

BusinessWeek

**GROWING THE FRANCHISE**

BusinessWeek, a preeminent provider of business analysis, products and services, reaches a global audience of more than 5.8 million readers. Building on its 75-year history, BusinessWeek's priorities for 2005 include enhancing its position in core markets, expanding into attractive non-core markets through partnerships and joint ventures, and exploring new distribution channels.

BusinessWeek's key growth initiatives in 2004 included launching BusinessWeek SmallBiz in the U.S. and expanding BusinessWeek FashionWeek from Europe to Asia. In 2005 BusinessWeek will launch two local-language editions in Arabic and Russian to complement current editions in Chinese, Polish, and Bahasa for Indonesia. BusinessWeek Research Services was also developed in 2004 to provide research services to its current advertising clients and capture non-advertising marketing revenue.

BusinessWeek became the first major consumer magazine to initiate dual circulation audits in 2004 in an effort to encourage

the magazine industry to embrace technology and move to a system of better, faster disclosure. Business Publication Circulation (BPA) joins Audit Bureau of Circulations (ABC) in auditing BusinessWeek's circulation data.

**North America Advertising Pages**

2000-2004 Year	Pages	2004 Quarter	Pages	% of Year
2004	3,163.54	1Q	603.78	19%
2003	3,034.66	2Q	874.49	28%
2002	3,333.13	3Q	595.82	19%
2001	3,785.95	4Q	1,089.45	34%
2000	6,005.60	<b>Total</b>	<b>3,163.54</b>	<b>100%</b>

Source: Publishers Information Bureau (PIB)

**Top Advertising Categories, 2004**

Category	North America Edition		Europe Edition		Asia Edition	
	Revenue	% of 2004 Total	Revenue	% of 2004 Total	Revenue	% of 2004 Total
High Tech	\$128,103	35.0%	\$5,290	24.0%	\$3,852	21.4%
Finance/Insurance	63,656	17.4%	2,203	10.0%	1,331	7.4%
Automotive	36,578	10.0%	404	1.8%	1,215	6.8%
Industrial Materials	19,204	5.3%	2,045	9.3%	1,229	6.8%
Corporate*	18,447	5.0%	2,411	10.9%	1,270	7.1%
Consumer**	16,172	4.4%	919	4.2%	501	2.8%
Travel	15,790	4.3%	1,595	7.2%	2,895	16.1%
<b>Major Ad Categories</b>	<b>297,950</b>	<b>81.5%</b>	<b>14,867</b>	<b>67.5%</b>	<b>12,293</b>	<b>68.4%</b>
<b>All Others</b>	<b>67,611</b>	<b>18.5%</b>	<b>7,168</b>	<b>32.5%</b>	<b>5,690</b>	<b>31.6%</b>
<b>Total</b>	<b>\$365,561</b>	<b>100.0%</b>	<b>\$22,035</b>	<b>100.0%</b>	<b>\$17,983</b>	<b>100.0%</b>

Sources: Publishers Information Bureau (North America), Competitive Media Reporting (Asia and Europe)

\* Corporate not elsewhere classified for NA

\*\* Jewelry and watches for Europe and Asia

**Advertising Rates, 2005**

	N. America Edition <sup>1</sup>	% change vs. 2004	Europe Edition <sup>2</sup>	% change vs. 2004	Asia Edition <sup>2</sup>	% change vs. 2004	BW/China Edition <sup>3</sup>	% change vs. 2004
Rate Base	970,000	—	109,076	-2.0%	80,244	-4.2%	110,000	10.0%
4-Color Page Rate	\$106,500	3.1%	\$21,500	5.4%	\$15,500	4.4%	\$9,000	3.4%
B/W Page Rate	\$72,000	3.0%	\$14,500	5.0%	\$10,500	7.3%	\$13,400	3.1%

Note: Rate bases for Europe and Asia editions are equal to respective circulation figures as of Dec. 2004

**Print Subscription Rates, 2005**

	N. America Edition <sup>1</sup>	% change vs. 2004	Europe Edition <sup>2</sup>	% change vs. 2004	Asia Edition <sup>2</sup>	% change vs. 2004	BW/China Edition <sup>3,4</sup>	% change vs. 2004
Single Copy	\$4.95	—	Country specific	—	Country specific	—	10 RMB	—
Annual Subscription	\$59.97	—	\$109	—	\$90	—	120 RMB	—
3-Year Subscription	\$119.97	—	\$327	—	\$180	—	—	—

**Average Paid Circulation (12/31/2004)**

	N. America Edition <sup>1</sup>	% of total	Europe Edition <sup>2</sup>	% of total	Asia Edition <sup>2</sup>	% of total	BW/China Edition <sup>3,4</sup>	% of total
Subscription	956,851	97.1%	97,725	88.7%	73,999	91.7%	—	—
Single Copy	28,664	2.9%	12,433	11.3%	6,688	8.3%	—	—
<b>Total</b>	<b>985,515</b>	<b>100.0%</b>	<b>110,158</b>	<b>100.0%</b>	<b>80,687</b>	<b>100.0%</b>	<b>105,069</b>	<b>100.0%</b>

<sup>1</sup> Published 50x a year

<sup>2</sup> Published 45x a year

<sup>3</sup> Published 12x a year

<sup>4</sup> Paid/controlled (06/2004)

## EXTENDING THE *BUSINESSWEEK* BRAND

*BusinessWeek* has evolved and expanded over its 75-year history by delivering news and analysis in the frequency and format its audience requires. It has grown to include daily online news stories and a weekly television program and will continue to meet the evolving needs of both information users and advertisers.

### Print

*BusinessWeek* magazine

- Global Editions: North America, Europe, Asia
- Local-language Editions: China, Poland, Indonesia
- Demographic Edition: Manufacturing, Technology and Logistics
- Special Sections and Directories

*BusinessWeek SmallBiz*

*BusinessWeek FashionWeek* Supplement (Europe, Asia and China)

### Online

*BusinessWeek Online*

- Channels: *BusinessWeek* magazine, Top News, Investing, Global Biz, Technology, Small Biz, B-Schools, Careers
- *MBA Insider* (subscription-only premium service)

*BusinessWeek Digital*

Delivers the magazine to the desktop by e-mail

### Television

*BusinessWeek TV*

A nationally syndicated, weekly personal finance program

*BusinessWeek Business Reports*

Provides daily business information that is aired by local television stations

### Investor Education

Live workshops

1-on-1 coaching via telephone

Website subscription

Advanced courses (live and home-study)

Alumni workshops

### Ancillary

Conferences

Custom Events

Licensing

Custom Publishing

Reprints

Research Services



## Enhancing *BusinessWeek* in Core Markets: Small Business

- Successfully launched *BusinessWeek SmallBiz* magazine in 2004; won prestigious Neal Award for “Best Start-up Publication”
- *SmallBiz*’ frequency doubled to four issues in 2005 (spring, summer, winter, fall) from its initial launch of two issues in 2004 (controlled circulation: 500,000)
- *BusinessWeek Online*’s *SmallBiz* channel incorporates content from the magazine plus service-oriented content and tools such as success stories, online polls, and Smart Answers – an online “ask the expert” feature

## Delivering a Daily, Interactive Experience through *BusinessWeek Online*

- *BusinessWeek Online* delivers a daily, interactive experience through a powerful combination of online tools and real-time content including daily columnists, videos, polls, blogs, and Really Simple Syndication (RSS) feeds
- Focused on growing user- and advertiser-based revenue opportunities
- Compared to 2003, page views in 2004 increased 5% to 21 million and unique users increased 9.6% to 3 million



## Expanding Television Opportunity

- *BusinessWeek TV* is a weekly, personal finance and personal business program about earning, preserving, spending, and investing money. The program reaches 80% of all U.S. television households and is cleared in 141 out of 210 markets on a number of networks (mostly ABC)
- *BusinessWeek*’s *Business Reports* are daily, local news inserts providing television news teams with business information “live” from Wall Street
- *BusinessWeek*’s “Economia Review” on EuroNews and “BusinessWeek Asia” on STAR World provide a weekly roundup of important global stories from a business perspective with insights into the people, companies, and technologies changing the world of business

Business-to-Business Verticals

**LEADING INFORMATION PROVIDERS TO KEY GLOBAL INDUSTRIES**

The McGraw-Hill Companies' B2B verticals enhance the value of their industry-leading brands by leveraging their capabilities and infrastructure to best meet the needs of their customers and by examining opportunities in related markets. The B2B verticals have significant expertise in migrating product lines from traditional print- and ad-based business models to electronic- and subscription-based

business models. These business models leverage the latest technology to help markets and business networks function more effectively. They also use technology to deliver the tools and the timely, reliable, must-have information that customers need to increase business productivity. The verticals share a platform for leveraging best practices to drive overall unit efficiency and effectiveness.

**McGraw-Hill Construction**

McGraw-Hill Construction, a leading provider of information and intelligence solutions to the \$4 trillion global construction industry, helps design and construction professionals make better business decisions and grow their businesses. A trusted source for more than a century, McGraw-Hill Construction continues to be the industry standard for news, trends, analysis, and forecasts.

**McGraw-Hill Construction Network®**

McGraw-Hill Construction's content is the industry standard for building product manufacturers, contractors, distributors, and suppliers. Comprising the largest, most comprehensive database of more than 600,000 construction projects, McGraw-Hill Construction Network delivers an online, integrated information solution to manage business opportunities and workflow, including its new *Bid Management* module.

**McGraw-Hill Construction Product Marketplace**

The Product Marketplace connects architects, engineers, contractors, owners, and facility managers to building product manufacturers and their representatives globally. The Product Marketplace offers more than 61,300 building products from more than 10,000 building product manufacturers and reaches more than 500,000 end users – 87% of whom consider it their primary resource for product information.

**McGraw-Hill Construction Media**

McGraw-Hill Construction's industry-leading, award-winning publications profile major projects around the world and report and analyze critical business trends. *Architectural Record*, *Engineering News-Record*, *Design-Build*, *Constructor*, 12 regional construction publications, and *My House* for residential building, reach more than 1 million industry professionals. It also provides the industry-leading portal, [construction.com](http://construction.com)

**McGraw-Hill Construction Research and Analytics**

McGraw-Hill Construction's industry research, analysis, trends, and forecasts are based on more than 35 years of data in 3,000 counties and 22 market sectors. Customers use this data and research to benchmark competitive position, measure market share, reduce risk, and make more profitable decisions. The U.S. Department of Commerce also uses this data to calculate the "Value Put in Place," a component of the U.S. GDP.

**Platts**

Platts is the world's leading provider of essential energy information. For nearly a century, Platts has enabled energy markets to work efficiently and with integrity, and has helped individual market participants to make more profitable decisions. Platts' services help thousands of companies across many industries confidently support billions of dollars of transactions each year. Markets rely upon Platts as an unbiased, objective, and accurate source of essential information.

**Energy Pricing and Risk Management**

Platts offers historical, real-time and forward price assessments, and market analysis of energy and metals commodity markets delivered via electronic channels, newsletters, market reports, and databases. Platts' risk management solutions support portfolio hedging decisions, and provide independent assessments for auditing compliance purposes.

**Energy Data and Analytics**

Platts' Data and Analytics products support operational and strategic planning decisions related to the U.S. utility industry. Platts helps customers value power plant assets, benchmark against the competition, forecast energy prices, understand their customers and sales prospects, evaluate capital investment decisions, and support regulatory requirements.

**Energy Conferences**

Platts is the leading global provider of executive-level energy conferences that cover a broad range of topics and encompass state-of-the-art thinking in market fundamentals, operations, business development, and finance. Platts' premier energy conferences, such as Global Power Conference, and the prestigious Platts' Global Energy Awards have become major events for the energy industry.

**Aviation Week**

Aviation Week serves the global aviation, aerospace, and defense industries. More than one million industry professionals look to Aviation Week for industry news and analysis, data and analytics, and forecasting and marketing solutions. Customers include the world's leading aerospace and defense manufacturers, suppliers, airlines, militaries, and governments and agencies. Aviation Week delivers its proprietary content to customers via print, e-mail, and secure Internet access.

**Publications**

- *Aviation Week & Space Technology*
- *Business and Commercial Aviation*
- *Overhaul & Maintenance Magazine*
- *Aviation Week ShowNews*
- *World Aviation Directory & Aerospace Database*
- *International Aviation* (Chinese-language joint venture)
- *Air Transport Observer* (Russian-language joint venture)
- *Aviation Daily*
- *Aerospace Daily & Defense Report*
- *The Weekly of Business Aviation*

**Intelligence Services**

- Aviation Week Intelligence Network with Smart Links
- [AviationNow.com](http://AviationNow.com)

**Strategic Media/Events**

- Conferences & Exhibitions
- Custom Media
- Training and Professional Development
- Television & Video

## McGraw-Hill Construction

### New Marketplace

#### Expansion into Residential Construction

Leveraging the breadth and depth of its content and editorial excellence, McGraw-Hill Construction recently entered the residential market with the launch of *My House*, a national network of regional magazines and information resources to serve high-end homeowners and the design and building professionals who bring homeowners' dreams to life.

*My House* establishes a unique new resource that bridges "shelter" and "builder" media categories by serving all of the important decisionmakers in a homebuilding or renovation project: the homeowner, the architect, the builder, and the interior designer.

The first title in the network, *My House in the Mountain States*, debuted in Colorado, Utah, Wyoming, Idaho, and Montana in 2004. Additional *My House* editions will follow in other regions of the country over the next three years.

### Value-Added Solutions

#### McGraw-Hill Construction Network®

The McGraw-Hill Construction Network is the core product development platform for all future business development. The Network provides an online, integrated workflow solution for building product manufacturers, contractors, suppliers, and distributors.

McGraw-Hill Construction Network recently launched its *Bid Management* module – an online, embedded workflow tool that automates the bid management process, thereby saving contractors time and money. It is one example of how McGraw-Hill Construction continues to serve its customers' needs and help them work faster and smarter. Modules for owners and designers, among others, are planned for the future.

## Platts

### New Marketplace

#### Leveraging the Core

Platts' energy solutions support decisions affecting thousands of industry participants each day. Platts is continuously in touch with market makers around the globe, and is deeply embedded in customer business processes and decision support technologies. Platts leverages this position to develop unique perspectives on how to better meet customer needs and capitalize on emerging market trends. For example, Platts has positioned itself to facilitate and participate in the growth of developing energy markets including emissions and liquefied natural gas (LNG), and in fast growing regional markets like Russia and China.

### Value-Added Solutions

#### Leadership in Benchmarks and Transparency

As a market leader, energy industry participants look to Platts to set standards for creating fair and efficient markets. Platts continuously introduces innovative methodologies to improve the reliability and value of its price assessments. Platts' price assessments are used by major energy exchanges to clear trades and as industry benchmarks to price contracts.

## Aviation Week

### New Marketplace

#### Aviation Week Intelligence Network and AviationNow.com

The Aviation Week Intelligence Network (AWIN) links news and analysis with data and analytics through database searches and "smart links" to provide a tool that subscribers can use for decision support, planning, and business development. AWIN adds substantial value for users in small-, mid-, and large-sized companies seeking to target commercial and military aerospace opportunities and enables them to build on the base of large corporations and government agencies using AWIN.

AviationNow.com has increased the number of articles from its publications to provide a broader range of the latest developments in aviation, aerospace, and defense. The site's premium content is now available on a pay-per-article basis or through monthly or annual subscriptions.

### Value-Added Solutions

#### 360° Information and Marketing Solutions

Aviation Week is focused on providing total solutions for its customers' information and marketing needs. Aviation Week delivers decision-support and business development information through its publications and electronic services. It connects aviation, aerospace, and defense marketers with their customers through advertisements in print publications, electronic services, and custom media. Face-to-face marketing opportunities through conferences and exhibition sponsorships are also provided.

J.D. Power and Associates

**LEADING PROVIDER OF MARKETING INFORMATION SERVICES**

J.D. Power and Associates, founded in 1968, provides an independent source of marketing information to consumers and businesses worldwide. Today, J.D. Power and Associates' quality and customer satisfaction ratings and market research are recognized worldwide as industry performance benchmarks. By creating insight and value for its clients, J.D. Power and Associates' "must have" information has made it a part of the operational fabric at many of the world's major companies.

J.D. Power and Associates is the leading provider of marketing information services for the global automotive industry. More than 30% of its revenue comes from a strong and growing presence in other important industries, including finance, insurance, healthcare,

homebuilding, telecommunications, and energy. More than 20% of the revenue is generated by international operations.

J.D. Power and Associates does not review, judge, or test products and services itself. The firm's annual syndicated studies are based on actual customer satisfaction survey responses from millions of people around the world.

Brand recognition is high. Approximately 70% of U.S. consumers are aware of the J.D. Power and Associates name. Among those consumers, nearly 80% agree that J.D. Power and Associates is a credible source for quality information.

**Core Services**

J.D. Power and Associates offers five core services designed to help companies integrate the voice of the customer into their operations:

- **Syndicated Research:** Industry-wide customer satisfaction performance benchmark studies that are funded by J.D. Power and Associates to maintain credibility and objectivity. The results of the studies are sold to companies within the industries, and highlights of the results are published for consumers on a website ([www.jdpower.com](http://www.jdpower.com)) and in news releases.
- **Proprietary Research:** Company-specific tracking studies to monitor quality and customer satisfaction over time.
- **Power Information Network (PIN):** This is one of the most extensive retail sales transaction databases in the automotive industry. PIN's electronic tracking system gathers daily point-of-sale transaction data for new and used light vehicles. Over 250 observations are recorded for each vehicle transaction, including price, costs, profit, lease, and trade-in value. PIN's real-time information transforms the vehicle-specific data into business

analysis tools to help manufacturers optimize incentives and inventory management. Retailers can evaluate gross profit margins, monitor used car sales, and the advertising effectiveness of the dealership.

- **Brand Licensing:** Using a proven methodology and rigorous analysis, top-performing companies are identified and receive a J.D. Power and Associates Award of Excellence. These companies can enter into a licensing agreement to advertise the award. Extensive media coverage, coupled with fee-based ad claims, has helped to build the J.D. Power brand without requiring additional advertising or marketing expenditures.
- **Performance Improvement Consulting and Training:** Leverages longitudinal databases and identifies best practices from across industries to help companies bridge the gap between customer expectations and customer satisfaction for product development and sales/service.

**2004 Awards of Excellence**

Here is a sampling of awards J.D. Power and Associates presented to top-performing companies in 2004 for quality and customer satisfaction.

Customer Service with Dealer Satisfaction Study  
**Lincoln**  
Rental Car Satisfaction Study  
**Enterprise**  
Internet Service Provider Residential Customer Satisfaction Study  
**Earthlink**  
Syndicated Residential Cable/Satellite TV Customer Satisfaction Study  
**Dish Network**  
U.S. Wireless Mobile Phone Evaluation Study  
**Sanyo**

Wireless Customer Care Performance Study  
**T-Mobile**  
National Homeowners Insurance Study  
**Amica**  
Home Mortgage Study  
**USAA**  
Full-Service Investor Satisfaction Study  
**Legg Mason**  
Online Trading Investor Satisfaction Study  
**Scotttrade**  
Copier Customer Satisfaction Study  
**Imagistics**  
Digital Camera Satisfaction Study (\$200-\$399 and \$400-\$500 price range)  
**Kodak**  
Audit Firm Performance Study  
**Grant Thornton**

Electric Utility Business Customer Satisfaction Study  
**MidAmerican Energy in the Midwestern U.S.**  
Electric Utility Residential Customer Satisfaction Study  
**Southern Company in the Southern U.S.**  
Global Airport Satisfaction Study  
**Hong Kong (HKG) for Large Airports**  
North America Hotel Guest Satisfaction Index Study  
**Four Seasons Hotels and Resorts for Luxury Hotel Chains**  
New Home Builder Customer Satisfaction Study  
**Pulte Homes, Platinum Award for Excellence in Customer Satisfaction Among the Largest Home Builder Corporations**  
Japan Printer Satisfaction Study  
**Fuji Xerox**



**Award of Excellence:** Each year, J.D. Power and Associates presents more than 300 awards to top-ranking companies that excel in quality and customer satisfaction. J.D. Power and Associates awards are referenced in an average of 600 local cable or national network television advertisements and more than 100 print advertisements every day across the United States. Public awareness helps industries set performance benchmarks and enables consumers to make more informed buying decisions.