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NEWSXPRESS EXPLAINS WHAT IT OFFERS NEWSAGENTS AND WHY IT MATTERS

Company: newsXpress Pty Ltd ABN 98 098 073 833

Australian owned: Yes.

Years in operation: 14 years.

Number of employees: 13

Based in: Melbourne, Australia, operating nationally with directors and employees located in five states.

Main products offered: Management, marketing & product sourcing assistance to newsagents.

Number of businesses served: 202.

Website: www.newsxpress.com.au.

newsXpress is a newsagency marketing group. We provide marketing assistance, management advice, supplier deals, business planning support and a range of other services to newsagents in businesses of any size and in any location. In this document we put in writing what we do for newsXpress members. By putting this in writing we demonstrate you can hold us to account.

The most important service provided by newsXpress is the **optimism** it builds with members and those who work for them:

- optimism in a bright future, that **you can change your business**
- optimism that **you can overcome road blocks**
- optimism that **you can enjoy your newsagency business**
- optimism that you can **make your business asset more valuable.**

On these pages you will read about what we offer now to help build your optimism in your business and to build optimism of those who rely on your business.

HISTORY

newsXpress was founded in 2001 by three Queensland newsagents to provide a brand under which they could trade to satisfy landlord requirements. In the early years, the group focused on marketing. It had one employee. With the retirement of two founding shareholders in 2005, Graham Randall was joined by Mark Fletcher as 50/50 partners, a situation that remains today.

In 2005, with 35 members, the group decided to embark on a plan of national expansion seeking more locations and more suppliers as partners. With its expansion plans, newsXpress expanded its structure to include merchandise experts, marketing skills, finance resources and in-store business management advisors.

OUR TEAM TODAY

To assist newsXpress members, the group has a team of people working for it. Here are the roles and the structure we offer:

- **DIRECTORS:** Graham Randall & Mark Fletcher. They set overall direction of the group including policy, strategic planning and high-level member business assistance.
- **CEO:** Mark Fletcher.
- **FINANCIAL CONTROLLER:** Derek Yu. Manages newsXpress financials, supplier central billing and corporate store accounts.
- **ADMINISTRATION:** Julia Harris. Manages communication channels, member admin, supplier admin.
- **MARKETING:** Laura Sharp. Manages seasonal and other marketing campaigns. Provides local store marketing assistance.
- **MERCHANDISE MANAGERS:** Jennifer Searle and Anthony Suta. Sourcing new suppliers. Negotiating deals and opportunities with suppliers. Leveraging exclusivity for newsXpress members. Product buying advice/service for members. Trade show tour guiding.
- **RETAIL DEVELOPMENT MANAGERS:** Michael Elvey, Belinda Christophersen and Renee Navarro. Providing in-store advice, training and fresh-eyes insights to newsXpress members and their employees through structured regular visits lasting several hours each visit. Each RDM has practical retail business management experience.
- **NATIONAL SALES MANAGER:** Pete Francis. Acquiring new members for the group.
- **WESTERN AUSTRALIAN SALES MANAGER:** Lynn Martin-Brown. Acquiring new members for the group in WA and training them on engagement.

The entire newsXpress team is available to all members on the phone, at trade shows, conferences, regional meetings, via email and in-store by appointment.

Many on the team have multiple skills and offer assistance beyond their defined role with the group. For example, most of us have visual merchandising experience and can offer suggestions on how to drive sales through more strategic shop floor displays.

CURRENT MEMBERSHIP

newsXpress currently serves 202 newsagency businesses around Australia. We are a broadly based group, serving different types of newsagencies. The current membership breakdown by type of business is as follows:

- Shopping centre: 30%
- Suburban high street: 40%
- Regional / rural: 30%

The situation and size of a business is not a factor for us in considering a newsXpress membership application. Our focus first is on the person and their desire to run a profitable, enjoyable and locally connected business. Size does not matter. We have seen small businesses become the most valuable in an area by engaging with newsXpress opportunities, streaking ahead of a much larger poorly run newsagency nearby.

The membership breakdown by state/territory is:

- Queensland: 63.
- New South Wales: 48.
- Australian Capital Territory: 4.
- Victoria: 46.
- Tasmania: 6.
- South Australia: 14.
- Western Australia: 17.
- Northern Territory: 4.

We are in the middle of expansion so please check with us for current membership numbers.

IS THERE ONE BIG THING A NEWSAGENT CAN DO TO FIX THEIR BUSINESS?

No. Anyone who says they have the next big thing for newsagents, the one thing they can do to save their business or make massive amounts of money for the business is wrong. There is no one thing, no silver bullet, you can do to turn your newsagency business around.

Valuable and sustained success for newsagents comes from many small steps. We call it our *small steps strategy*. Many small steps we guide you to take compound to success – not all of them as some will not work for you but as they are small steps they come at a small cost. This is one feature of the strategy. We don't outline before you join all the small steps because that would be giving too much away. Also, many steps require access to newsXpress exclusive deals as well as in-store training and other support that is only available to newsXpress members.

SO HOW CAN A NEWSAGENT TURN THEIR SITUATION AROUND?

newsXpress has plenty of experience in turnaround situations. While we will not reveal details of our strategy here, we note that it takes time, commitment, honest communication and a wish for change. We start by understanding the truth of a situation. We dig deep into the business data to get to the facts. This provides a basis for advice we provide.

Our turnaround work can consist of as little as suggestions on changes or as much as developing a comprehensive long-term plan. Each situation is different – hence our position that a turnaround starts with understanding the situation of the business and the business owners.

Our turnaround work includes work in the following areas of a newsagency business:

1. **New Traffic.** Helping you to attract more shoppers. newsXpress has just launched *Shopper Traffic Strategies for 2015/16*, a confidential insights report with practical advice.
2. **Return visits.** Helping you engage strategies to bring shoppers back sooner.
3. **Higher efficiency.** Helping you reconfigure the business to get shoppers buying more items.
4. **Higher gross profit.** Helping you increase sale prices and bring in higher GP products.
5. **Lower costs.** Helping you reduce overhead costs.
6. **Fewer mistakes.** Helping you make better quality business decisions including inventory buying decisions.

WHAT IS IMPORTANT TO US?

By understanding what is important to us you can discover what we focus on for newsXpress members. Here are the top things we think are important:

- **Change.** Change is inevitable. Chasing it and owning it allows you more control over it.
- **Data.** Good business data can help reveal trends. newsXpress has been first with advice to reduce exposure to fads such as loom bands and kinetic sand, for example.
- **Trends.** Being first with a trend drives traffic and profit. newsXpress has a history of being first with pop culture, fashion and collectible trends.
- **Brands.** Brands support newsXpress and member businesses. We put brands first and leverage their support.
- **Networking.** We love to see and hear newsXpress members talking with each other, sharing experiences and insights. Great ideas have been discovered on a shop floor.
- **The journey.** We prefer to focus on the steps we take today rather than where we might be tomorrow because we know in small business, in retail and in newsagencies, tomorrow is an unknown. We focus on what we know and the next step we will take.
- **New traffic.** We chase products and opportunities to drive new traffic, people you do not usually see in your business – ideally, new traffic that will return.
- **Gross profit.** We think you can make more from items you sell today as well as sell with a higher than average (for a newsagency) gross profit.

WHAT DOES NEWSXPRESS DO?

This is the most important question we can be asked as it goes to the heart of what we do for newsXpress members. In this answer you will find the value of newsXpress membership, details of what you will be able to access for your business. You will be able you determine if the benefits you could gain would be worth the membership fee expected of you. [Here is everything newsXpress offers included in the low monthly fee:](#)

1. **Seasonal marketing.** A pack of A1 double sided colour posters for signposting each season plus digital versions for you to print as well as to use on Facebook and other social media sites. We cover: Valentine's Day, Easter, Mother's Day, Father's Day, Halloween and Christmas.
2. **Traffic driving catalogues.**
 - a. We run four major ink catalogues each year. You can opt in as they are not mandatory. In addition to the catalogues delivered to homes we have A1 posters, shelf labels for products and digital material for social media promotion.
 - b. In partnership with selected suppliers we offer other catalogue opportunities for gifts and homewares for those who want to participate.
3. **Exclusive to newsXpress seasons.** We provide A1 posters for Dog season, Cat season, Thank You season in the 2015 / 16 year and more seasons to follow.
4. **Sourcing products for the seasons.** To make the most of promoting major and newsXpress specific seasons we provide access to supplier deals and offers

5. **Social media marketing collateral.** Away from major seasons our marketing team provides resources for specific products and suppliers to help you make a professional pitch on Facebook.
6. **Local store marketing collateral.** Our collateral pack includes several A1 double sided colour posters making a shop local pitch. This is backed by digital resources for local printing and use on social media.
7. **Access to 127 preferred suppliers.**
 - a. 50 of our preferred suppliers deal only with newsXpress in the newsagency channel. This is a valuable point of difference.
 - b. 52 new suppliers have been added in the last year. We have a structured and transparent process for considering a supplier. This includes direct engagement with our members on potential suppliers.
 - c. 35 suppliers were dropped over the last year. This is done following a review of their engagement and member engagement with them. We do not keep on board a supplier to maintain numbers, the relationship must be valuable.
 - d. Preferred suppliers offer a discount off genuine wholesale (not an inflated wholesale to fund your discount).
 - e. Other newsXpress preferred supplier benefits can include free freight, some exclusive lines, early access to product ahead of other retailers.
 - f. Some offer central billing meaning you don't have to open an account.
8. **Gross profit growth strategy.** Through supplier relationships, our in-store training, our marketing advice and other engagements we help you pursue higher than average gross profit. Our approach is structured and single-minded in its focus – your gross profit.
9. **Supplier problem resolution.** We represent members on supplier related issues. Through a structured escalation process we help members resolve issues they themselves have been unable to receive.
10. **Access to exclusive products.** Many of our suppliers offer access to exclusive product enabling newsXpress members to get in first. We back this with insights and advice to make the most of such opportunities.
11. **Practical product buying assistance.** Our merchandise team will create orders for you based on an assessment of your business data. You can then decide whether to proceed with the orders. This service is especially useful when starting out with a supplier for the first time.
12. **New traffic opportunities.** We introduce you to product lines you have never contemplated before and train you in how to buy, how to display, how to promote and how to bring those shoppers back.
13. **How to sell more expensive items.** One of the most common questions from newsagents is *how can I sell items over \$20?* newsXpress has training and advice for achieving this and many success stories showing this work.
14. **Strategic business management advice.** Planning for the future can be challenging. newsXpress senior management consider local and international trends and share insights on opportunities you can include in your own business planning.

15. **Regular in-store management and fresh-eyes store advice.** Our Retail Development Managers visit on a regular basis, usually once every eight weeks. They provide advice based on what they see working elsewhere as well as feedback and suggestions on what they see in your business. Our RDMs are not sales people. Their sole goal is to help you make more money and enjoy your business more.
16. **Team member training.** We provide newsXpress exclusive training videos for your employees.
17. **HR / Employee advice.** newsXpress employee assist is a telephone help line providing free access to HR resources and advice on wage rates and other employee matters.
18. **Regular regional member meetings.** Held in capital cities and regional centres around the country, these sessions offer members excellent networking opportunities as well as opportunities for learning and raising issues of their own.
19. **Two national conferences a year.** Offering excellent learning, networking and buying opportunities. newsXpress offers funding to assist with travel thanks to the generosity of our suppliers.
20. **Loyalty program.** We have three different loyalty programs available for members. You choose what is right for you. We back these with training, support and transparency as to value and performance.
21. **In store radio.** We have an in-store radio strategy that is free.
22. **Search engine advice.** We have exclusive advice and support on how to ensure your newsXpress business is easily found on Facebook and via Google, especially on mobile phones. The Retailers Association says 70% of shoppers use online search when buying.
23. **Magazine range help.** We work directly and confidentially at senior levels of the distribution companies to help you achieve fairer, more equitable supply.
24. **Exclusive magazine offers.** We have several exclusive offers each year from opportunities to pre-order new titles through to exclusive gifts with purchase to drive sales.
25. **A live 24/7 un-moderated secret forum for newsXpress members.** This is a place of inspiration, venting, learning and fun.
26. **A live 24/7 un-moderated forum for all who work in newsXpress stores.** This is an excellent place of learning for your employees.
27. **Lease advice / assistance.** From advice on how to handle a landlord matter through to direct representation, newsXpress offers lease assistance. This is useful for large and small businesses.
28. **Regular visual merchandising tips.** We publish best-practice photos for your team members to learn and follow – and to help you drive sales.
29. **A weekly email with tips, advice and deals.** Every Monday morning. Packed with insights, information, advice, feedback and news. Designed in a way to save you time. Available by email and on Facebook.
30. **Advice sheets.** newsXpress has more than 100 advice sheets offering training and advice on all manner of topics about newsagency management.
31. **A monthly deals envelope.** Packed with deals printed for you to peruse at your leisure.

32. **Support.** If your business is in financial trouble we help with advice and the development of a plan to turn the situation around. This help includes advice and assistance on tax and other regulatory matters.
33. **Listening.** We provide a sounding board on any issue, business or personal. As part of our community we care for you as we would a family member.
34. **More.** We do more than this, often in response to specific requests from members. Our service is committed, energetic and confidential where necessary.

WHAT ABOUT MAGAZINES?

All of us at newsXpress believe magazines continue to play an important role in newsagency businesses. We leverage key relationships to drive fair supply for our members and to achieve access to offers and opportunities around which we can drive good commercial outcomes for newsXpress members.

We help our members walk the path or transition. By this we mean we help you make what you can from magazines while also finding replacement traffic within your business as magazine traffic declines, which it is and will continue.

WHAT IS MANDATORY FOR NEWSXPRESS MEMBERS?

The only requirement is that at least 75% of your card department is allocated to Hallmark. This does not include spinners on the floor. Many of our member locations are 100% Hallmark and they report excellent year on year growth.

WHAT DOES NEWSXPRESS MEMBERSHIP COST?

Monthly membership is \$295.00 or \$395.00 a month including GST depending on the term you choose – 5 or 3 years.

WILL I PAY MORE FOR STOCK IF I JOIN NEWSXPRESS?

No.

ARE DIFFERENT NEWSXPRESS MEMBERS TREATED DIFFERENTLY?

No, all members are treated the same with all having access to the same deals at the same time and all paying the standard same fees.

HOW ARE THE NEWSXPRESS DIRECTORS INVOLVED IN NEWSXPRESS ON A DAY TO DAY BASIS?

The Directors of newsXpress are directly involved in the group day to day as well as running their own newsagency businesses. Their advice and support comes from personal current newsagency ownership and management experience.

From lease advice to management advice to strategy, the Directors of newsXpress are a key resource for members. Their contact details are freely available and they are active at newsXpress conferences and meetings.

HOW BIG WILL NEWSXPRESS GROW?

We used to think we would cap our membership at 250 newsagencies. Now, we think it will be more than that but we cannot say how much more. It all depends on our capacity to serve our members well. What we do know is that we will not take on board anyone. We want members committed to what we believe in, members who sign on for the newsXpress journey.

WHO CAN JOIN?

Anyone can join newsXpress regardless of size of location. Our key criteria are: a desire to grow your business, focus on creating your newsagency of the future, local community engagement, a desire to network with proactive newsagents, living the glass half full mantra (as opposed to half empty).

newsXpress is not for everyone. If you think you have all the answers, if you want exclusive deals just for you, if you don't like sharing your experiences, if you don't want to hear what others think or if you think your business today does not need change then we are probably not a good fit for you or your business.

HOW DO YOU JOIN NEWSXPRESS?

You complete an application form and submit this with a signed licence agreement and signed disclosure statement. These are available from our sales team. The application is assessed and a decision made within five working days.

WOULD YOU LIKE TO KNOW MORE ABOUT NEWSXPRESS?

- Call our National Sales Manager Peter Francis on 0423 298 020.
- Call our WA Sales Manager Lynn Martin-Brown on 0412 665 822.
- Call newsXpress Director Mark Fletcher on 0418 321 338.
- Call newsXpress Director Graham Randall on 0419 711 153.
- Watch one of our newsXpress marketing videos: <http://youtu.be/XO6xjTCFZwE>

WHY DOES NEWSXPRESS MATTER?

We offer newsagents a pathway to a competitive future. Based on thorough research outside the channel and consideration of business performance data from within the channel, newsXpress offers newsagents opportunities through which they can expect to enjoy their businesses more and make them more valuable.

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