

PRINT

Financial Times sold by Pearson for \$1.3B

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How To Spend It's Oct. 19 cover

By STAFF REPORTS

Publisher Pearson is selling the FT Group to Japanese-based global media company Nikkei Inc. for a gross amount of \$1.3 billion.

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This sale includes the FT newspaper, the publication's Web site and supplement magazine *How To Spend It*, along with other titles, with a combined circulation of 737,000. With Nikkei's experience in running journalistic publications, Pearson expects the group to "continue to flourish" under its new ownership.

Different direction

FT Group's total circulation across print and digital has grown 30 percent over the last five years, with digital making up 70 percent of the total readership. The group's revenue comes mostly from content and services.

In 2014, the FT Group brought \$37 million in income to Pearson, with \$518 million in total sales.

Last year the Financial Times celebrated the twentieth anniversary of its *How To Spend It* magazine supplement by expanding its reach to affluent readers in Italy through a

partnership with Italian newspaper publisher Il Sole 24 Ore ([see story](#)).



How To Spend It cover from March 2015

Pearson is selling off its news publication in order to focus solely on its educational publishing.

In a brand statement, John Fallon, Pearson's chief executive, said, "Pearson has been a proud proprietor of the FT for nearly 60 years. But we've reached an inflection point in media, driven by the explosive growth of mobile and social. In this new environment, the best way to ensure the FT's journalistic and commercial success is for it to be part of a global, digital news company."

The Financial Times has already made the move toward online, and being part of Nikkei, which has experience in running digital publications, may help the group expand its efforts in the space.

Nearly 50 percent of media consumption in the United States is digital, compared to 32 percent in 2009, according to a report by L2.

As digital consumption has redefined consumer experiences and expectations, many individuals have become unwilling to pay for content that was once purchased, putting advertisers in a tight spot as the traditional media model stalls. L2's "Media Winners & Losers Intelligence Report" delves into how media consumption habits have

changed depending on consumer age demographic, an outlet's socio-economic status and which channels have been able to adapt ([see story](#)).

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