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Investment firm Beringer Capital has hired two notable players in the North American media business as part of a strategy to start shopping in the sector.

Michael Sifton, the former president of newspaper publisher Osprey Media, and Josef Prospero, a former Ontario Teachers' Pension Plan executive who focused on North American media, joined the company on Monday.

The moves come at a time of growing opportunity for private equity investors as more and more media properties come up for sale.

CanWest Global Communications' recent filing for court protection from creditors has raised some speculation that the chain could dispose of some of its newspaper assets – which include the *Montreal Gazette*, *Edmonton Journal* and *Ottawa Citizen* – as it restructures.

However, Beringer Capital chairman Perry Miele denied that the firm is planning to chase CanWest's assets, though he acknowledged some might see the arrival of Sifton and Prospero at the firm as a sign a strategic move was in the works.

"At this point, it's not on our radar and we're not looking at those kinds" of media, Miele said in a phone interview.

"All the data, all our experience, basically points to a substantial shift of traditional marketing dollars going to the below-the-line specialty marketing area."

Instead, Miele said that Beringer is trying to get a jump on competitors by investing in companies that will go directly to consumers through on-site marketing like the Pepsi taste challenge and personalized direct-mail advertising, Miele said.

"Marketing people are thinking about other ways to capture the consumer in a world where the traditional forms are less relevant," he added.

"TV, radio and newspapers are always going to play a role, but that world is changing rapidly."

Some industry observers suggested that Beringer executives have other plans in mind, and while direct marketing might be part of them, the company's decision to hire two traditional media players suggests an offer for CanWest assets is being discussed.

"It's not beyond the realm of believability that they'd also want to have a conventional media buy to anchor this kind of (direct marketing) activity," suggested Carmi Levy, a media analyst at AR Communications Inc.

"Certainly the future of all media is narrowcasting, not broadcasting, so it makes sense."

The North American media industry has faced eroding profits at even the biggest conglomerates, as the economy has eaten into advertising dollars and consumers have increasingly shifted their attention to other forms of media.

Earlier this month, portions of CanWest filed for creditor protection, including its conventional television business and the National Post Company, as it started to buckle under debt amassed over the past decade. Canwest has said its newspaper assets are not for sale as it restructures.

The Canadian Press