

(8.4)

9.49.437

MEMORANDUMConfidential

To: Mr. N. S. Hibshman

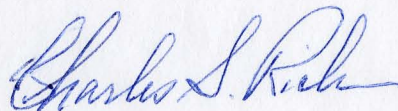
March 19, 1962

From: Charles S. Rich

As a matter of interest, I believe the mechanical costs of producing ELECTRICAL ENGINEERING are lower than the mechanical costs of producing the Proceedings of IRE notwithstanding that they have an invested interest in the press. A favorite method among publishers of comparing mechanical costs is on the basis of the cost per page per thousand copy pages.

Attached are the calculations. Detailed costs have been taken from their financial statement for the fiscal year 1960 and the number of pages produced from the Report of the Secretary for 1960. Our costs have been taken on the basis of financial statement for the fiscal year ending April 30, 1961.

As I am uncertain of the number of copies produced, I have assumed that in the year 1960 they produced between 85,000 and 95,000 copies. This seems like a safe assumption from their trend of membership growth curve and the fact that they were advertising last fall that they were printing 93,000 copies. Extending our costs to their quantities of 85,000-95,000 copies, we would come out with costs of \$1.97 per page per thousand copy pages, \$1.86, and \$1.76 respectively. Our costs would even be somewhat lower than shown in the calculations because lockup and makeready costs on the web press have been added in twice by the method employed. To take out the lockup and makeready costs would be a long involved calculation concerning some 72 webs per year.



Charles S. Rich

CSR:sg

Att.: Calculations

COMPARISON OF MECHANICAL COSTS OF PRODUCING
ELECTRICAL ENGINEERING and PROCEEDINGS OF IRE

	<u>Electrical Engineering</u> <u>Fiscal Year Ending</u> <u>April 30, 1961</u>	<u>Proceedings of IRE</u> <u>Fiscal Year Ending</u> <u>Dec. 31, 1960</u>
Avg. No. of copies produced	67,608	90,000
No. of editorial pages	1,108	2,325
No. of advertising pages	756	2,485
No. of paid adv. pages	608	
Cost of Editorial pages	\$145,679	\$430,403.80
" " Adv. "	96,601	435,676.69
	<u>\$242,280</u>	<u>\$866,080.49</u>

Comparative costs based on	<u>85M</u>	<u>90M</u>	<u>95M</u>
entire magazine			
Cost per page per M copies = \$1.936	\$2.12	\$2.00	\$1.899

$$\frac{\$242,280}{1864 \times 67.6} = \$1.936$$

$$\frac{\$866,080}{4810 \times 90} = \$2.00$$

	<u>Advertising</u>	<u>Editorial</u>
Postage	\$ 8,254	\$ 18,429
Printing & Binding	54,301	41,429
Text & cover paper	34,046	46,708
Wrappers & envelopes		6,997
	<u>\$96,601</u>	<u>\$113,563</u>
		96,601
Total Incremental Cost @ 67.6M		<u>\$210,164</u>

$$\frac{\$210,164}{67.6} = \$3,110 \text{ per M}$$

$$\$3,110 \times (90 - 67.6) = \$69,600$$

$$\frac{\$242,280 + 69,600}{\$311,880} = \frac{311,880}{1864 \times 90.6} = \$1.86$$

If AIEE Print Order had been 90M
in 1960, costs would have been as follows: $\frac{85M}{\$1.97}$ $\frac{90M}{\$1.86}$ $\frac{95M}{\$1.76}$

*P.S. The above costs are entirely mechanical without
any salaries or rent as it is not believed the
IRE figures contain any salaries or rent allocation.
CSR*

		Readership of Electrical Engineering Basis 6 Months Survey Returns								
IRE Member Order		AIEE Member Order	Dec	Nov	Oct	Jan	Feb	Mar	Totals	Percent Readership
			128	107	91	130	131	138	725	
1	Proceedings	4	28	21	20	18	24	33	144	20%
2	Electronics	2	32	19	22	20	34	38	165	23%
3	Electronic Design	3	28	20	21	22	31	25	147	20%
4	Electronic Ind.	8	12	8	12	14	19	24	89	12%
5	Elec. Engg.	1	81	104	66	101	104	107	563	78%
6	Electronic News									
7	Electro-Tech.	7	23	15	14	15	17	11	95	13%
8	Control Engg.	5	13	16	18	29	24	29	129	18%
9	Automatic Control	6	14	11	16	17	21	24	103	14%
10	Elec. Equip. Engg.	9	16	7	11	8	9	13	64	9%

A second group of electronics engineers was asked to mention the electronics publications they read regularly (no names were supplied to them). Proceedings of the IRE again ranked first, with Electronics creeping past Electronic Design for second place; but while Proceedings maintained almost the same percentage of reader mentions (90% for unaided recall, as against 91% with the names of publications supplied), each of the other publications lost much ground.

In this same portion of the survey, 32% of the electronics engineers claimed they spent 2 hours and more reading Proceedings; only 8% spent 2 hours or more on Electronic Design, with other well-known publications falling even farther behind.

MENTIONS OF PUBLICATIONS READ

(Unaided Recall)









List of 10 Publications Rating Highest

RANK	PUBLICATION	PERCENT OF READER MENTIONS
1.	PROCEEDINGS OF THE I.R.E.	90%
2.	ELECTRONICS	48%
3.	ELECTRONIC DESIGN	46%
4.	ELECTRONIC INDUSTRIES	26%
5.	ELECTRICAL ENGINEERING	16%
6.	ELECTRONIC NEWS	16%
7.	ELECTRICAL MANUFACTURING	12%
8.	CONTROL ENGINEERING	10%
9.	AUTOMATIC CONTROL	10%
10.	ELECTRONIC EQUIPMENT ENGINEERING	10%

TIME
SPENT
READING
AN ISSUE

RANK	UP TO 1 HOUR	1 TO 2 HRS.	2 HRS. & OVER
1.	26%	14%	32%
2.	16%	12%	4%
3.	18%	10%	8%
4.	8%	6%	4%
5.	6%	0%	4%
6.	8%	2%	0%
7.	6%	2%	2%
8.	4%	2%	2%
9.	6%	2%	0%
10.	6%	0%	2%

a comparison of circulations and rates

PUBLICATION	CIRCULATION		PAID?	WHO? Major groups receiving the publication	PAGE RATE		RATE per M
	(June 30 '61)				1x	12x	
ELECTRICAL DESIGN NEWS 	40,647	No	19,475 aircraft, missile, audio, com- munications, radio, TV, guidance instruments, controls test equipment 4,501 computers, business machines 3,185 components, subassemblies 4,276 makers of elec.-controlled machinery & equipment 4,800 consultants, research labs 2,754 government 2,419	1,105	980	24.11	
ELECTRICAL EQUIPMENT 	43,973	No	23,096 electrical machinery, equipment, supplies 7,192 machinery, except electrical 3,473 transportation equipment 1,099 professional, scientific, & controlling instruments 2,554 chemicals & allied products; primary metal industries	885	810	18.42	
ELECTRONIC DESIGN 	37,944	No	17,611 aircraft, accessories, missiles, audio, communications, radar, radio, TV 6,903 instruments, control, test equipment 3,591 computers, analyzers, business machines 4,136 component parts, sub-assemblies, material 1,863 consultants, labs 3,220 government	1,205	1,090*	28.73	
ELECTRONIC EQUIPMENT ENGINEERING 	41,029	No	20,919 aircraft, guided missile, controls, navigation detection, communications, radio, TV 6,702 instruments, measuring & test, controls 4,992 computers 4,803 components, accessories 1,175 independent & non-profit labs 1,767 government 2,461 sighting & fire control equipment	960	890	21.69	
ELECTRONIC INDUSTRIES 	57,729	1,548 pd. \$10 56,181 free	28,973 aircraft, missile, accessories, marine, audio 3,902 instruments, control & test equipment 3,466 computers, analyzers, business machines 6,592 components parts, etc. 6,567 users of electronic equipment 2,908 consultants, labs 1,207 distribution 3,296 government & military	1,122	1,032	17.88	
ELECTRONIC NEWS 	43,593	\$3	14,750 aircraft, missile, detection, navi- gation, guidance, communications, radio, TV, instruments, test equipment, controls, computers, business machines, industrial & medical equipment 7,628 components, sub-assemblies, hardware & materials 4,822 users of electronic equipment 3,754 independent research & development 3,523 distribution 1,988 service & installation 2,379 government & military 1,279 educational & students	772.80*	655.20	15.03	
ELECTRONICS 	52,721	\$6	22,406 aircraft, missile, guidance, detection, communications, instruments, test equipment, controls, computers, industrial & medical equipment 4,238 components, sub-assemblies, hardware 8,023 users of electronic parts or equipment 4,286 independent research & development 1,497 service and installation 5,962 government & military 3,308 educational & students	1,205	1,145*	21.72	
Proceedings of the IRE 	75,725†	\$9 mem- bers \$18 non- mem- bers	37,915 aircraft, missiles, navigation, guidance, detection, communica- tions, radio, TV, instruments, test equipment, controls, computers, industrial & medical equipment 5,834 components & hardware, sub- assemblies, material 4,837 users of electronic equipment 7,916 independent research & development 1,291 service and installation 1,331 distribution 8,784 government & military 4,126 educational & students	1,200	960	12.68	

* 13-time rate

† plus a bonus of 16,235 science students at 4-year degree colleges (They pay \$5 each).