



Kable Distribution ServicesSM
a division of Kable News Company, Inc.

Connections

Winter 2001/2002 Issue *Highlights*

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Kable Distribution ServicesSM
641 Lexington Avenue
New York, NY 10022

Dear Business Partner,

As the years pass, companies, ideas and even people have a way of coming in and out of style – what’s hot today is no sooner written off as yesterday’s news. It’s only those rare incarnations that are not afraid to evolve with the times – to embrace new challenges – that survive the erosion of values, structure and initiative which so often line the path to failure.

As Kable approaches its 70th anniversary, it is clear that we are anything but a passing fad. By building bridges wherever possible, the company is united and exploring new realms, most recently with the launch of Newsstands Online. But while taking new steps outward has certainly become our *modus operandi*, much of Kable’s driving strength is derived from the people who make our success a reality.

This includes the folks at all levels and aspects of the company – from fulfillment and distribution to online initiatives and creative consulting, both in the States and abroad. To better reflect the joint effort that has brought Kable News Company to its 70th successful year in business, all of Kable’s arms have come together – including systems technology, magazine and product fulfillment and single copy distribution. The strength derived from this unified front has *and will* make itself known in a variety of ways to our partners and clients, but none feel it so strongly as Kable’s own devoted employees. In this issue of “Connections” the unified voice will come across loud and clear, thanks to a redesign aimed at bringing you newsworthy bits from all sides of the company.

In these politically volatile times – when we hug our loved ones a little bit tighter – Kable News Company has shown itself to be a beacon of support to the victims and families affected by the unfathomable atrocities of recent months. Working in conjunction with Big Dog Publishing, Kable is raising money for the children forever harmed by the events of 9/11 through the sale of Kid Zone Magazine. Moreover, we have released a number of commemorative titles that document the disaster so that we never forget.

Yet for most of us, life goes on. It is in this spirit that Kable News Company forges ahead, working even harder to make a difference – to put a smile on the face of our clients and enhance our working relationships for the road ahead. In fact, Kable’s brand new state-of-the-art Pick and Pack facility in Rockford, IL affords Kable significant efficiencies and additional business opportunities. Read more about it on page 7. Newsstandsonline.com (NOL) is growing at an unprecedented rate, each month bringing more page views of single copy and subscription than the last.

Kable News Company thanks you for your infinite support and dedication. We look forward to working with you now, and in the future.

Warm Regards,

Michael Duloc, Chief Operating Officer
Kable News Company

New Titles



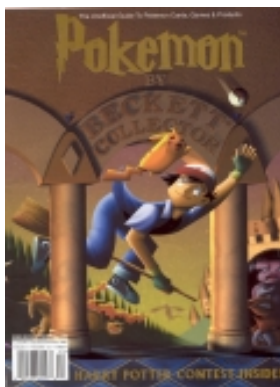
Under the parent title Model Airplane News, Air Age has just launched a new quarterly special entitled **Backyard Flyer (48120)** which will open up a whole new market for younger and less-experienced model airplane enthusiasts.

These models will be inexpensive to buy and maintain, as well as simple and fun to fly in a relatively small area. Launched October 9. Cover Price: \$4.99 U.S./\$7.50 CAN.

Are you ready for **YU-GI-OH (48247)**? Well hold on to your seats – this young boy turned super-powered hero is already a raging success in Japan. The premiere issue of this monthly title will make its newsstand debut in February. Priced at a \$4.99 U.S./\$6.99 CAN.

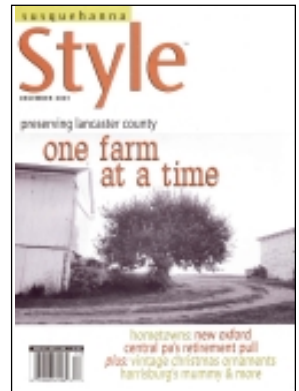


As if **Pokemon (48257)** wasn't popular enough, the November special will fly off the shelves as if by magic – thanks in no small part to the huge ground swell of media coverage of the Harry Potter movie release. With combined forces, there is no stopping these two! Launched: November 20. Cover Price: \$9.99 U.S./\$11.99 CAN.



Within the beautifully designed, glossy pages of **Lehigh Valley Style (47105)** magazine, the people of this magnificent region have finally found a suitable voice—one that represents the magnificence of the land and the warmth. The first KDS issue was released in October. Cover Price: \$4.50 U.S.

Susquehanna Style (47106) is the only publication that captures the magical beauty of Central Pennsylvania, as well as the hearts and minds of the people who call it home. It is the only publication residents of Central Pennsylvania need to make the most of their spectacular area. The first KDS issue was released in October. Cover Price: \$4.50 U.S.



Shooting Sports (47650) magazine, the newest release from the National Rifle Association, is proving itself to be an invaluable resource for the some 37,300,000 people who participate in shooting and hunting sports in North America. The magazine offers readers exclusive reports and reviews on the world's most innovative shooting equipment. The first KDS issue was released in October. Cover Price: \$2.99 U.S./\$3.99 CAN.



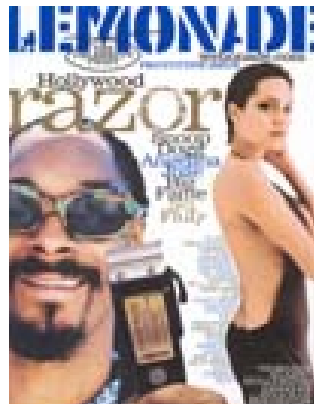
General Store Magazine (48353) is a brand new regional lifestyle publication designed to appeal to the discerning reader living in and around New Jersey, New York, southeastern Pennsylvania and southern New England. The first KDS issue was released in September. Cover Price: \$3.95 U.S.



New Titles

continued

Never thought you would see Angelina Jolie and Snoop Dogg sharing a cover? **Lemonade (47744)** is making headlines with its daring interviews, amazing photo spreads and gripping editorial. This is one lifestyle publication that is not to be missed. On-sale: January 15. Cover Price: \$4.99 U.S./\$6.99 CAN.



In addition to **Doll Crafter (47475)**, Jones Publishing, Inc. is bringing four new titles to Kable. **Doll Artisan (47465)**, **Doll Costuming (47466)**, **Doll Making (47469)** are all bi-monthlies, while **Popular Ceramics (47471)** is a monthly. Each publication is high quality with niche, specialty audiences and distribution.

Urban Latino magazine (47549), Artist and Idea Management, and Gallco Studios have announced that MetroTV, a regional cable channel in the NY area, will begin airing 13 original episodes of Urban Latino TV in March 2002. The magazine-lifestyle program will highlight the diverse elements of U.S. Latin culture with topics ranging from entertainment, sports and celebrity interviews, fashion, music, culture and more. Congratulations Urban Latino!

Better TV?

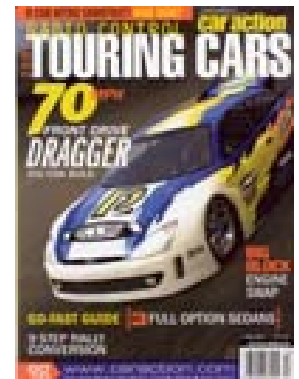
Well, *Better Investing TV*, at the very least. This brand new television series, slated to hit a tube near you in January, 2002, focuses on the core concepts of investing. The show, which focuses on real life people and concerns, will appeal to a broad audience. The Better Investing website, www.betterinvesting.com, will also prove to be an invaluable tool for those who are looking to increase their knowledge base on investing. Visitors can download transcripts, glossaries and other noteworthy tidbits — all at absolutely no cost.

Specials

Air Age Publishing has announced a JUST-ADDED Special to their normal roster of specials under this bi-monthly title's bipad, relating to the war in Afghanistan, and will be entitled **America's Air Power (48130)**. On-sale: January 15. Cover Price: \$5.99 U.S./\$7.99 CAN.

Under **R-C Car Action Series (47395)** readers can expect the following 2002 specials:

- **Buyers' Guide** (Spring): On-sale: March 12. Cover Price: \$9.99 U.S./\$14.99 CAN.
- **Monster Truck** (Summer): On-sale: May 14. Cover Price: \$5.99 U.S./\$8.99 CAN.
- **Touring Cars** (Fall): On-sale: July 9. Cover Price: \$5.99 U.S./\$8.99 CAN.



If you are a fan of **Dragon Ball Z (48259)**, then the Fall **Best of Dragon Ball Z** quarterly special under the same bipad will have everything you love about your favorite magazine – and more! The first KDS issue was released in September. Cover Price: \$9.99 U.S./\$11.99 CAN.



The KABLE WIRE

The Integrated AE system

The Integrated AE System is being developed to automate many of the tasks for which our Fulfillment Account Executives are responsible, e.g., defining, preparing, scheduling and executing jobs from start to finish. This system consists of six (6) applications that are explained below.

The Integrated Scheduling application (ISCH) automates the client’s master schedule. ISCH allows AEs to provide the client with a company-wide standard master schedule. This standard master schedule becomes the document for the client’s review and final approval. By loading each client’s master schedule, we have access to workload based on dates for individual processing areas. These areas include the Input Processing Center (IPC), IS Operations, Lettershop, and List Services.

The Integrated Tracking application (ITRA) Phase I has been completed. ITRA’s first phase provides a very simple, straight-forward system that simply captures date/time stamps for various operations as a job progresses through the various processing centers of the company. For ISELsm selection jobs we currently capture the date/time stamps for job submission, job start, job cancellation, job restart, job completion, and coupon counts. Date/time stamps are also captured as the AE releases lettershop worksheet/inventory requisitions to the Accounting or Lettershop queues, as Lettershop moves jobs (IJB) to the In-Process queue or returns (IJB) to the AE queue, job (IJB) cancellation, job (IJB) completion, and job (IJB) billed status. For non-ISELsm jobs we are limited to capturing the date/time stamps for job submission, job start, and job completion.

The Integrated Tracking application (ITRA) Phase II will expand on Kable’s internal tracking. This phase will provide for the generation of a company work-order form that will travel with the job through the various production processes. The work order form

will contain inventory information, print instructions, and bar-coded data. The bar-coded data identifies the job name, work order number, form code, and corresponding quantity. The bar-coded data will provide the print areas and Lettershop areas with input task completion information to the tracking system. The second phase will also provide various reports including standard time analysis.

The Integrated Inventory Job Requisition (IJB) and Integrated Selection (ISELsm) applications will be modified to allow for the implementation of a package code. The development of package codes to interface ISELsm to IJB and IJB to the Integrated Inventory (IINV) system via the component codes will give us the ability to automatically load the IJB requisition within the ISELsm jobstream. Under certain conditions the IJB can also be automatically released to the Lettershop.

The Integrated Pending Jobs application (IPEN) will pass the Integrated Schedule (ISCH) on a daily basis and identify all jobs scheduled for the next ten (10) working days. Key/master will be modified to interface with IPEN to assign corresponding key/master batch numbers and run flags. IPEN will also interface with ITRA to provide date/time stamps for steps required to prepare jobs for processing. A nightly schedule report will be generated for IS Operations.

The Integrated Text application (ITXT) provides Client Relations with the ability to define the layout of a coupon within the ISELsm application. This application allows for defining text, system mnemonics, and line-up information on a single screen. Special fonts including OCR, italicizing, bolding, and underlining are also provided. Within this application, the program will generate EZ-Letter code that will in turn actually generate the coupons. We also have provided the ability for Client Relations to define a major portion of the

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Chain Links

Your guide to the top retail chains throughout the U.S. and Canada

KROGER has purchased 15 HARRIS TEETER stores that are located in the Atlanta, Georgia area.

GIANT-Carlisle, a division of AHOLD, purchased 19 LANECO stores in NE Pennsylvania from SUPERVALU. Another AHOLD acquisition is **BRUNO'S** in Birmingham, Alabama with 184 stores in the Southeast. **ALBERTONS** has announced that it will close approximately 165 stores over the next few months and reduce their management by 15-20%.

FURR'S SUPERMARKETS in New Mexico is in the process of being broken up and sold by FLEMING.

HOMELAND STORES, the 78-store supermarket chain in Oklahoma and Texas, has filed chapter 11 protection for the second time in five years.

BIG V SUPERMARKETS, the 32-store Shoprite-bannered chain in New Jersey and New York, reportedly will be acquired by PATHMARK. The Hudson News Group, including the MDI division, is servicing the **W.H. Smith** airport stores located at JFK and Newark NJ.

Marketing People on the Move

- Steve Broadway has replaced Tony Stapleton as the new Magazines & Books buyer at **ALBERTONS**
- **CVS** has a new Category Manager, John Murphy, who has taken over for Bob Deorsay
- At **WALGREENS**, David Snider has been replaced by Rich Robinson as the Category Manager for the Consumable Division, which includes magazines.

For more information on Kable News' national marketing efforts, please contact:
 Rick Bohs, National Marketing Director
 Kable Distribution Services
 641 Lexington Ave.
 New York, NY 10022
 PH: (212) 705-4629
 F: (212) 705-4667
 e-mail: Rbohs@kable.com

(Integrated AE system cont'd from page 4)
 coupon and allow List Services PS to add a signature, logo, etc. The ITXT application requires that line-up information must be included on the work file records. The ITXT application allows any data from the work file records to be available for printing on the coupon. A major task for implementation of this application is supplying this data.

The SMSF/MSF (Subscription Marketing Statistics File/Marketing Statistics File) reasonableness check capability will be analyzed, coded and implemented as the last part of this project. This feature will allow us to determine at ISELsm extraction time if the effort level extract appears to be correct.

Thanks to the following clients for their continued support of Kable News Company. We are pleased to announce renewed contracts with:
Star Sports Corporation
Outlaw Biker Enterprise
Art/Ink Enterprise

Get ready for the re-launch of **Black Elegance (42005)**. In the capable hands of new publisher Susan Traub, the publication is bound to be more popular than ever. The holiday issue is on sale now.

Congratulations to **Cape Cod Travel Guide (49295)** and its publisher, Northeast Publications. This year marks *the magazine's 10th anniversary*.

Congratulations to **Radio Control Car Action (47380)**, a monthly publication that is selling at a record pace on newsstands, with sales starting with the July 2001 issue really taking off!

Trend Watch

Building

Building relationships is essential in today's unpredictable world. Not just within the realm of business, but with outside organizations, both on a group and a personal level. Kable News Company in Mt. Morris, Illinois has been fortunate enough to team up a group of extraordinary men and women, all of whom help remind us of what is truly important.

Village of Progress, a sheltered workshop for physically and mentally disabled persons, has been a partner with Kable News Company for nearly a decade. The VOP is a unique workshop, providing 60% of its support by offering janitorial services to Kable News for its buildings in Mt. Morris and nearby Oregon. Kable News also contracts with VOP's work program for projects such as stuffing envelopes and preparing premiums for mailing. Kable News even leases warehouse space in a building owned by the VOP Foundation Board.

On November 14, the Village of Progress honored Kable News Company by naming them **Industry of the Year** at the VOP Annual Banquet. This is especially notable as Kable News was awarded the recognition in 1995 as well. "The relationship with VOP has been mutually beneficial," said Rob Urish, Executive Vice-President, Kable Fulfillment Services, a division of Kable News Company.

Introducing Fundamental Fulfillment Services:

A Small Title Fulfillment Process

Kable now offers a fulfillment service program that will benefit titles with a file size of 10,000 and under.

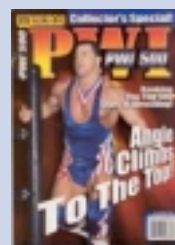
This program provides streamlined and essential fulfillment at a lower cost. Fundamental Fulfillment provides custom reporting, personalized renewal and invoice text, as well as personal customer service and processing staff. This fulfillment process also allows Kable's smaller clients to take advantage of our universal renewal and invoice stock packages by commingling them with other Fundamental Fulfillment jobs in order to achieve reduced rates with lettershopping.

With Kable's vast experience and resources you can expect added value at a savings. Our ultimate goal is to see your circulation grow!

For more information on Kable Fundamental Fulfillment... call Michele Bardell at (815)734-5961 or email:mbardell@kable.com

ARE YOU READY TO RUMBLE!

Wrestling titles are hotter than ever, and Kable has a secure hold of the industry's top magazines including:



WF
PWI 500
Inside Wrestling
Superstar Wrestler
TV Wrestlers





Hot Off the Press

KABLE DIRECT OPENS STATE-OF-THE-ART PICK AND PACK FACILITY

Mt. Morris, IL, (November 1, 2001) – In conjunction with Kable News Company’s mission statement to be a world class supplier of circulation and direct marketing services to the publishing, media and direct marketing industry, **KNC has announced the opening of a new Pick and Pack facility in Rockford, IL.** While KNC has provided pick and pack services for its clients for years, this new facility is state-of-the-art, ensuring Kable clients receive the best service available.

The new structure is approximately 27,000 square feet, with expansion opportunities to 80,000 square feet. The state-of-the-art building has four docks and is well equipped to handle current and future business needs for all marketing and sales clients.

Kable Direct utilizes Data Processing Service’s (DPS - www.godps.com) magazine system as well as the DPS Basic Order Selection System (BOSS) Pick System, employing state-of-the-art technology for both picking accuracy and efficiency. This system utilizes a technology to insure the accuracy for each outbound order. MagaziNET is a service company providing pick/pack services for Kable Direct.

Please feel free to visit the new Pick and Pack facility in the future. For more information or to set an appointment, contact Doug Knodle, V.P. of Logistics, via email at Dknodle@kable.com, or by phone at (815) 734-5284.

Join your industry
colleagues to

LEARN

about the

NEW &

exciting

CHANGES

going on **AT**

Kable.

One-Day Client Seminar

Tuesday, February 5, 2002

Marriott Eastside, NY

8:00 A.M. until 5:00 P.M.

Contact Shannon Landers @

815-734-5244

*Watch your mail
for more details.*

MARK YOUR CALENDARS

Kable's Client Conference for 2002

will be Sunday, 10/13 through Wednesday, 10/16, 2002 at The Lodge at Sawmill Creek Resort in Huron, Ohio.

Sawmill Creek Resort is nestled on the south shore of Lake Erie in Huron, Ohio. The Lodge consists of 240 deluxe rooms, each beautifully appointed with elegance and comfort in mind. It offers indoor and outdoor swimming, a whirlpool, tennis courts, charter fishing, access to Sheldon Marsh, and the championship 18-hole golf course designed by Tom Fazio.

This conference is for you — your input is imperative! Please feel free to contact Shannon Landers at 815-734-5244 or visit our website at www.kable.com to let us know how we can better serve you and what we can do to make this the best conference yet.

We look forward to seeing you at Kable's 2002 Client Conference. Plan on enjoying the camaraderie of your peers while learning from the industry's finest in an idyllic setting on the shores of Lake Erie.

See you in October 2002!

The Kable Client Conference 2002 Committee

By now you've heard all the talk about NewsstandsOnline.com



(NOL), Kable's full-service mover of single copy magazines, back

issues and magazine subscriptions on the Internet via private label virtual newsstands. What you may not know, however, is how rapidly the service is building up a portfolio of industry hard-hitters. Take a look our list of clients:

- www.magsnow.com
- www.magsnet.com
- www.nbaf.com
- www.gianteagle.com
- www.marsh.net
- www.mp3.com
- www.penthouse.com
- www.newsstandsofamerica.com
- www.clubonline.com



Connections is published quarterly and distributed to Kable News Company employees, publisher clients, consultants, media, retailers and wholesalers. We welcome submissions and suggestions for future issues.

Please send address changes and editorial comments to:

Diana Grossman, Director, Creative Services
Kable Distribution ServicesSM
641 Lexington Avenue
New York, NY 10022
email: dgrossman@kable.com
fax: 212-705-4667



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