

MEREDITH CORP  
Form 10-K  
August 24, 2011

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-K  
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended June 30, 2011

Commission file number 1-5128

MEREDITH CORPORATION  
(Exact name of registrant as specified in its charter)

Iowa  
(State or other jurisdiction of incorporation or  
organization)

42-0410230  
(I.R.S. Employer Identification No.)

1716 Locust Street, Des Moines, Iowa  
(Address of principal executive offices)

50309-3023  
(ZIP Code)

Registrant's telephone number, including area code: (515) 284-3000  
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value \$1	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:  
Title of class

Class B Common Stock, par value \$1

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The registrant estimates that the aggregate market value of voting and non-voting common equity held by non-affiliates of the registrant at December 31, 2010, was \$1,234,000,000 based upon the closing price on the New York Stock Exchange at that date.

Shares of stock outstanding at July 31, 2011

Common shares	36,224,512
Class B shares	8,776,056
Total common and Class B shares	45,000,568

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## DOCUMENT INCORPORATED BY REFERENCE

Certain portions of the Registrant's Proxy Statement for the Annual Meeting of Shareholders to be held on November 9, 2011, are incorporated by reference in Part III to the extent described therein.

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Meredith Corporation and its consolidated subsidiaries are referred to in this Annual Report on Form 10-K (Form 10-K) as Meredith, the Company, we, our, and us.

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## PART I

### ITEM 1. BUSINESS

#### GENERAL

Meredith Corporation is the leading media and marketing company serving American women. Meredith began in 1902 as an agricultural publisher. In 1924, the Company published the first issue of Better Homes and Gardens. The Company entered the television broadcasting business in 1948. Today Meredith engages in magazine publishing and related brand licensing, television broadcasting, integrated marketing, interactive media, and video production related operations. The Company is incorporated under the laws of the State of Iowa. Our common stock is listed on the New York Stock Exchange under the ticker symbol MDP.

The Company operates two business segments: national media and local media. The national media segment includes magazine publishing, brand licensing, integrated marketing, interactive media, database-related activities, and other related operations. The local media segment consists primarily of the operations of network-affiliated television stations, related interactive media operations, and video production related operations. Financial information about industry segments can be found in Item 7-Management's Discussion and Analysis of Financial Condition and Results of Operations and in Item 8-Financial Statements and Supplementary Data under Note 16.

The national media segment focuses on the home and family market. It is a leading publisher of magazines serving women. Twenty subscription magazines, including Better Homes and Gardens, Family Circle, Ladies' Home Journal, Parents, American Baby, Fitness, and More, and almost 120 special interest publications were published in print in fiscal 2011. Eight titles were also available on various digital platforms including the Apple iPad, Android, Barnes & Noble's Nook Color, and Zinio. The national media segment also includes: integrated marketing, which provides specialized marketing services to some of America's leading companies; a large consumer database; an extensive Internet presence that consists of more than 30 websites and mobile websites, 10 mobile applications, and strategic alliances with leading Internet destinations; brand licensing activities; and other related operations.

The local media segment includes 12 network-affiliated television stations located across the United States (U.S.) and one AM radio station. The television stations consist of six CBS affiliates, three FOX affiliates, two MyNetworkTV affiliates, and one NBC affiliate. The local media segment also includes more than 35 websites and mobile websites, almost 20 mobile applications, and video production related operations.

The Company's largest revenue source is advertising. National and local economic conditions affect the magnitude of our advertising revenues. Both national media and local media revenues and operating results can be affected by changes in the demand for advertising and consumer demand for our products. Magazine circulation revenues are generally affected by national and regional economic conditions and competition from other forms of media. Television advertising is seasonal and cyclical to some extent, traditionally generating higher revenues in the second and fourth fiscal quarters and during key political contests, major sporting events, etc.

#### BUSINESS DEVELOPMENTS

In March 2011, Meredith launched tablet editions of Better Homes and Gardens, Parents, and Fitness on the iPad. The tablet editions are available for purchase on a single-issue basis through the iTunes store at prices comparable to their newsstand cover prices. Meredith also offers these titles as subscriptions on the Android tablet via Next Issue, an industry sponsored joint venture. Family Circle and More are available on the Nook Color. In May 2011,

Meredith launched digital editions of several of its magazine brands on the Zinio platform. Brands launched include Successful Farming, WOOD, Living the Country Life, and Siempre Mujer, as well as a number of Special Interest Media (SIM) titles - including Renovation Style and Diabetic Living. Titles on the Zinio are available for purchase as a single issue copy or as a digital subscription. The SIM titles are available as PDF replicas on Zinio. Additionally during fiscal 2011, Meredith introduced a variety of mobile applications for smartphones.

Since late March 2011, Meredith's Atlanta station, CBS Atlanta (WGCL-TV), is managing the day-to-day operations of Peachtree TV (WPCH-TV) in the fast-growing Atlanta market. The arrangement includes advertising sales, marketing and promotions, and technical operations. Peachtree TV, an independent broadcast station, continues to be owned by Turner Broadcasting System, Inc. Peachtree TV, launched in 2007 as a rebranding of the former WTBS, features a broad mix of programming including acquired series and hit movies. In addition, Peachtree TV brings local viewers Atlanta Braves baseball games and Southeastern Conference football and basketball games as well as other Atlanta-based special events.

In fiscal 2009, the Company purchased a minority investment in Real Girls Media Network (RGM). RGM is a social content hub for women online that includes DivineCaroline.com as well as a premium network of branded sites for women. In December 2010, we purchased all of the assets of RGM.

In July 2009, Meredith invested in The Hyperfactory Limited International (Hyperfactory), an international mobile marketing company that specializes in powering businesses and brands through the mobile medium with innovative and strategically creative initiatives. In July 2010, the Company completed its acquisition of Hyperfactory.

During fiscal 2011, management committed to a performance improvement plan that included closing the ReadyMade brand due to ongoing weakness in the home category/marketplace, and other selected workforce reductions. The closing of ReadyMade magazine was effective following the publication of the June/July 2011 issue. During fiscal 2010, management committed to performance improvement plans related to Meredith's digital and SIM operations. The repositioning, focused on reducing complexity and improving efficiency, led to a consolidation of SIM titles. Meredith's SIM titles are largely sold at newsstand and focus primarily on home improvement and do-it-yourself projects. In fiscal 2009, management committed to a performance improvement plan that included the closing of Country Home magazine following the publication of the March 2009 issue.

## DESCRIPTION OF BUSINESS

### National Media

National media represented 77 percent of Meredith's consolidated revenues in fiscal 2011. Better Homes and Gardens, our flagship brand, continues to account for a significant percentage of revenues and operating profit of the national media segment and the Company.

## Magazines

Information for major subscription magazine titles as of June 30, 2011, follows:

Title	Description	Frequency per Year	Year-end Rate Base	(1)
Better Homes and Gardens	Shelter and women's service	12	7,600,000	
Family Circle	Women's service	15	3,800,000	
Ladies' Home Journal	Women's service	11	3,200,000	
Parents	Parenthood	12	2,200,000	
American Baby	Parenthood	12	2,000,000	
Fitness	Women's lifestyle	10	1,500,000	
More	Women's lifestyle (age 40+)	10	1,300,000	
Midwest Living	Travel and lifestyle	6	950,000	
Traditional Home	Home decorating	8	850,000	
Ser Padres	Hispanic parenthood	8	700,000	
Wood	Woodworking	7	500,000	
Siempre Mujer	Hispanic women's lifestyle	6	500,000	
Successful Farming	Farming business	13	420,000	

Rate base is the circulation guaranteed to advertisers. Actual circulation generally exceeds rate base and for most (1) of the Company's titles is tracked by the Audit Bureau of Circulations, which issues periodic statements for audited magazines.

We publish approximately 120 special interest publications under approximately 80 titles, primarily under the Better Homes and Gardens brand. The titles are issued from one to eight times annually and sold primarily on newsstands. A limited number of subscriptions are also sold to certain special interest publications. The following titles are published quarterly or more frequently: American Patchwork & Quilting, Country Gardens, Diabetic Living, Do It Yourself, Kitchen and Bath Ideas, Quilts & More