

**The Baltic Exchange
Invitation to Tender**

**Provision of contract publishing services for the Baltic
Magazine**

March 2011



Background to the Baltic Exchange

The Baltic Exchange is a membership organisation consisting of 580 shipping, chartering and shipbroking companies (2,200 individuals) based around the world. Its members are mainly active in the commercial sectors of the dry and wet bulk freight markets.

The role of the Baltic Exchange is to provide a code of shipbroking conduct which is based on the motto *our word our bond* and to which the members of the Exchange are expected to adhere. The Baltic Exchange publishes daily bulk freight market assessments and indices which are used to settle freight derivative trades and are widely recognised as an industry standard. The Baltic Exchange also publishes forward curves, weekly freight derivative volume and open interest data, options prices and freight market news. The Baltic is set to launch a centralised trading screen for the dry freight derivatives market (April 2011).

The Baltic Exchange's history goes back to 1744. It is headquartered in the City of London and has recently established a representative office in Singapore.

www.balticexchange.com

Background to the tender

The Baltic Exchange has had a quarterly magazine (*the Baltic*) produced by a third party contract publisher since 1992. The magazine has been commercially successful and is distributed to circa 5000 readers, including all Baltic Exchange members. The Baltic Exchange membership base is 2713 individuals (UK: 1635, Europe: 489 and ROW 586).

The team behind the magazine has seen changes over the years, and the purpose of this tender is to enable the Baltic Exchange to evaluate its options; ensure that *the Baltic* is of the highest possible quality and that the terms of the contract are of good value to the Baltic Exchange and its members.

Contract Award

The selection of tenderers will be based on:

- Profit share arrangements with the Baltic Exchange
- Quality of tender
- Understanding of shipping market issues
- Experience of selling advertising to shipping, financial and commodity markets
- Approach, experience and methodology
- Quality of proposed team

Requirement

The Baltic Exchange requires a contract publisher to produce a quarterly English language print and online magazine covering issues pertinent to its members and potential members. These include, but are not limited to, issues surrounding the commercial aspects of the movement of coal, grain, iron ore, crude oil and products of oil by sea. The magazine acts as both a service to members and a window on the activities of the Baltic Exchange and its members.

The Baltic Exchange would like to broaden its reach into the financial markets and the magazine should have both a strong freight derivative focus as well as covering commercial aspects of the shipping industry.

The magazine should be distributed to all Baltic Exchange members (current and retired) and to a minimum of 2000 further relevant contacts provided by the publisher. The magazine should have a high profile at industry events and conferences.

We also require a new Chinese language version of the magazine. This could include copy included in the English language version as well as unique Asia orientated copy. The Baltic Exchange currently has a limited range of contacts in China (less than 100 individual members), but would like to develop the Baltic brand in this region through the development of a high quality Baltic Exchange magazine which would eventually develop into a quarterly publication.

Under the terms of any contract, the Baltic Exchange would expect:

- The publisher to be responsible for handling all aspects of editorial, sales, production and distribution.
- The publisher to accept payment for all advertising revenue.
- The publisher to take all financial risk associated with delivering the contract.
- The Baltic Exchange to retain copyright and ownership of the title and retain the power to veto any advertising space sold or editorial submitted.
- Full report of magazine revenue, distribution lists and advertisers on an issue by issue basis.
- Some form of profit share arrangement.

The Tender must include a minimum of three references from other clients

Tenderers must state if any of their proposed solution requires the use of sub-contractors. The Baltic Exchange reserves the right to reject the use of any particular sub-contractor and will want to be fully consulted before any sub-contractors are appointed or changed at any time during the lifespan of the contract.

The Submission

Quality Criteria (Total Weighting 60%)

Track record and previous experience

Tenderers should demonstrate that they have understanding, knowledge and expertise to produce and sell advertising on a commercial maritime industry magazine.

Provide details of three relevant projects to demonstrate your track record of similar projects, which demonstrate:

- Delivering the highest quality
- Experience of delivering in-house magazines for maritime, commodity or financial related organisations
- Examples of previous work which demonstrate an awareness of issues which are of relevance to Baltic Exchange members

Please provide copies of any relevant publications you have produced.

Quality of proposed team

Describe the relevant skills and experience of your team in the context of this project and include names, job titles and CVs of:

The individual who will have prime responsibility for the account.

Other key professional staff - proposed named editorial and sales staff who will work on the account including their full CVs and a summary statement of their capacity and experience relevant to this tender.

General company capability

Provide copies of the following:

- Financial standing
- Health and Safety policy
- Employment policy

Short company profile including company registration number and address.

Company Capability and Capacity Statement

As a part of your tender response please provide a copy of the most recent audited accounts for your organisation that cover the last two years of trading or for the period that is available if trading is for less than two years.

Approach and understanding of the requirement

Response to the brief, particularly the approach that will be taken in achieving a high quality magazine for the Baltic Exchange and its members.

This includes:

- Demonstrating the ability to communicate any shipping related issues in an interesting, clear and easily understandable way
- Understanding of the brief, including:
 - key audiences
 - how to reach these audiences
- Overview of the vision for the future of the magazine

Commercial arrangements (Total Weighting 40%)

Revenue

Provide an estimate of revenue you expect to achieve from advertising sales. This should include an indicative advertising rate card and the revenue you expect to achieve per issue.

Costs

Provide an estimate of the costs you expect to incur. This should include printing, distribution, design, website, editorial and staff costs.

Profit share

Provide a breakdown of a profit share arrangement. This might include a monetary profit split or a provision for services delivered by the tenderer required by the Baltic Exchange such as print and design.

Instructions for Submission of Tenders

Please follow these instructions carefully as non-compliant tenders will not be accepted:

The deadline for submissions is 31 May 2011. Tenders must be returned no later than the due date and time stated. (Tenders received after this time will not be accepted. If you are relying on couriers or the postal service, please send well in advance. No reasons will be accepted for missing the deadline.)

Electronic submissions (email) will be accepted.

Any queries for clarification of the Tender can be directed to Bill Lines at: blines@navigatepr.com

Telephone enquiries will not be accepted.

Please submit your Tender to:

Bill Lines
Navigate PR
The Baltic Exchange
38 St Mary Axe
London EC3A 8BH