

I attended the Swish presentation yesterday and came back to work and advised Qld newsagents to wait until we have legal advice before signing up with these people.

Their concept is quite good and they certainly make it sound as if it will lift sales in newsagencies. The fellow presenting, Craig, has quite a history with media advertising and with the music industry (in the field of music rights for musicians) through Swish Amped.

The concept is realtime digital signage advertising, using the BXP large screens. It will be state based (ie the information will be relevant to each particular state) and will display the time and weather for whichever region it is in. It will have two 'tickers' running along the base of the screen (same as when you are watching a morning show on TV and you see the latest headlines scoot across the bottom of the screen). These 'tickers' will display the up-to-date news headlines and the special in-store offers available.

The screen will be advertising latest 'covers' of magazines just out as well as information as to what will be in the new issue of any particular magazine they advertise. It will also show front page and major news from the states main newspapers.

They claim that it will reduce the amount of Point of Sale needed to be used in a newsagency (this is ridiculous as newsagents need to display product and point of sale throughout their store not just at the front counter).

They also claim it will entice people to buy more newspapers (not if the news is "breaking" as that will not appear in a paper until the following day).

They say it reduces in-store clutter and will stop staff members having to alert customers as to what they have 'new' in their store. (I personally think that all staff must be part of the 'up-selling' process to maximise sales)

They claim that it will reduce the carbon footprint and lastly improve sales.

They say that they currently work with the Pharmacy Guild with 860 chemists and have for the last few years (Stan tells me that he has spoken to the Pharmacy Guild on Tuesday and they stated that they have parted ways. (Last night I asked Stan to clarify this)

When questioned about the use of the BXP large screens they said "there is no legality in using them in the interim" they have been in talks with the BXP administrators and are trying to access who actually owns the equipment. They stated 'confidentially' that if the owners of the screens want them back "and this is highly unlikely because of the cost involved" then they would purchase the equipment and 'gift' them back to the newsagents.

They also stated that it makes "no difference in the terms of settlement of the finance contract and that whether or not the screens are working doesn't matter".

The only people they will be targeting will be those with the big screens. Their offer will be 'open ended' and 'purely provisional'

They will provide the router & cable and pay for the internet connections and the cost of fitting the screens into the position they feel will be most beneficial. If newsagents are not happy after a month they will come and take it out and 'make good'.

There is no contract for newsagents but also no monetary return.

When questioned as to what return the newsagents would get for giving them valuable space in their shop they stated that the newsagent would get increased sales! I stated that all too often schemes that are offered to newsagents take our valuable space but give us nothing. We pay rent on all space in our stores and should be compensated at least for that, let alone earn healthy commissions for acting as their sales people/retail outlet.

They also had another offer which was a form of greeting card. They say both offers are separate and either/both can be chosen by newsagents who have the large BXP screen.

This second offer is a greeting card which, wrapped in cellophane, and has a 12 digit code and instructions on how to use it. The receiver of the greeting card goes to a website "Keecard" and uploads 12 songs to their MP3 player, iPod etc etc. The gift is a card and the music. These cards are sold on consignment and retail at \$19-95. The newsagent would receive only \$6-00 of this sale.

They are a smaller size card and they say they will take up less space but they say that they must be positioned near the front of the shop for security reasons (prime space, prime rent). They come in a 'kit' of 100 cards and new cards can be ordered over the internet when paying for those already sold.

They will have a 'bonus points' scheme where every card sold will earn one point and when the newsagent reaches either 500 or 1000 points they can redeem these for cash/ fuel vouchers/ coffee machines to the \$ value of the points earned. It will be aimed at youth and elderly who need to buy gifts for youth but don't know what to get them.

They will be exclusive to newsagents for 18 months, must have 1500 newsagents selling them and giving good return to keep exclusivity.

They intend to trial this in October 2008 and roll out in Nov 2008. (I doubt if they would get Hallmark to advertise on their screens when the greeting card side of the offer is direct competition)

Basically they are testing the market before they enter much like 7Eleven. They do not want to pay for using the newsagent channel and feel that they are offering us enough. They are trying to take the opportunity to use the screens and certainly make it all sound wonderful and could not understand my skepticism as to the 'right' of use.

I stated that I worried that if newsagents were to use these screens they would be mitigating their case against the finance company. The fact that newsagents' are not able to use the BXP equipment strengthens their case against paying out their contracts. They didn't want to hear this and said that they had had legal advice that stated it would be ok to do this.

I asked if they had approached any of the suppliers, magazine companies, and newspaper publishers to see if this was attractive to them. The answer, no – they are waiting to see the response from the newsagents.

So, in fact they have nothing to offer newsagents except a good idea, but it has no substance and may cause newsagents' trouble where the screens are concerned. I know horse before cart etc. but this would need a lot more thought and negotiation to take place with both newsagents and suppliers before it would get off the ground.