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See U.O.L. Time Inc. - Movies - Life
P - Sesser, Stanford N.

Time Apparently Will Initiate Magazine Called Movies Rather Than Retrenching

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NEW YORK—Time Inc. has apparently decided to fight back againt its recent spate of financial problems with the introduction of a major new publication—a magazine devoted exclusively to movies.

According to sources in both the advertising and movie industries, the first issue of the magazine, tentatively named Movies, is scheduled to appear at the end of January. This first issue reportedly will be sent to a selected list of subscribers of Life magazine and also will be sold on newsstands in a few test markets.

A spokesman for Time Inc., which in addition to Life publishes Time magazine, Fortune and Sports Illustrated, said there has been experimentation with the idea of a movie magazine but added that "I'm not aware that there's anything really serious about it."

It is understood that the company is planning to announce the new magazine, its first in 15 years, on Jan. 5.

Time Inc. staffers are said to be jubilant at the company's decision to expand rather than retrench. The company suffered a $603,000 deficit in the third quarter, a sharp reversal from a $1.5 million profit in the year-ago period. Part of the earnings decline is believed attributable to a major drop this year in advertising pages for Life magazine, which has recently cut back on personnel in an effort to reduce costs.

Details on the movie magazine were gathered from both advertising and movie executives, some of whom were given a brief look at a dummy issue. "They put it in front of our noses and pulled it away," one movie official said.

For a Mass Audience

According to these sources, Movies will be designed to appeal to a mass audience, with projected circulation between one million and 1.5 million. The publication, which will be the size of Time, will contain movie reviews, interviews, general commentary and eye-catching art work.

The magazine reportedly will be edited by Thomas Thompson, a writer for Life and former head of Life's entertainment department. The articles and reviews largely will be written by a staff assembled from Time and Life, rather than by freelancers.

One movie executive familiar with plans for the magazine said that its frequency of issue is "totally undecided." He stated that Movies could be turned into a supplement of Life magazine if the test marketing indicates it won't be successful as a separate publication.

But the official said that Movies "definitely is not a replacement for Life."

Life has been the subject of recurrent rumors in recent weeks, as Time Inc.'s financial problems led to speculation that Life, a weekly, would either be dropped or cut to biweekly publication. Last week Jerome S. Hardy, Life's publisher, quit to become executive vice president of Dreyfus Corp. But he said on resigning he was "confident that the volume of advertising will improve in the near future."

Time Inc. officials deny that any changes are being planned for Life. Several ad industry executives reached for comment also say they believe the speculation is groundless. In the first 11 months of 1969, Life ran 2,177 pages of advertising in 47 issues, down from 2,526 pages in 48 issues for the similar period last year.

Initial Problems Cited

The problems involved in putting out a new magazine can be enormous, even for a company with the resources and experience of Time Inc. Time reportedly lost $28 million on Sports Illustrated, which was launched in 1954, before the magazine became profitable several years ago.

One advertising executive thinks that Movies will have a natural advantage over Sports Illustrated by appealing to women as well as men. He said advertisers were reluctant to take space in Sports Illustrated because women dictate so many of the consumer-buying decisions. Commenting on the prospects for Movies, the ad man stated, "With the importance of leisure activities in this country, a magazine in this field which is well done—and I'm sure it will be well done if Time Inc. is behind it—is a very sensible approach."

Another advertising official disagreed. He said that "young people are just interested in going to movies—they don't want to read about them." He added that Movies would be doing "very well" to reach a circulation of 500,000.

One movie executive predicts instant success for the new magazine. "Every time Time magazine, Look and Life have movie covers they sell more copies," he said. "That's why they do it a lot. I don't think Time Inc. would throw its money around."

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