

## Esquire woos car industry with E Ink

By Andrew Edgecliffe-Johnson in New York

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Esquire magazine will on Monday unveil an "electronic paper" cover, underwritten by **Ford**, in a sign of how media owners are turning to splashier ways of retaining hard-hit automotive advertisers.

The distress in the US car industry, which until 2007 was the country's biggest advertiser, led to a 5.5 per cent cut in automakers' marketing budgets last year and similar reductions in local dealers' spending.

As belts tighten further in 2008, auto advertisers are targeting their spending on search engines, landmark national television events and print initiatives with the potential to generate more buzz for fewer bucks.

The pattern is being watched by advertising executives and media companies for signs of how other industries may behave if they follow the carmakers into a deeper downturn.

Esquire's 75th anniversary edition will feature a digital display on the front of the first 100,000 copies, scrolling the words: "The 21st century begins now."

Inside the cover, the same E Ink technology is used for an advertisement for the Ford Flex crossover vehicle, which is being launched across the US this week.

"Ford want to reposition themselves as a 21st century company," said David Granger, editor-in-chief of the Hearst-owned title. "They have got to send a message things have changed."

A Ford spokeswoman said: "The Flex is a very distinctive vehicle and we wanted our marketing to be equally distinctive."

Carmakers are becoming similarly selective about their television spending. **General Motors** used the mass audiences of the Olympic Games to launch a campaign focusing on "what to expect next" from the company, including its planned Chevrolet Volt electric car.

Ford has also maintained its sponsorship of *American Idol*, the Fox talent contest that attracts some of US television's largest audiences, to promote two new models.

**News Corp**, Fox's parent company, echoed CBS and **Viacom** last month, however, in noting that lower spending among dealers had hit its local networks.

Peter Chernin, News Corp's chief operating officer, told analysts last month that car buyers were researching their purchases online, but national television advertising was proving necessary to drive them to the internet.

"The best results come from a mix [of media]," said John Holt, chief executive of Cobalt, an online advertising group.

Newspapers, which a decade ago took 52 per cent of car dealers' advertising budgets, now claim just 27 per cent, according to the National Automobile Dealers Association.

Online advertising, by contrast, has risen to about 16 per cent of dealers' marketing spending.

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