

Unscrupulous small print publishers

I've recently observed that some small to medium sized publishers in this country have a unique practice.

These unscrupulous business owners draw huge salaries from the business to the point of bankruptcy, declare the business insolvent to avoid paying debt, and promptly continue business under a new operating name and new figurehead but continue to draw funds as a shareholder!

Often, the only 'circulation' they have is to the advertisers who placed material in their magazines and a few hand-outs at exhibitions, a few mailed out and a few 'dumped' at a company or government office!

What is not known, however, is that although they seem to shut business, they re-appear under a different guise again almost immediately. Not traceable by law, I'm sure.

And its not only the complete 'unknowns' that do this - some have been operating like this for many years, particularly in the trade and b2b environment, where they are not high profile enough to be fully audited, and even if they are, there appears to be some kind of 'overlooking' of the facts.

Not all small publishers are dishonest. Ask the right questions and don't just assume that a claimed ABC audit is enough. Find out who amongst the target audience has heard of or read the magazines, how long they have been trading under the same name, and even in that case, if all of their titles are legitimate just because one or two of them are. This is often a smoke-screen for the company to launch many more that don't have the same credentials.

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