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U.S. Newspaper Circulation Fell 2.5% in Latest Period

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Daily circulation of American newspapers continued to slide during the six-month period that ended in March, dropping 2.5 percent from the same period a year ago, according to figures released yesterday by the Audit Bureau of Circulations.

Sunday circulation fared even worse, dropping 3.1 percent.

The figures are comparable to the declines of the previous six-month period, which were the steepest in any comparable six-month period in the last 15 years.

"This is just another installment in a long, continuing saga" of the newspaper industry in transition, said Colby Atwood, a newspaper analyst for Borrell Associates.

"Newspaper readers tend to be older and they're dying and they're not being replaced by younger people, who tend not to read the papers much," Mr. Atwood said. Those younger readers are flocking to the Internet and other niche media.

As of March, daily circulation had dropped to 45,414,979. Circulation in March 2005 had been 46,589,261. Daily newspaper circulation reached its peak in 1984, at 63.3 million.

Executives at the Newspaper Association of America said some patterns emerged in the figures, including the biggest papers and the smallest papers being better able to maintain their circulation than medium-size papers. Papers along the Atlantic Coast generally fared better than those along the Pacific Coast, the executives said. Other variations were probably due more to marketing decisions by individual publishers than to any broad trends, they added.

Of the 25 biggest papers in the country, 20 reported drops in circulation. Of the five that did not drop — USA Today (2,272,815), The New York Times (1,142,464), The Chicago Tribune (579,079), The Star-Ledger of Newark (398,329) and The Detroit Free Press (345,861) — the gains were all less than 1 percent.

The losses were much more striking. Circulation at The San Francisco Chronicle fell by more than 15 percent, to 398,246, and at The Boston Globe, which is owned by The New York Times Company, by more than 8 percent, to 397,288. Both papers attributed the sharp declines largely to deliberate strategies of eliminating free copies that advertisers found of little value because those receiving them did not want them.

"We did this eyes wide open," said Patricia Hoyt, a spokeswoman for The Chronicle. She said the strategy, which began with a circulation drop of more than 16 percent in the six-month period ended last September, was now completed and the paper would be more in line with the rest of the industry in the next cycle.
A spokesman for The Globe, Alfred S. Larkin Jr., said that apart from the deliberate reduction in circulation, the paper had been hurt by a continuing lag in the New England economy. Moreover, he said, the region has an especially high rate of high-speed Internet users and many of them are going to the newspaper's Web site, boston.com.

The newspaper association said traffic to newspaper Web sites was up 8 percent in the first quarter. Revenue from online advertising is increasing 25 percent to 30 percent a year, the association said, though it remains a small portion, perhaps 5 percent, of newspapers' overall revenue.

Mr. Atwood of Borrell said that even at current rates, it would take years for Web sites to make up in advertising revenue what the newspapers are losing.