and the broadcaster's finances when the Dáil reconvenes in the autumn.