

Multiple Media Companies

SESAAB gives L'Eco di Bergamo power to diversify its activities

Local newspapers throughout the world aspire to reflect the community they cover. This is never more true than in the beautiful city of Bergamo, Italy, where the daily newspaper L'Eco di Bergamo and its multiple media sister companies mirror the mood of this northern Italian community.

Both the city (population of about 120,000) and the newspaper (circulation of about 68,000) are rich in history and diversity. The walled-in old town, or "centro storico," perched prominently on a hillside, is a constant reminder of the city's heritage; just as the bustling streets below in the valley are an indication of the city's modern, thriving business and community activities. Part of the history of L'Eco di Bergamo includes a former priest as editor for 51 years (Andrea Spada); a publisher, SESAAB, which is owned by the Bergamo Dioceses; and the publishing group's willingness to branch out into various mediums and companies to comprehensively cover this market.

With a company portfolio that includes daily newspapers, an Internet company, TV and radio station, a magazine, software companies and other assets, SESAAB is well on its way toward being a true multiple media company.

"A multiple media company is a publishing company that provides journalistic content through different media," said Marcello Raimondi, editorial and marketing director for SESAAB. "At the core of this company exists a system of newsgathering based on a powerful database, from which any media can pull information."



Bergamo residents enjoy the tradition of reading select pages from L'Eco di Bergamo's daily edition as they are posted on the newspaper's building and other businesses throughout the city.

tion and edit it according to their own format. SESAAB is on the road to this multiple media concept, first of all for the fact that it owns different media that cover the same markets, and that means the necessity to rationalise and diversify the information flow without cannibalising the local reading and advertising resources."

Building an empire

SESAAB is the evolution of Sesa, the publishing company that founded L'Eco di Bergamo in 1880. Building on the strong foundation of its daily newspaper – which it still considers the heart of its activities – from the 1970s through the early '90s SESAAB steadily added other traditional media and printing companies to carve out a considerable multiple media presence in the Lombardy region of Italy: SESAAB owns the local TV ("Bergamo TV") and radio station ("Radio Alta" and "Radio E"); a monthly magazine ("Orobie"); a commercial printer (CSQ – Litostampa); and created



SESAAB's main daily newspaper is L'Eco di Bergamo, and it also owns La Provincia in Como and its sister titles.

two companies (SPM and OPQ) to handle local and national advertising for L'Eco di Bergamo but also for the local weekly newspaper La Rassegna. OPQ also works with national newspapers sharing ads. (It also recently acquired La Provincia in Como and its sister papers, La Provincia in Lecco and La Provincia in Sondrio.)

As new media activities began to threaten newspapers in the '90s, SESAAB helped L'Eco di Bergamo keep pace by investing in software companies and eventually creating its own Internet company.

In 1994 L'Eco di Bergamo turned to Italian publishing system supplier Sinedita to install their editorial and advertising systems. From that experience, SESAAB decided to acquire 30 percent of the software company. Sinedita was also experiencing growth then and had recently acquired 50 percent of Navita, another Italian software development company; therefore SESAAB inherited both of these companies' know-how. SESAAB would soon acquire Exenia, a developer of business and administrative software and distributor of SAP software, and Lira, a software service company for small enterprises.

In-house development

Two huge benefits resulted from the acquisitions of these companies: 1) they paved the way for L'Eco di Bergamo to aggressively pursue online activities and eventually create a separate company for this reason in late 1998 called Columbus



SESAAB's radio station, with Radio Alta and Radio E, features a number of talk shows.

Net; and 2) the newspaper became a testing ground for Sinedita and Navita.

"Five years ago when we began our online activities, it was clear to us to have control over the development of technology for these activities; therefore it was a strategic decision to acquire these companies," said Columbus Net president Ferruccio Piazzoni, who steered the company's move to the Internet in 1995 while serving as Managing Director of SPM.

Marcello Raimondi, editorial and marketing director for SESAAB, stresses the importance of having in-house technology at the newspaper's disposal: "They (Sinedita and Navita) have given our company knowledge in information technology that

a publishing company could never have by itself. They also opened our perspective to national and international markets."

Online activities

In a country where newspapers' presence on the Internet was slow coming, today SESAAB's online activities rival even large Italian publishers with its array of online activities and services. L'Eco di Bergamo's web site "Bergamo Online" (www.bgonline.it) was born out of SPM under the tutelage of Piazzoni. For two years, Piazzoni and others at SPM served as the Internet division of the newspaper. Bergamo Online soon became a local portal containing strong community content as well as the daily newspaper's contents.

In 1998 part of Navita's staff joined Piazzoni's team bringing technical-, service- and solution-oriented expertise on-board. The synergy between SPM and Navita culminated in Columbus Net, a full-fledged Internet content and service provider with 25 employees operating just one floor below the newsroom of L'Eco di Bergamo. For now, the editorial content of Bergamo Online is produced by the Columbus Net newsroom staff, but Piazzoni said plans call for integrating his staff with the print edition's newsroom. The content of L'Eco di Bergamo's daily editions is made available on the web site automatically by Sinedita's Press Online software in both HTML and PDF formats.

If a reader wants to tailor his or her content, however, they can go to the site, fill out a form giving key words for the



The newsroom studio for Bergamo TV. The TV station also houses two other studios.



Ferruccio Piazzoni
Columbus Net
President

content they want to receive, and the reader will be e-mailed that specific content.

Expanding services

Columbus Net's services deal with not only newspaper publishers but also with providing software to allow businesses to create and maintain their own web sites; designing web sites; providing technical support and consultancy; contracting partnerships with industrial and commercial enterprises in the community; integrating Internet/intranet activities; developing e-commerce solutions etc.

Two money-producing products offered by Columbus Net are Web Mate and City Web, both developed by Navita. Web Mate is a simple tool that allows a business or publisher to build their own web sites with community content information. City Web is a sort of electronic version of the Yellow Pages, loaded with restaurant, hotel, cultural information etc. Ugo Gioia, who is responsible for Navita's web publishing activities and is an integral part of Columbus Net's staff, said Columbus Net would like to provide web sites similar to those of City-Search but with more editorial content.

For now, Columbus Net provides 15 companies in six cities in north Italy with web site support and various services. Piazzoni said he hopes to reach 12 cities in the near future.

Money matters

Most of Columbus Net's services are designed to generate income to finance the company's expanding activities. The company's online activities have so far generated sufficient income to break even on their investments.

Raimondi said, "Revenue wasn't our first concern (when starting Internet activities), rather the start-up of new initiatives and their break-even possibilities. Our web activities are already pretty successful. We make money by the integration of three factors: editorial activities, advertising and services. Each of these three factors at the moment couldn't make money without the other. In three years, we think they will."

Columbus Net's aggressive online activities are not the norm in Italy. Raimondi continued, "Web activities in Italy will grow rapidly, but so far it has been slow. It will take more time here [in Italy] than [in] other western countries. There are strong investments in web activities, but we think we are still in a period of uncertainty, especially on the revenue side. It is still not clear what the specific mission is when publishing on the web."

Show business

Just a short drive from L'Eco di Bergamo is the TV and radio station. Currently, Bergamo TV is using two studios – one as the newsroom and the other for talk shows – but a large third studio is under construction and expected to be in production by the end of the year.

The TV station, which has 29 employees, produces about 47 hours of air

time per week, including four news casts daily and local talk shows; it also shows syndicated movies. Radio Alta and Radio E play music around the clock and feature talk shows.

L'Eco di Bergamo recently moved into newly renovated newsroom and production offices. Interestingly, in a day of integration most of the newsroom offices are sectioned off; for instance, features is one room, sports in another, news, etc. "This has everything to do with culture and certain union conditions," Raimondi said.

The newspaper is building a new printing plant in the city of Brescia, 50 kilometres east of Bergamo, and expects the facility to be ready by June of 2000. Part of the plant will be equipped with Agfa Polaris computer-to-plate units as the newspaper goes to CTP in the coming year.

The future

So what will L'Eco di Bergamo and SESAAB look like in 10 years? Will the newsroom of the newspaper work hand-in-hand with that of the TV station? "More than likely, our company will be a true multiple media company," Raimondi said, "with an emphasis on electronic media – TV, radio and Internet – stronger than now. There will be an integration of all the media based on the digitalisation and convergence of these different media as well as a newsgathering system based on a powerful database like that of Sinedita. The journalistic profession will be very different from now, but also the other company divisions will work with more planning and market orientation than they do now." <



Bergamo Online (www.bgonline.it) serves as a local portal for the community of Bergamo.



The official site (www.fiorentina.it) for the Italian soccer team Fiorentina uses Navita's web tools.



This cultural site (www.bellosguardo.it) for Florence is supported by a local radio station using Web Mate.

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