

Confidential: 1977 April 30

Journal of the Science of Catastrophe

Six issues per year

Production estimate = 100 page issue

100 pages = Production

Typed at 1.00	\$ 100.00
Printing at 1¢ p. at 100,000 x 100 pp.	2,000.00
Cover 3¢ x 10,000	300.00
Stapling	150.00
handling, storing, mailing	200.00
Postage	700.00
All other	500.00
Envelopes at 3¢	300.00
	<u>\$ 4,250.00</u>
Copy editing	150.00
Layout	
Author's fees at 7¢ word	150.00
\$70.00 = 1000 words	
\$140.00 = 2000 words	
x 10 =	1,400.00
OH, supplies, etc. per 2 mos.	1,500.00
	<u>\$38,350.00</u>
	x 6
	<u>\$50,100.00</u>
Editor	20,000.00
Correspondence	5,000.00
Assistant	8,000.00
Mailings 50,000 * x .30	15,000.00
	<u>\$98,100.00</u>

*15,000 list; 20,000 libraries; 15,000 new others.

9.81 per subscriber at 10,000 subscriptions

Breakeven Number of subscriptions at \$20 per year

$$98,100/\$20 = 4,950$$

Income:	a.	10,000 subs x \$20	=	\$200,000	
	b.	Book sales (net)		9,000	
	c.	Gifts (net)		1,000	
	d.	List rental (net)		1,000	
	e.	Back Issues of Pensee			?
		1000 x \$20 bound (net)		7,600	
	f.	Ads at \$500/p, 5 pp. x 6 issues		15,000	
	g.	Sale of rights to 1 book/ year at 5,000 advance		<u>5,000</u>	
		Total		\$238,600	
				<u>-98,100</u>	
				<u>\$140,500</u>	

Book sales: advertised through list mailing and magazines.

Cost: Tip-in book order return card 10¢ x 6 x 10,000 = \$6000.00

Sales: \$5000 x 6 = 30,000 - 15,000 cost of books - 6000 = \$9000.00

Microfiche Supplement: Start furnishing all subscribers with 100 pp. of month of background material in microfiche and copy of the magazine in microfiche = 100 pp.

12 fiches/yr. = 1200 pages

12 fiches at 15¢ = \$1.80 added cost. \$18,000 (20,000 for 10,000 subscribers)

Sell reading machines valued at \$90.00, bought for \$40 from manufacturer.

a. \$50.00 to subscribers; b. 1 free machine for getting new subscribers; c. 1 free machine with a 5-year subscription.

Step-up mailing campaign using cash flow.

Mail 2000 pieces at 30¢ = 600

10% return = 200 x 20 = 4000

Pay into issue #2 production -600

Available for 2nd phase mailing = 3400

3400/30 = 11,000 additional pieces

11,000 x 10% return = 1100 x 20 = 22,000