

### Technology to Deal With 21st Century Newsrack Price Increases

#### Price Increase Pressure

As ad revenues decline there is increasing pressure to increase subscription and single-copy prices to help offset these losses. In particular, higher Sunday prices pose some real challenges to the older newsrack equipment on the streets. But, it is one thing to want the increased revenues from circulation -- it is altogether another to implement it. In some cases, such as with the old "stacker mechs", it just isn't physically possible to increase a price beyond a certain point. The top end price for these old units is \$1.50. Higher prices in newsracks also bring another issue into consideration -- customers having sufficient coins in the right combinations. So, in order to be able to rake in more circulation revenue, some new equipment may be required.

#### Affordable Solutions

Whether your city zone requires upgrades for Sunday sales or your "State" operations need totalizers, Bellatrix has the proven technology to deal effectively with newsrack price issues. In addition to the intelligent electronic totalizers that we have been manufacturing for over two decades, Bellatrix has in recent times introduced two more affordable alternatives that are designed to retrofit into almost all the newsracks in use today.

The technology for this new family of electronic coin mechanisms came out of a unit that Bellatrix developed in 2004 for **USA Today**. In planning for a nationwide price increase the folks at USA Today knew from studies, that providing customers with the ability to use any coin combination, would result in more sales.

#### Proven, Reliable Equipment



**e-mech™**  
**\$99.95**

The "e-mech" is a unit that replaces the old "stacker mech," primarily used in state operations these days. The versatile "plus-mech" is a similar unit that replaces the complex mechanical totalizers. Both of these units take any combination of coins and will accept prices well in excess of the \$1.50 limit on the old "stackers". They require no wands or price change keys, as these functions (plus automat-

ic loading door opening) are accomplished by the use of special tokens. Their advanced circuitry is such that a single small 2/3 "AA" lithium battery, such as those readily available for use in cameras, will power them for three years or longer.

With more than 80,000 of these low cost, high performance units in service, (most for over 4 years now,) Bellatrix has proven, affordable solutions to update your racks for future price increases.



**plus-mech™**  
**\$129.00**

# Dealing With 21st Century Price Increases...continued

## Card-Trak™: The Next Generation



So, at some point prices will become so high that the probability of customers having enough of the right coins to purchase a paper out of a newsrack becomes a significant obstacle. Are newspapers going to concede street sales because their equipment can't handle higher prices? Are they willing to give up the branding that newsracks provide on the streets?

Who said customers have to continue to use cash in vending equipment? **The capability to overcome the obstacle of higher prices is already available -- PLASTIC, Card technology!** In the past few years, consumer demand for the use of credit and debit cards for small value purchases has grown significantly. And, if the experience of other retail outlets is any indication, the use of card technology for single-copy cannot only help maintain sales, but should actually facilitate increased sales.

Bellatrix has been working on this concept for a long time. While the basic technology has been available for years to handle the transactions, it has just been recently that the micro-

transaction process has developed to the point that it makes sense to sell single-copy newspapers using credit cards.

Bellatrix offers a complete end-to-end solution for accepting and processing credit card transactions in newsracks. **Tests of the Bellatrix Card-Trak system have been ongoing with USA Today for over a year.** Other major newspaper companies have also subsequently come on board. With security being an increasingly high priority, **the Bellatrix Card-Trak system is fully PCI compliant,** having been vetted and approved by **Gannett, New York Times, Tribune, Belo, Dow Jones** and others.

Initial public acceptance of credit card purchase of newspapers is encouraging. **Typically, daily credit card sales are running between 20% and 30%.** Where the technology seems to really be paying off, however, is when prices are in the \$1.75 to \$2.00 range. **Customers like The Dallas Morning News and the Orlando Sentinel are averaging 45% to 65% of Sunday sales with credit cards.**

The **Card-Trak** system is available as a retrofit for conventional newsracks, as well as the modern IMPACT unit.



## More Bellatrix Card Technology -- Student Newspaper Control

As part of a readership development program, **The Edmonton Journal** has deployed several colorful IMPACT units equipped with a special version of the **Bellatrix Card-Trak reader** on the campus of the University of Alberta. **Gerry Raypold**, Systems and Transportation Manager at the Journal wanted to see if students would use their student ID cards to allow them to access a copy of their paper free of charge.



The results have been gratifying. The students are readily using their ID cards in the **Card-Trak** readers to get the product and keep up with the news. The Edmonton Journal is pleased that they are attracting more young readers. (Bellatrix is happy that the Journal has expanded the program and ordered more campus units.)

**USA Today** also has newsracks on college campuses for readership development utilizing a student ID card access system for newspaper distribution. We are pleased to report that **Dave Nichols**, General Manager of USA's National Rack Center, has also recently switched over to the **Bellatrix Card-Trak student ID card reader** for their campus racks.



For more info. on the Bellatrix Card-Trak Student ID card reader call your Bellatrix rep., or call us at 800-451-9753

### Bellatrix Goes Green...



In keeping with the times, Bellatrix is pleased to inform you of some of the steps we are taking to conserve resources and protect the environment.

Within the past year Bellatrix has developed and patented a powerful lithium battery pack that is NON-HAZARDOUS. It is capable of powering most of our coin mechanisms, as well as the indicator units used by our air courier customers. Non-hazardous lithium batteries can be shipped by air without requiring any special handling.

In the future, the primary distribution of Bellatrix newsletters, promotional materials and price books will be via electronic media -- internet website, email. Limited print copies of these materials will be available for special needs.

[www.bellatrix.com](http://www.bellatrix.com)

# THE CURE FOR SINGLE-COPY PRICE INCREASE BLUES

Is your publication suffering from ad revenue withdrawal?

Is there pressure to increase your circulation revenue?

Are your newsracks (city and state) capable of handling higher prices? (...especially the Sunday product?)

Fret no more, Bellatrix has the solutions you need... (see info. inside)



PRSRT STD.  
U.S. Postage  
PAID  
Bend, OR  
Permit No. 473

**BELLATRIX SYSTEMS**  
1015 SW Emkay Dr., Bend, OR 97702-1010  
Tel: (800) 451-9753, Fax (541) 385-3277