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IN TRANSITION

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This thesis examines three newspapers in Corvallis and Salem, Oregon: the Corvallis Gazette-Times, the Oregon Statesman (Salem) and the Community Press (Salem). It examines the histories of the Gazette-Times and the Oregon Statesman as family-owned papers, and their current status as properties of newspaper chains. Based on interviews of key staff members, the thesis presents a look at what functions these newspapers serve and how they have changed because of trade trends and chain ownership.

Salem is a unique example of a medium-size city with established morning and afternoon daily papers, owned by the same company, which faced recent competition from a weekly "shopper." Included in the thesis is the reaction of the daily papers to the coming of the weekly, and finally, comments from selected community leaders of Salem.

The thesis concludes with an overview of chain-owned

newspapers nationwide, and discusses some of the long-term implications of increasing chain ownership.

Corvallis and Salem, Oregon Newspapers:
in Transition

by

Judith Carol Carlson

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CORVALLIS AND SALEM, OREGON NEWSPAPERS: IN TRANSITION

I. HISTORY

Beginning with the Flumgudgeon Gazette and the Bumble Bee Budget in Oregon City, 1845, newspapers have played an essential and sometimes lively role in the growth of the state of Oregon. The Flumgudgeon was atypical in that twelve handwritten copies were made of each issue and editor Charles E. Pickett hid his identity behind the name "Curltail Coon."¹ In other ways the paper was definitely a prototype of newspapers that emerged in a young Oregon: sessions of the Provisional Government provided the paper's news content, the articles were sarcastic in tone and bordered on libel, and the editor was an active member of the legislature.

One of the first newspapers to espouse a political party and its inherent "causes" was the Oregon Statesman. Editor and later publisher-owner Asahel Bush stated clearly in the first issue March 28, 1851 (Oregon City):

In politics, the Statesman will be Democratic, devoted to the interests and adhering to the usages of that party, and

¹Oregon Historical Society, Portland, MSS Collection. Background material from unpublished paper, 'Early Oregon Press,' Judith C. Carlson, 1976.

defending its measures and members against the un-
merited assaults of political opposition.²

Bush soon had reason to wield his political pen. Thomas J. Dryer, editor of the Weekly Oregonian, an avowed Whig supporter, and W. L. Adams, editor of the Oregon Argus, a staunch Republican, soon joined the print melee. Their freewheeling, undignified political attacks, usually described as "vituperative," established a journalism known as the "Oregon Style."³

In the Pacific Journal (Eugene), June 26, 1958, editor J. H. Rogers repeated a column taken from the San Francisco Times regarding "The Oregon Press";

If the newsmonger takes up one of these papers, he flatters himself that he is going to have a rich repast, it being, as we said of fine dimensions, and to the eye, altogether inviting; but on opening, he finds in an instant, it is to the intellectual taste an apple of Sodom . . . Column after column, and page after page is crammed with fulsome panegyrics on one set of political aspirants and bitter denunciations of the other.⁴

Bush had a preference for the political scene and disdained local news coverage claiming, "If there is anything we utterly despise,

² Warren Brier, A History of Newspapers in the Pacific Northwest, 1846-1896, State University of Iowa Ph.D. thesis, 1957, p. 122.

³ George S. Turnbull, History of Oregon Newspapers. (Portland: Binford & Mort, 1939), p. 81.

⁴ Judith C. Carlson, "Early Oregon Press," unpublished paper, 1976. Journal Source: Lane County Pioneer Museum Archives.

it is petty village puffery."⁵ In order to add revenue as official territory printer, and also out of interest, Bush followed the legislature from Oregon City to Salem to Corvallis between 1851-1855. Hence, before the Statesman made its final move to Salem by stern-wheeler in December 1855, it became the first paper published in Corvallis. Bush maintained the paper editorship for 10 years before branching out into other business ventures. "There came a series of changes in ownership and editors with many famous names"⁶ until 1883 when the Statesman came under the direction of Robert J. Hendricks, who was sole owner for 44 years.

The next long-term owner and publisher was Charles A. Sprague who is still closely identified with the paper. Sprague shifted his business interest and talent from the Corvallis Gazette Times, an association that lasted from 1925 to 1937, to the Oregon Statesman, where he was editor and publisher until his death in 1969. Sprague's lengthy career as publisher of the paper, a four-year term as governor, and his involvement in a number of boards and organizations led writers to title him "Mr. Oregon" and "elder statesman." Upon the 100th anniversary of the Oregon Statesman, Time magazine noted that although the circulation was small (15,940), the newspaper

⁵ Ben Maxwell, "Salem Newspaper History," The Capital Journal, Salem, Dec. 29, 1953. Statesman Journal Library files.

⁶ Wendell Webb, "Oregon Statesman History," Statesman Journal library, June 1972.

"reflected one of the clearest voices in the Pacific Northeast." ⁷ In "C. A. Sprague - a Man, a Legacy," the Statesman editorial writer spoke of him as a "product of the era of Noblesse Oblige in community service. He felt an obligation to serve in whatever capacity he was needed, and he voiced regret that the dwindling of family-owned firms left too few of those who could feel it deeply." ⁸

Statesman-Journal Merger

Sprague formed a partnership with Bernard Mainwaring, owner and publisher of the Capital Journal, in late 1953. Mainwaring, who had purchased the Journal earlier that year, was facing sizable expenditures to modernize equipment and plant; ⁹ the Statesman had recently made those changes. In announcing the joint operation in an Oregon Publisher account, Sprague said "Both papers will continue their separate news and editorial departments." The Publisher's writer could not resist the temptation to editorialize in the final paragraph,

In making the move, the publishers are conforming to a pattern of newspaper operation adopted in many cities in the United States - a pattern made necessary because of rising costs of newspaper publishing. ¹⁰

⁷ Time, April 9, 1951, p. 9.

⁸ Oregon Statesman, March 14, 1969, p. 4.

⁹ Interview with William Mainwaring, Salem, July 8, 1977.

¹⁰ Oregon Publisher, December, 1953, p. 1.

Thus, the Statesman-Journal Company was formed with the Sprague and Mainwaring families each owning 50%.

Upon the death of Mainwaring in 1957, an interim publisher, E. A. "Ted" Brown, was named until William Mainwaring, then a University of Oregon journalism student could assume duties. Mainwaring, at the age of 27, became publisher in 1962 and continued until 1976. From 1974-76, Mainwaring served as publisher for both the Statesman and the Journal.

Charles Sprague died in 1969, whereupon his son Wallace A. Sprague was named Publisher, although he continued to live and work on the East Coast. Editor Wendell Webb assumed most on-premise duties. At this point, the 50-50 partnership that the elder Sprague and Mainwaring had formed was now in the hands of the younger Sprague and Mainwaring. They were assisted in business matters by members of their respective families who owned a financial interest in the Statesman-Journal Company.

New Ownership: Statesman-Journal Company

There are a number of reasons why family owned newspapers choose to sell to a newspaper chain. In the case of the Statesman Journal, the working relationship between the Spragues and the Mainwarings was deteriorating at a steady pace and brought

In the case of the Statesman-Journal Company, as former publisher William Mainwaring tells it, "the partnership worked while Governor Sprague was alive; it did not work, in my opinion, after he died." Wallace Sprague lived in New Jersey and "would fly in for two-to-three days at a time every six weeks or so; it was a very complex sort of thing and it didn't work very well." Production and building costs were not at issue. As Mainwaring explained, "We had borrowed heavily to put in a new press, production equipment and enlarge our building. We spent over two-million dollars in 1971 or 1972. That was not a major factor in selling; we could have paid that off. Our (family's) basic inability to get along with the present ownership was the number one consideration. I would have much preferred, if we could have handled it financially for our family to have owned it. My mother opposed the sale for a long time, but ultimately gave in."¹¹

After the decision was made to dissolve the partnership, the choices of selling it to a public group, and to which group, were made collectively, although Wallace Sprague had voting power for other Sprague members.¹²

¹¹ Interview with Mainwaring.

¹² Ibid.

"Once it became an issue of should it be Gannett or somebody else, Gannett really had the inside track," explained Mainwaring.

"Lee would have been interesting to me, but one family member vetoed it for some reason."¹³ The Statesman-Journal Company was sold to Gannett Company, Inc. (a major newspaper chain) based in Rochester, New York on May 24, 1974. Mainwaring elected to stay on as salaried publisher of both the morning and afternoon Salem newspapers until he resigned in the spring of 1976.

Mainwaring, during our interview, attempted to put the sale of the family-owned newspaper into another framework. He likened the inheritance situation to that of the family farm:

If the value of the property is relatively high but earnings are not so great, and if you don't have a large stockpile of liquid assets, it can be devastating. On the other hand, if you have a profitable piece of property and you've made all kinds of money, and you've put it aside, there's no problem.

He added as a postscript, "the Salem newspapers were never very profitable. My perception is that until Governor Sprague died, neither family really cared that much about making a lot of money out of it."¹⁴

¹³ Ibid.

¹⁴ Ibid.

Corvallis Gazette-Times

To trace the ancestry of the Gazette Times during the 19th century requires a little more digging. There were three distinct mergers to bring the initial Corvallis Gazette (1862) to the final daily product, the Corvallis Gazette-Times in 1909. The Corvallis Gazette merged with the Oregon Union in 1899 to become the Union Gazette and later the Corvallis Gazette. That's the Gazette side of the family, and depending on which newspaper historian you read, the family tree will vary somewhat. On the Times' side, it is necessary to begin with the Corvallis Leader in 1882 which merged with the Corvallis Times in 1893, but retained the latter name.¹⁵

With such a changing history, it is obvious that the list of editors and publishers would be inches long. Suffice it to say, that in general, they were "independent" thinkers, well-known in the community, long on "causes" and short on the job.

Since 1915, the paper has been associated with one name only, Ingalls. The first Ingalls was Claude E., a publisher and "editor who always spoke his mind."¹⁶ Upon Ingalls' death in 1950, newspaper editors across the state mourned the loss of his "voice."

¹⁵ Turnbull, History of Oregon Newspapers, pp. 79-83 and W. Russell Berry, "The Corvallis Gazette-Times," unpublished paper, May 3, 1950, p. 6a.

¹⁶ Grants Pass Daily Courier, Aug. 10, 1950, p. 4.

The Grants Pass Daily Courier claimed "Nobody ever was in doubt where Claude Ingalls stood on any issue" and remarked on his ability to influence his readers politically, "Benton County always went rock-ribbed, solidly Republican,"¹⁷ it said. Alton Baker, of the Eugene Register-Guard, stated "we are glad to have known one of the last of the personal journalists."¹⁸ Charles Sprague's well known front-page "It Seems to Me" column was devoted to his friend and former business partner: "His devotion to his principles, notably to those of the Republican Party and to the constitution as left by the founding fathers; his loyalty to the community, to Oregon State College; his staunch backing of friends and associates marked his career."¹⁹

The next Ingalls was Robert C. who assumed the title of publisher upon his father's retirement in February of 1950. His association with the Gazette-Times dates back to 1937, first on the business side and then the news side of the paper. He has as other newspaper publishers before him, achieved recognition and stature far beyond the boundaries of his home community. He has served as a state legislator, on numerous boards and organizations, and is currently a member of the State Board of Higher Education.

When the Gazette-Times "named" the 10 "most powerful

¹⁷ Ibid.

¹⁸ Eugene Register-Guard, Aug. 9, 1950, p. 2.

¹⁹ Oregon Statesman, Aug. 1950, p. 1.

persons" in Benton County in 1975 by polling a large number of community organization representatives, Robert C. Ingalls headed the list.²⁰ Included in the many comments were: "his word carries weight," "inside man behind most of the important decisions made in Corvallis for two decades," and "he stands for action of a quiet, underplayed variety."²¹

New Ownership: Gazette-Times

The Gazette-Times was sold to Lee Enterprises, Inc. in 1969. It was not a case of family in-feuding or conflicting interests since Ingalls owned a major share of the business. He explained that he did not have the capital to finance much needed equipment and a new physical plant; he was aware that, should he die, the inheritance tax would be so great that it would necessitate a sale, that he would not be able to direct.

We were operating with obsolete equipment in an old building that couldn't possibly be efficient. They (Lee) put one and one-half million into this building, which was part of the agreement, and they modernized the equipment.

He also pointed out that.

the only reason that community newspapers are sold is the tax situation that "Mo" Udall himself helped

²⁰ Corvallis Gazette-Times, Dec. 1, 1975, p. 1.

²¹ Ibid.

create the climate - I'm not singling him out alone. There is no way I could have retained the ownership of this newspaper and not have it sold after I die because the taxes would have to be paid. It would have had to be sold in a hurry - a forced sale - and it probably would have gone to the highest bidder, which it did not under these circumstances.²²

As part of the agreement, Ingalls has maintained his title as publisher and much of his clout. Thomas Jenks, Gazette-Times editor and 20-year Lee employee stated that in the circle of Lee papers, "Ingalls is the only one I know of currently that has sold and still stayed on as publisher."²³

Conclusion

The selling of the Statesman-Journal and the Gazette-Times to newspaper groups are typical examples of why independent newspapers are being sold. Business Week summarized it this way, "because of rising costs, stiffer estate taxes and the problems of family management in a field dominated by big, efficient chains, more and more family-held newspaper are open to offers."²⁴

Gone are the days of the "personal journalist" who often spoke not just for himself and for his paper, but for the entire community.

²² Interview with Robert C. Ingalls, May 23, 1977.

²³ Interview with Thomas S. Jenks, July 22, 1977.

²⁴ "The Big Money Hunts for Independent Newspapers," Business Week, February 21, 1977, p. 56.

They were leaders with strong convictions, wide-felt power, and the desire to direct and shape the forces in their community and beyond.

In the cases of recent publishers of the Statesman-Journal and Gazette-Times, they were also men of high integrity. Bush coined it and promptly ignored it, but others have followed the motto:

"No Favor Sways Us; No Fear Shall Awe."²⁵

²⁵The Oregon Statesman motto.

II. NEWSPAPER TRENDS

Can a small Western town paper maintain Happiness and Integrity within a million dollar corporation based in the Midwest?

Can two veteran Oregon dailies, owned by the nation's largest newspaper group headquartered in New York, successfully fight off a young, aggressive weekly financed by a California conglomerate?

If you live in the Willamette Valley, or anywhere in Oregon, the paper you're reading probably belongs to a chain (or group).²⁶ And it was most likely sold to this chain within the last ten years. That means that it went from a local family-owned newspaper with marginal to modest profits to part of a large, multi-million dollar corporation with promising to excellent profit returns. That only tells you part of the story, and it may or may not affect your paper product. The other part of the story is that if a paper is group owned, changes in the newspaper and changes in the management staff are likely to result. What does it mean to the newspaper, and ultimately to you the reader?

²⁶ Of the 22 daily newspapers published in Oregon, two are independent: Eugene Register-Guard and Grants Pass Daily Courier. It should be noted that a number of dailies published in Oregon belong to groups that are Oregon owned and contained. A group is defined here as one ownership with two or more newspapers, each published in or for separate communities. Statistics supplied by Roger Williams, Oregon Newspapers Publishers Association Director.

Let's reduce it to more specific terms, using the newspapers in Corvallis and Salem as our focus. The Corvallis Gazette-Times was sold to Lee Enterprises, Inc. in 1969. In 1974, Gannett Company, Inc. added the Oregon Statesman and the Capital Journal, both of Salem, to its growing list of acquisitions. The papers became statistics and part of the national trend.

The acquisitions were typical in that the newspapers were monopoly dailies in small-to-medium size communities. The Salem papers were also examples of the Gannett pattern, that of buying papers with an average circulation of 48,000 (Statesman; approximately 44,200) and buying papers serving state capital cities; there is now a total of seven.

In terms of national trends, there is definitely an interesting twist to the Salem paper story. Shortly after Gannett purchased the Statesman-Journal Company, with its market monopoly, the Community Press began issuing a weekly paper delivered free in the Salem buying area (about 71,000). The Community Press is one of four papers published by Community Publications, Inc., a subsidiary of Early California Industries, based in Los Angeles.

Normally, a weekly paper, in this case a blend of a sophisticated "shopper" and a suburban paper, would have had little impact on a growing daily newspaper market. But within seven months of setting up shop, the Press was issuing a sizable paper twice a week. At that

time, the company president Richard F. Dickey in Tigard projected an increase in frequency, to four or five issues per week, within the year.²⁷

Most enthusiastic about what had happened, and the initial success of the paper was Press editor Maggi White, who analyzed it this way: "If an outsider were to come in and assess the situation, he'd find a revolution going on - an evolution - a drama - a journalistic thriller!"²⁸ No journalist is going to walk away from a "journalistic thriller." In order to find out "Who Did It?", the reader will have to continue this paper.

Background

In order to frame the Salem and Corvallis newspaper transitions within a larger context, it is useful to know what has been happening in the newspaper business nationally. During the last decade, a major trend in American journalism has been established: independent papers are being sold to groups. ("Group" is used here to mean "more than one newspaper owned by the same ownership and published in or for different communities,")²⁹ The trend has so

²⁷ Statesman Journal, Aug. 28, 1976, p. 4A.

²⁸ Interview with Maggi White, Community Press, May 25, 1977.

²⁹ Allen Neuharth, Gannett Company President, Editor and Publisher, May 7, 1977, p. 7.

accelerated that within ten years, the independent paper may disappear. In addition, there exists a pattern, within the larger pattern, of smaller groups being merged with larger groups or chains.

This trend has been commented on by all the major news and business magazines during the past two years. It is not that it wasn't really "news" before, it's just that so much has changed so fast that it has become "big" news.

On the one hand, news watchers are using terms like "dangerous" and "disturbing" to describe the trend. On the other, business analysts are zeroing in on the major trend setters and pointing out how significant gains can be made when groups purchase papers that have a market monopoly. The latter observations usually include a few quotes from the leading "press lords" such as Times-Mirror Company's Otis Chandler, who noted, "If a newspaper is non-competitive, it gives you a franchise to do what you want with profitability"; or Rupert Murdoch, owner of the New York Post, who said, "A license to steal money forever."³¹

³⁰ Business Week, "The Big Money Hunts for Independent Newspapers," February 21, 1977, p. 59.

³¹ The Nation, "Small-Town Moxie," May 14, 1977, p. 580.

The following list highlights recent national statistics:

- . In 1930 chains owned only 16%; in 1972, it was 50%; in mid 1977, it is 60%.
- . The twelve biggest chains account for nearly 40% of all daily circulation.
- . The four largest chains - Newhouse, Knight-Ridder, Tribune Co., and Gannett - have 20% of the circulation.
- . Early in 1977, Gannett Company became the largest chain following a merger with Speidel Newspapers, Inc., bringing the total to 73 dailies in 28 states and Guam.
- . Of the 1,500 cities with daily newspapers, 97.5% have no local daily competition.
- . Less than 60 American cities had two or more newspapers under separate ownership in 1976 compared to 700 in 1920.
- . New owners try to achieve profits of 20% of revenue compared with 10 - 12% reached by most independently owned papers.³²

Because papers are being sold and merged so frequently, the statistics aren't accurate for very long. As noted in The Nation (May 14, 1977, p. 580), "the chaining of America's newspapers is going ahead as fast as lawyers and financiers can hammer together new links."

It is against this changing background that the newspapers of Salem and Corvallis will be considered. How does this concern you? If you're a typical American newspaper reader, your biggest concern

³² Statistics compiled from: The Nation, May 14, 1977, p. 580; Business Week, February 21, 1977, p. 57; and U.S. News & World Report, Jan. 24, 1977, pp. 54, 55, 56.

is having your morning paper on the doorstep by 6 a.m. [That information is courtesy of a Lou Harris survey, a subsidiary of the Gannett group.] It will be assumed that the readers of this paper are atypical and have other concerns.

III. NEWSPAPER FUNCTIONS

Statesman Executive Editor, John McMillan, expressed the two central functions of a newspaper as 1) "adding a dimension or understanding to life," and 2) "serving as a bulletin board for communication within the community."³³

Probably no publisher or editor starts out every day with the thought, "How can I best serve my community today?", but there's little doubt in my mind following the interviews that there isn't a general underlying philosophy of improving the reader's life in some way. And that doesn't stop at the top. The attitude filters on down to reporters who usually redefine it in terms of their own duties.

Even though the people who put together your newspaper have this general philosophy, the modern newspaper process has become first and foremost a business. It is currently in vogue these days to describe it as a manufacturing product. To my way of thinking, while they produce a product, it's a service they sell. It's a unique service-product in that it is protected by the constitution of our government. From time to time, those in the industry are called upon to reassert the protection or freedom of the press. However, it is infrequent that the newspeople of the Willamette Valley have to meet that

³³ Interview with John H. McMillan, Executive Editor, Statesman Journal, May 27, 1977.

challenge, so I didn't find it uppermost in their minds. The interviews clearly indicated, however, that Oregon journalists are responsible, thoughtful, and of necessity, practical.

Obviously, the newspaper in the community serves a variety of functions. This paper will be concerned with a limited number of them. The first section will relate to "adding a dimension or understanding": governmental coverage and consumer news. The second section will relate to "communication within the community": the bulletin board concept and the role of leadership. McMillan also expressed this second function as providing a "sense of community."

Dimension and Understanding

Governmental Coverage

The idea of being responsible to your reader is not a new one. As times change so does the emphasis. Coverage of the governmental process has always been an integral part of newspaper responsibility. The press role as "watchdog" is as old as the newspapers themselves. Covering city and county affairs is a standard reporter's "beat." When the state government meets in your hometown, as it does where the Statesman originates, that becomes another standard beat. When the government convenes further afield, limited resources usually determine the use of wire

services, such as United Press International, Associated Press, and individual group news services.

"We cover government well" said Statesman reporter Sue Hill, "state, city, county -- if anything, we probably over do it. We are plugged into government."³⁴ Not only does the Statesman cover governmental meetings in Salem where meetings proliferate, the paper has some 30 correspondents as independent contractors to phone in local stories from the five counties the Statesman serves: Marion, Benton, Linn, Polk, and Yamhill.³⁵

It's a similar picture in Corvallis. Editor Tom Jenks explains it this way, "We have some responsibility to cover city council and the county commission even though they are not well read. You're not a newspaper if you don't provide that service."³⁶ Jenks indicated that the recent readership survey results showed interest in government coverage as lower than expected.

³⁴ Interview with Sue Hill, Statesman reporter, May 25, 1977.

³⁵ Information supplied by Van Eisenhut, Statesman Managing Editor, May 31, 1977.

³⁶ Interview with Thomas Jenks, Gazette-Times Editor, May 12, 1977.

Covering all meetings pertaining to government is a real cost factor in terms of staff time. Three and four hour meetings are not unusual anymore; they've become the rule. Weighing the factors of limited resources, an apparent lack of readership interest and the national trend in daily newspapers to cover less but comprehensively, there seems to be a gradual unplugging. "We have found," said Gazette City Editor Rod Deckert, "that people aren't as interested in reading about the affairs of local government as we thought they were. We don't have to go to every government meeting." In explaining why, he added, "reporters have families too; they can't go to evening meetings three times a week." A few people in government have noticed, specifically in the budget office, according to Deckert. "They've called and said, 'Where are you this year?' and 'When are you going to get involved?' We've said, when you get ready to finally get off the dime and get your budget down, then we'll be there to report about it... We'll add a longer, more detailed story during the lull and we think the readers will be just as well served."³⁷

Statesman Editor, J. Wesley Sullivan reiterated that theme.

In some areas, we're doing more in-depth coverage than we ever did before, but we're not doing as much day-by-day reporting of events as we did at one time. Government gets more and more complicated all the time. It's hard to cover all the bases.³⁸

³⁷ Interview with Rodney Deckert, Gazette-Times City Editor, May 17, 1977.

³⁸ Interview with J. Wesley Sullivan, Statesman Editor, May 31, 1977.

The need to compete with television, which offers painless 60-second news summaries, has reporters and editors looking for fresh approaches. Criticisms from their own print colleagues, such as Washington Star editor Jim Bellows' complaint that "newspapers are filled with governmental sludge,"³⁹ probably speeds up the movement for more appealing and relevant stories.

The Community Press covers news from an entirely different tack. As editor Maggi White explains it, "We're not meeting-oriented or we'd never get anything done."⁴⁰ While the Press has at least one reporter to handle "hard" news such as governmental issues, bond issues and annexations, most articles are written around personalities.

News stories about accidents, murders and fires are considered negative and not even handled unless there is a definite "person" story to be developed. White's philosophy, as reflected in the Press, "is to present a positive attitude about life. That's why they call it the "Good News Newspaper." I think there is a responsibility to the readers. If you continually force-feed them car crashes, rapes and murders as newspapers, radios, and television are doing ad nauseum, you're eventually doing mankind a disservice." White

³⁹ Oregon Publisher, Feb. 1977, p. 21-22.

⁴⁰ Interview with Maggi White.

emphasized that the paper was not glossing over the facts. She explained, "what we do is talk to solution-oriented people; within the context of the interview, the problem is explained. ... You can build awareness journalistically without always being negative."⁴¹ There are no "beats," wire services, or traditional page concepts at the Press. Except for a few syndicated columnists (jet set, fashion, etc.), the material is all staff written.

Maggi White, Community Press innovator, sees adding a dimension to the reader's life in a very different light from her counterparts at the Statesman and Gazette-Times. White remarked, "They'll know about the news faster from radio, television or a daily paper, but they'll enjoy reading the details and the approach to it in the Community Press."⁴²

Social Concerns, Lifestyles, and Consumer News

Newspapers can be responsible in other ways than covering government around the clock. The movement to comprehensive and "help" articles on social and consumer issues is one example of how newspapers are trying to serve their readers in a more meaningful way.

⁴¹ Ibid.

⁴² Ibid.

The consumer and social-issues news "boom" is the happy result of readers indicating their preference for it, and national trade magazines encouraging it as a means to stop declining circulation. (Nationally, daily circulation reached a record high in 1973 with 63.1 million, but in 1975 the figure was closer to 60.6 million... a 2.5 million loss.⁴³ In this same period, the Gazette-Times and Statesman showed slight but steady increases.) In an Oregon Publisher trade workshop report, St. Petersburg Times editor Bob Haiman encouraged his audience to "be expert at consumer reporting - so expert the reader is convinced he cannot afford not to have it." His answer to competing with television was "In a phrase, cover it in a better, more informative way. Sports. Lifestyles. More trend stories..."⁴⁴

In an Editor & Publisher capsulization of a March 1977 trade workshop this was concluded:

The changing times/changing readership emphasis with its proliferating calendars of events, service directories, how-to-stories in the lifestyle, feature and women's sections at the workshop...represented a decided swing away from the name-the-section trauma and metro-imitation of big, single cover stories which dominated the workshop in the 1974-5 era.⁴⁵

⁴³"The Great Paper Chase," Newsweek, May 31, 1976, p. 73.

⁴⁴"Newspaper Content: the key to readers and circulation, Oregon Publisher, February 1977, p. 21.

⁴⁵"Changes in newspapers," Editor and Publisher, April 16, 1977, p. 12.

Newsweek also commented on the readership problem and its effect on the print media: "To meet the challenge, newspapers are going in for livelier graphics, more compact layouts and a tidier packaging of sections. They have started up consumer and service columns and entertainment directories."⁴⁶

Perhaps because of information shared by group papers and/or because of a more professional management approach that now exists, the local papers have been following the trends closely and making significant changes.

The Statesman Journal combined-weekend paper added a section called "Living" last year. When first announced, the section was billed as being concerned, "mainly with today's ever-changing lifestyles. Contemporary issues, humor, human interest articles, food and fashion stories... and a Fine Arts Calendar."⁴⁷

Under Janine O'Neill, and with the guidance of editor Thomas Jenks, the Gazette-Times traditional woman's page with all its inherent society-type features has given way to "Spectrum," a larger view of family and social issue features. As O'Neill explained,

Corvallis is changing. It is not the old-guard, all-OSU, all-society kind of community you used to see reflected in the paper. It is young working couples, it is divorced

⁴⁶ Newsweek, May 31, 1976, p. 73.

⁴⁷ Oregon Statesman, April 6, 1976, p. 1.

people, gay people, teenage mothers, and teenage alcoholics - a problem you wouldn't believe. And it's not the way the readers are used to seeing themselves. We are trying to broaden the scope of those pages. My goal is to provide information that will make peoples' lives easier and better.⁴⁸

Within the last year, "Spectrum" pages have contained articles on single parents, working couples, caring for foster children and a court-run marriage counseling service.

While the Community Press limits its articles in length and scope frequently, it too addresses the problems of a changing society with lifestyles that are non-traditional as well as traditional. Each issue has a large mix of feature or "people" stories; its strength lies in the telling of the story about the person "down the block." Mitch Hider specializes in wedding stories that capture "the perceptions and feelings" of those involved and features that concentrate on ordinary people. "The people I want to write about," he emphasized, "are the people who've never been written about. We all try to approach stories on a personal, feeling level."⁴⁹

The Gazette-Times and the Statesman Journal have succeeded, at least in terms of being judged by their professional peers. In the 1977 Oregon Newspapers Publishers Association (ONPA) annual

⁴⁸ Interview with Janine O'Neill, Gazette-Times, May 19, 1977.

⁴⁹ Interview with Mitch Hider, Community Press, May 2, 1977.

state-wide contest, both papers were cited for their excellent Family/Women's Coverage. In the daily newspaper competition, first place was awarded to the weekend Statesman Journal and third place to the Gazette-Times.⁵⁰ The Community Press was unable to enter because it did not meet ONPA qualifications for the weeklies category; its Portland counterpart won several honorable mention awards.

In consumer news, the Statesman Journal and the Oregon Statesman are doing more--more than before and, from my observation, more than any other paper in the Valley. Choose a sampling of papers from any given week, and you'll find: "SOS" and "Help" columns devoted to specific reader problems; "Home Line"; and "News to Use"--a syndicated Associated Press column dealing with national consumer issues.

In July of 1977, the Statesman issued its first monthly tabloid "Common Cents" with this line underneath the banner: "Advertising Supplement to the Oregon Statesman." In introducing "Common Cents" with a short notice on page 1, the paper explained that "consumer advice and money saving suggestions are included in the tabloid which will be distributed once a month." The tabloid insert, 20 pages in length, coupled public information articles and related

⁵⁰ 1977 ONPA Better Newspaper Contest Winners list as provided by ONPA office, Portland.

advertising (and some just-plain advertising) which rather lessens the sincerity of the project in my opinion.⁵¹ Overall, the Statesman Journal has made a definite commitment to increasing the reader's information of consumer news and products.

The Corvallis Gazette-Times has found that its readers are more interested in having additional consumer news. Editor Thomas Jenks explained that 85% of their readers would like to see this coverage increased.⁵² Because of this, 40% of a new reporter's duties will include the consumer "beat." How these will be defined is yet to be seen.

Sense of Community

Club News . Bulletin Board

News priorities, as judged by reporters and editors, would find club/social-type news items low on the list. This news is a service, however, and its importance to segments of the community cannot be ignored. This is reflected in the attention being paid to it at trade workshops and in trade papers.

Emphasis on community and club news was much in evidence

⁵¹ Oregon Statesman, July 20, 1977, p. 1, and insert.

⁵² Interview with Thomas Jenks, editor, discussing results from Readership Survey of Gazette-Times readers, Dec. 16, 1975.

in a March workshop discussed and summarized in Editor and Publisher. Quoting one participant, Editor said, "there is more openness to club news, soft news, social news. 'It provides a service to the reader which tv and radio don't do, and there are story ideas floating around groups'..."⁵³

Yes, club and social news are back, and yes, they're a reader service, but they are also the bane of every newspaper editor. "We'd like to set some of the bulletin board stuff aside so that we could worry about issues and people stories, and worry about stories that might be more relevant to a larger audience," says Gazette-Times City Editor Rod Deckert.⁵⁴ (Short notices of events, organization items, anniversaries, brief accomplishment accounts, etc., each under its own headline, qualify as "bulletin board" notices.)

The notices are usually poorly written, incomplete, and of small interest when they arrive on the desk in some newspaper office. It is then the responsibility of an editor or reporter to make some sense out of these releases because these stories or the lack of them are undoubtedly the source of the most complaints to the paper. As one editor summed it up, "the strongest lobby group is

⁵³"Changes in newspapers discussed at workshop," Editor & Publisher, April 16, 1977, p. 12-13, quote from Bob Bonin, Feature Editor of the Albuquerque Journal.

⁵⁴Interview with Rodney Deckert, City Editor, Gazette-Times, May 18, 1977.

the club and organization people."

The Statesman and the Gazette-Times both acknowledged that they ran a bulletin board service for a small segment of their reading audience. "We run damn near every single scrap of hand-out or little short story we get," explained Jenks, Gazette-Times editor, "but we do edit them down to what we think is the necessary information. In that way, we are a bulletin board, except we try to present it graphically and package it so that we don't look like a bulletin board."⁵⁵ The Gazette now groups related notices and clips when possible, under headings such as "In School," "In the Service," and "Business News."

A more acid view of club members and their incessant demands was given by Gazette-Times "Spectrum" editor O'Neill, who said, "clubs are never satisfied; it's like feeding sharks. The big clubs in town not only expect it, they demand it. It's physically impossible to keep up and I've kinda quit paying attention to the clamor."⁵⁶

J. Wesley Sullivan, Statesman editor, lamented that,

In the last two years, we have become far much more of a bulletin board paper than I would have ever expected us to be. I personally am concerned about this trend, because when you fill your paper with so much material that is of a bulletin board type, that precludes

⁵⁵ Interview with Jenks.

⁵⁶ Interview with O'Neill.

you're being able to have the energies or the space to do the day-by-day news that is of more general interest. You never dare drop it because it always gets a small but real audience.⁵⁷

Statesman Journal executive editor John McMillan and Statesman managing editor Van Eisenhut both addressed the bulletin board or publicity request issues in recent editorial columns.

Under "Variety Offered by Newspaper," Eisenhut explained why lists of names are run for graduation from high schools, and colleges and for State Fair awards:

A local newspaper can provide information available nowhere else. No radio or TV station can afford the times and staff to list Oregon State University graduates from the Mid-Willamette Valley area. And who would listen or watch while a list of winners at the State Fair was read?....⁵⁸

On the other hand, one of its reporters explained how the Statesman had,

gotten away from that sort of thing. We used to be notorious for getting every name in. Because of time constraints, the paper has had to make news judgments. We refined and sophisticated it (bulletin board approach) and we've thrown out some of the parts that were space-wasters like long list of graduates - it's hardly a distinction any more.⁵⁹

In commenting on the bulletin board qualities of Valley papers, former Statesman reporter Janine O'Neill, agreed that the Statesman

⁵⁷ Interview with Sullivan, Oregon Statesman, May 31, 1977.

⁵⁸ Oregon Statesman, June 27, 1977, p. 12 B.

⁵⁹ Interview with Sue Hill, Statesman reporter, May 25, 1977.

was now less of a bulletin board. She said, "A few years ago, it was that to an extreme."⁶⁰

It appears there is some disagreement about how much or how little a bulletin board the Statesman has become. My own feeling is that there are not as many two or three inch articles as there were four or five years back. As John McMillan said a number of times during our interview, "Where's truth?" People perceive the same material in a different light depending on their current basic premises.

Announcements and brief notices of what has happened to who, singularly and collectively, brings the members of any given community one step closer together. Reading that Mrs. Black gave birth to a baby boy on Monday or that Jim White has been elected President of the Tuesday Lunch Group is what makes the people in the community real to the reader. It's McMillan's "sense of community" once again.

Executive Editor McMillan used his weekly column to answer recent complaints about lack of coverage regarding subjects two readers were interested in. He explained that "with more than 350 voluntary organizations... the Salem newspapers could very easily drown in club-sponsored promotions. Thus, reporters and editors try to make judgments." McMillan, in explaining that "in 1977 we

⁶⁰ Interview with O'Neill.

are adrift in a sea of information" whether it be club events or general information, concluded that editors could not be in "full command of everything that is happening" so letters and calls are helpful in aiding news coverage.

A good many persons active in clubs and organizations think newspapers should 'promote' worthy activities. Newspapers tend to think their role is to report only what is significant and of considerable importance to large numbers of readers. The peril for a newspaper that accepts the 'promotion' role is that it will bore everyone with puffery and eventually have no readers, but the peril for a newspaper that fails to acknowledge any role in supporting worthy activity is that its city loses a sense of community.⁶¹ (underlining mine)

And what of our "good news" paper, the Community Press, how does it handle bulletin board items? "We avoid that" says editor Maggi White. "We try to take every story and humanize it so we have very little bulletin board journalism. No one does birth, weddings, engagements and anniversaries the way we do. It's the total opposite of bulletin board journalism."⁶² White's staff members agree with her. "If anything," said Hider, "we expand club news. We approach stories on a personal, feeling level." Our stories are "written in an entirely different style, down-home chatty."⁶³

⁶¹ Oregon Statesman, July 2, 1977, p. 60.

⁶² Interview with White.

⁶³ Interview with Hider.

The bulletin-board function is necessary to a number of newspaper readers. Often, it is demanded by those involved in organizations and lamented by those involved with putting out newspapers. But, it provides a service found nowhere else which not only is good business but good for the community.

People Coverage

Although bulletin board notices are about people, they are usually brief and do not tell you much about those people except for names, addresses, and a summary of their latest feats.

"People news" is obviously the strength of the Community Press and it would be an oversight not to explain what and how they approach this.

The three Press staffers that were interviewed were in total agreement that the Press was a "writer's" paper. As news editor David Jordan summed it up, "We specialize in people stories. It's our strength. New Journalism definitely influences our writing." Jordan, who taught journalism for two years in a midwestern college and incorporated the New Journalism techniques into his classes, capsulized the concept in this way:

It's an application of fiction techniques to feature writing. The writer includes scenes, description of people, and dialogue in the articles. The idea is to capture the nuance of the situation and is not just press-conference journalism. 'New Journalism' peaked in the late 60s

writers like Wolfe, Breslin and Gay Talese. It had an impact, but you don't hear so much about it any-more.⁶⁴

A 1975 Newsweek article addressed itself to "New Journalism Now." The article pointed out that the original "NJ pioneers are busy refining New Journalism techniques for more ambitious projects." Commenting that even though the impact "seemed to fade, even newspapers like The New York Times... show NJ's influence in a growing tendency to enliven dry economic statistics..." The future, Newsweek concluded, "still looks bright."⁶⁵

Whether by intent or lack of staff resources, the Statesman runs its people stories on Saturday and Sunday, not during the week. Insightful people profiles as they relate to religion, history, business, or whatever, can be found in the weekend Statesman Journal, either on the regular pages or in a magazine section such as "Oregon Territory."

The Gazette-Times is paying more attention to the people in its community. Some very fine writing about people can be found in the "Monday Profile" which singles out individuals because of job, hobby, philosophy, etc.; on "Spectrum" pages; and in special features related to business, education and food.

⁶⁴ Interview with David Jordan, Community Press, June 14, 1977.

⁶⁵ Newsweek, Mar. 31, 1975, p. 67.

Both the Community Press and the Gazette-Times do the "man-on-the-street" interview and the "little guy" story, and staff members indicated they'd do more if time wasn't such a constraint.

Leadership

The newspaper industry is in a constant state of transition, but a few things never change. One is the role of the publisher or editorial writer providing leadership in the community through the newspaper. From time to time, some have abused that privilege-- William Randolph Hearst Sr. and Col. McCormick are frequently cited-- but the majority wear that mantle with care.

J. Wesley Sullivan, Statesman editor writes some 25 editorials a week, varying in length and scope. "I think the point that we should emphasize," he noted, "is that a newspaper editor in my position is one of the last generalists in our society. He or she is a person who somehow has to be aware and conscious of any subject and has to be able to speak to anybody on any subject." He also sets himself apart from editorial writers who are publishers or owners. "Any publisher has to be conscious of the fact that he's running a big business, therefore his opinion tends to reflect those who are in business. I don't have to have that kind of bias entering into my thinking."⁶⁶

⁶⁶ Interview with Sullivan.

Within the last year, the Statesman Journal has adopted an editorial board form of control rather than the usual single editorial page editor. Publisher N. S. Hayden, Executive Editor John H. McMillan, Managing Editor Van Eisenhut and City Editor Daniel Davies join Sullivan in deciding editorial content for the Statesman. Hayden alone has veto power, but as of June 1976 hadn't used it. The obvious advantage of having a board with five members would be a blending of five distinct viewpoints.

The editorial board has begun a policy of inviting groups in for gathering background information or fact finding. This was the case with four recent city tax levies that were voted on by the people of Salem in July. Hayden came out against all four levies in his weekly Sunday "Comment" column which he began writing in January; all four levies were defeated. [It might be interesting to point out at this time that the Capital Journal, which has an editorial board comprised of Hayden; John McMillan; William Bebout, Editor, and Paul Jacobs, Managing Editor, was officially in favor of the levies but reversed its position just before the election because the city announced at that time that additional funds had been found which could underwrite some of the programs to be voted upon.] Hayden is quick to point out that although he also sits on the Capital Journal editorial board, he expects the Journal to take positions that reflect the paper's philosophy which is "more liberal." "I sometimes cringe at what

the Journal does, but I'll let them do their thing; I don't want to press both papers into one mold."⁶⁷

Former Statesman Journal Publisher Mainwaring remembers resisting the idea of an editorial board" following Gannett's purchase of the papers. "I oppose the idea of an editorial board with a publisher's or editor's involvement on both sides; it can only water down (the paper's stands)."⁶⁸ The board policy was implemented following Mainwaring's resignation and the appointment of Hayden in May of 1976.

In responding to the question of the "politics" of the Statesman, Sullivan stated,

We don't have a label; we're a little more conservative or responsible. But we're primarily interested in reinforcing the livability of the area in which we live. Nobody else is going to do it if we don't. We still have that responsibility whether readers see it or not. I'm pleased that I had a leadership role in the development of the civic center for example. And the building of our new library - that was one of the big things I was interested in. Seeing these things come to fruition, which we are seeing, makes you feel good.

Sullivan concluded, "We do have an impact; we do make differences."⁶⁹

⁶⁷ Interview with N. S. Hayden, Publisher Statesman Journal, June 7, 1977.

⁶⁸ Interview with Mainwaring.

⁶⁹ Interview with Sullivan.

The Gazette-Times felt the same way about a party label. Editorial Page Editor Wanda McAlister explained, "We don't endorse candidates as Republicans; we endorse on the basis of their being better candidates or more conservative candidates." In the last gubernatorial race, a group of people ran a large ad stating that the Gazette-Times always endorsed Republicans; McAlister was happy to point out in that election they had endorsed Bob Straub (Democratic candidate for Governor).⁷⁰

McAlister responded to a question about party bias in this way, "We try to be fair; we balance views by using outside opinions or syndicated columnists, by stretching deadlines and making access to the page." Even with attempts to balance, the editorial page, McAlister lamented that the rule was that "people tended to read those with whom they agree."⁷¹

McAlister has been writing the editorials on a regular basis for the paper since Publisher Robert Ingalls began campaigning for a legislative seat in 1967. While he was serving in the legislature (three terms as Representative (R-Corvallis)), Ingalls divorced himself

⁷⁰ Interview with Wanda McAlister, Editorial Page Editor, Gazette-Times, May 16, 1977.

⁷¹ Ibid.

from the news side of the paper. McAlister found little difficulty in assuming the role of editorial writer because of her long contact with the paper and because she shares a basic philosophy with Ingalls.

"Personally, I couldn't write editorials with which I disagree,"

McAlister pointed out while explaining her responsibility to the publisher and not to the Lee chain. "People think we're directed from Davenport, but were not; there's no way I could prove that though." She added that the only difference the chain ownership had made to her was that her "salary was higher and my fringe benefits are better." ⁷²

"The guts of the personality of the paper is the editorial page" claims Gazette-Times Publisher Ingalls.

It's the best place in the community for expression of public opinion. I have a moral responsibility in a one-newspaper town to present as many divergent points of view as possible. That's one reason for the openness of the letters column (the GT publishes about 1500 a year). It's also one reason we have as many liberal columnists and cartoonists as we have. While I'm considered much more conservative than I really am, I feel it's necessary to present both sides.

When it comes to how much influence the Gazette-Times editorial page exerts, Publisher Ingalls remarked,

We've always taken a stand because I believe that it's important that a newspaper take a stand...to upgrade schools and education, about juvenile activities and all the things that are important to a small community.

⁷² Ibid.

We've lost some very important battles lately. I don't care for the two-year term in the city council, or the ward system in local politics but you don't win them all. I don't know how many bond issues the editorial page could pass, but I know it could defeat bond issues.

In summing up, Ingalls remarked, "I think it's quite influential- hopefully for the best. At least it's discussed and that may be the best part of it all, whether you agree or not."⁷³

The Community Press had not begun an editorial policy or page at the time of my interview. Editor Maggi White who is responsible for policy and content in the Press predicted that editorial comments would come with time and familiarity with the community. The responsibility of leading or influencing the community was not a role to be taken lightly. White capsulized the situation as she sees it, "The editor of a newspaper is a powerful, influential figure, which means that if you're an editor, you exercise it delicately, tenderly and with great responsibility."⁷⁴

There was a general consensus on all three papers that publishers, or their counterparts, exerted influence not only on the editorial page but out in the community as well. Publishers Ingalls and Hayden expressed their philosophies below.

⁷³ Interview with Robert C. Ingalls, Publisher, Gazette-Times, May 23, 1977.

⁷⁴ Interview with White.

"I don't think the publisher can stand aloof from the community," explained Ingalls. "I've always been active out in front and behind the scenes to get things done. I think it automatic that any publisher who is interested in the vitality of his community and the cultural growth of the community naturally has to get involved."⁷⁵ Staff members concurred that Ingalls involvement in the community is out of a sincere concern and a sense of responsibility. McAlister expressed it this way, "Mr Ingalls has lived here most of his life and has a deep sense of responsibility for what happens in Corvallis."⁷⁶

Ingalls has called Corvallis home since birth and the newspaper cast a large shadow in his life even before he joined the paper in 1937. The welfare of his community has been of major interest to him, and people in the community know it and will seek him out for assistance. As Ingalls explained, "I think because the newspaper is of influence in the community, many of the people will come to me prior to getting things organized. . . I try to get things done in the community for the betterment of the community."⁷⁷

What then of N.S. Hayden, a transplanted Southerner with newspaper roots and commitments in Georgia, North Carolina, Florida,

⁷⁵ Interview with Ingalls.

⁷⁶ Interview with McAlister.

⁷⁷ Interview with Ingalls.

and Virginia? Hayden was named Publisher of the Statesman Journal in the Spring of 1976 and arrived on Memorial Weekend to assume an important role in a community he knew virtually nothing about. In responding to a critical situation on the newspaper's business side and because of his lack of familiarity with the people, Hayden and a new marketing director began an intensive campaign to meet the business community in June (discussed fully in "Competition" Chapter).

Following this campaign to meet the advertisers, Hayden began an ever-widening effort to meet the people of Salem. He explained that in a normal situation, "I will devote 15% of my time to civic and community things because I think it's important to the newspaper." Although he would prefer to work through the lunch hour (normally a meal he skips), he pointed out "I forced myself to have lunch with business people and civic leaders on a regular basis; I'd rather work but it's worthwhile to get out."⁷⁸

How effective has he been? Very. Within a period of 13 months, he has been asked to serve and has accepted board positions on seven Salem civic, cultural and youth organizations. His staff members are impressed. Sullivan said "both McMillan and Hayden are people, by the nature of their background, that immediately move out in the community. They're doing their homework very

⁷⁸ Interview with Hayden.

well."⁷⁹ "The good newspaper publisher is not an outsider very long," explained Eisenhower, "he or she very quickly becomes attuned to the needs of the community, the thought of the community and tries to become part of that community. Certainly, this is true of Hayden."⁸⁰

Conclusion

Apparently, it is possible for a publisher from outside to come into a community and become known and respected within a short period. Every publisher occupies a very visible position of responsibility; even an outsider finds himself in a leadership position with very little effort. The question is rather how much influence will a publisher from outside wield? It takes time to fully assess a community and to know who is in what position to get certain things done. As Ingalls commented, "the power structure changes depending on the focus or the issues." Time is a key element here. It seems inevitable that if a chain sends new publishers (and editors) to town every five years or so, none of these people, no matter how talented or concerned, will be able to assume the roles in the community and state that Charles Sprague and Robert Ingalls have held.

⁷⁹ Interview with Sullivan.

⁸⁰ Interview with Eisenhower.

IV. COMPETITION

The nature of newspaper competition has changed dramatically. While newspaper "scoops" are as cherished as ever by those in the trade, the other paper in town is probably not a threat anymore, because the other paper is probably not there anymore. "In 1920, 700 American cities had competing newspapers - there are fewer than 50 now."⁸¹ And, as stated earlier, national circulation is down significantly from 1972, and declining readership remains one of the major concerns in the industry. Competition goes on for community dailies nonetheless, only the scope has broadened to include other mediums and other newspapers: television, radio, magazines, specialized newspapers, regional newspapers, and nationally distributed newspapers such as the New York Times, Wall Street Journal, and the National Enquirer.

In Salem, Oregon, a unique situation exists: two daily newspapers, owned by the same company, compete not only with papers in the Valley such as the Oregonian and Oregon Journal, but with a bi-weekly paper right in their home community. This latter paper, the Community Press, basically began as an advertising vehicle. The response in the community to it was such that it found its own niche, not only with advertisers but with Salem readers too.

This paper has focused on comments expressed by those on the editorial/news side of the newspapers. Other than the publishers, who

⁸¹ The Nation, May 14, 1977, p. 580.

by necessity or preference are business men, the interviews have been conducted solely with personnel on the news side.

When it comes to an examination of local newspaper competition though, the line between editorial and advertising content considerations sometimes resembles a Rorschach blot. It is impossible, particularly in the case of the Statesman and Community Press, to consider what changes were made on the news side without first examining what happened on the business side.

Community Press Comes to Salem

The Community Press made its Salem debut in March of 1976. The reason the Press decided to give the Statesman-Journal Company a run for its money is exactly that, a run for the advertising money.

Community Publications Inc, of Tigard publishes The Community Press and the Downtowner ("a slick and weekly freebie" edited by Maggi White)⁸² in Portland, The Sun Press in Oahu, and the Salem Community Press. It also prints newspaper supplements and advertising circulars for distribution in western states.⁸³

The papers and circulars are primarily advertising vehicles. In 1975, the company president, Richard F. Dickey was approached by

⁸² Willamette Week, "Maggi White, Downtown doer & mover," Sept. 13, 1976, p. 11.

⁸³ Standard and Poor's, Corporation Records, 1977, p. 8335.

a collection of Salem businessmen to consider publishing a Salem paper similar to the Portland papers.

Dickey obviously was convinced by the sincerity of need and the willingness to make a financial commitment by the businessmen involved. A business "deal" was apparently made. Dickey turned the idea of a paper over to Maggi White, "Downtown" editor, who then developed the concept and philosophy for the Salem Community Press. White and Dickey began preparation to bring a paper to Salem in early 1976. The Statesman Journal staff was unaware of what had happened.

As Statesman Journal publisher Hayden cryptically points out,

The newspaper, to give you an indication of how far it had drifted away from its customers - the meeting was held in September at the Prime Rib, and the newspaper didn't know about it until December, and by then it was too late to do anything about it.⁸⁴

Hayden explained how this could have come about in Salem, "I labeled the situation here 'benevolent arrogance.' From a business standpoint, it is not uncommon for a family operated newspaper to keep its head in the sand, as it relates to normal business practices in a daily newspaper in a monopoly situation. There was no one problem, but a series of events over a long period of years

⁸⁴ Interview with N. S. Hayden, Statesman Journal, June 7, 1977.

which were really bad customer relations. There were no incentives to have a return which requires you do something--and that is to be aggressive and awake and alive and responsive to your customers." Hayden admitted that the increase of Statesman Journal advertising rates in 1975 was directed by the Gannett Company after its purchase of the papers didn't improve the situation.

The merchants got fed up - they really did. So a coalition of them got together and talked to each other. They contacted the Community Press and invited the principals down for a meeting... This was all the major advertisers at this point.⁸⁵

"The end result was they started publishing a huge weekly newspaper with a tremendous amount of advertising support," said Hayden.⁸⁶

That was March 1976. By May of the same year, N. S. Hayden was in Salem to replace Mainwaring as Statesman Journal publisher. "I took a mandate from the President of our Company," explained Hayden, "to come out here and do what needed to be done. If he didn't think I knew what needed to be done, he wouldn't have sent me."⁸⁷

⁸⁵ Ibid.

⁸⁶ Ibid.

⁸⁷ Ibid.

Hayden's Approach

Statesman Journal Publisher Hayden reviewed his first few months in Salem.

I hired my marketing director the first day I got here. I called a fellow from another one of our papers and he interviewed over Memorial weekend last year. He was here the next week.

We went out June, July and August and we had breakfast, lunch and dinner with our advertisers every day, and we met some in between. In a period of three months, I think we met with 178 companies and several hundred people. We started with the big and worked our way down. What we were doing was fact-finding. I was looking for patterns. I'm a southerner; I didn't know a damn thing about the Northwest. I found out what people told me was true that the people here are pretty candid and forthright.... At the same time, we started doing a tremendous amount of entertaining for the purpose of really getting to know people outside of the business environment. I say that you had to be a tea-totaler or have a real liver problem not to have had a drink on us in the past year... No, Gannett did not pick up the tab. Everything we do here, we pay for... If I feel I should spend \$800.00, I spend it.⁸⁸

Since last Summer, the Statesman Journal has rolled back the advertising rates, not completely, but some; and begun the free distribution of Ad Week, a weekly "shopper" for non-Statesman Journal subscribers. In announcing Ad Week on March 2, 1977, coinciding with a 1st anniversary issue of the Press, Hayden said "the weekly had been established at the request of major advertisers in The Oregon Statesman and the Capital Journal."⁸⁹ Ad Week is

⁸⁸ Ibid.

⁸⁹ Oregon Statesman, March 2, 1977, p. 10A.

delivered by carrier on Wednesdays to a circulation of 15,600 in an area that stretches from McMinnville in the north to Dallas on the west, Stayton in the east and a small portion of Linn County in the south.⁹⁰ By advertising in the combined dailies, Statesman and Journal, plus Ad Week, an advertiser would reach 80,467 households - or "Total Market Coverage." The advertising brochure claims "Higher total circulation than any other newspaper distributed in the prime Salem Market Area!"

What immediate effect did the arrival of Community Press have on the circulation and advertising revenue for the Statesman Journal? A slight effect on circulation and a large effect in terms of advertising revenue.

Here are the circulation figures from 1972, 1975, 1976, and 1977:*

Year	<u>Capital Journal</u> (M-Sat.)	<u>Statesman</u> (M-Sat.)	Sunday
1972	24,615	40,819	41,605
1975	23,719	43,808	44,836
1976	22,075	42,704	44,548
1977	20,082	44,189	54,372

all figures dated June 30th

Publisher Hayden interpreted the drop in circulation in 1976 for the Statesman as the result of an increase in price. While this

⁹⁰Statesman Journal advertising rates brochure, April 1977.

* Average Net Paid Circulation (ABC audited) as supplied by N. S. Hayden. 1977 figures subject to Audit verification.

factor can have an effect, it shouldn't have had this much of an effect. Marion County is increasing at an average of 8% each year, and is one of the fastest growing counties in Oregon. The decrease in circulation for the Capital Journal has been continued and steady for a number of years. Without an extensive survey, it would be impossible to attribute the readership loss for the Journal to the Community Press.

In April of 1976, the Saturday afternoon Capital Journal was dropped and resources were channeled into a combined Sunday paper. The Saturday paper is also a combined paper, delivered in the morning. Journal subscribers have their choice (since April '76) of having Monday-Friday, Monday-Saturday or Monday-Sunday delivery. This factor not only plays havoc with the circulation figures but with the paper carrier's delivery route.

As indicated below, the Statesman Journal advertising "cause-effect" impact was immediate and significant. One only has to look at the total number of advertising inches for each year to see a large drop in 1976 because of the Community Press. Hayden was reluctant to give me the 1975 figure to be used as a source for comparison when I made a special visit to his office to obtain yearly statistics. He explained that he didn't "want to be definitive" and offered the following statement instead:

It's obvious that any shopper that would come into a market with the support and encouragement of a large group of major advertisers would make a significant impact on the advertising lineage of an established daily newspaper. In Salem, the Community Press did. However, as the figures below indicate, that impact was relatively short-lived.⁹¹

Advertising inches: national, local and classified total.

June	<u>Statesman</u> morning	<u>Journal</u> evening	Sunday combined	Total
1976	110,541	79,792	27,854	218,187
1977	129,544	102,475	29,152	261,171

Figures supplied by
N. S. Hayden

	<u>Statesman</u>	<u>Journal</u>	Total
1975*	134,129	120,109	254,238

*Other source

Note: Sunday combined paper took effect in April, 1976.

Words, Words, Words

The previous pages provided background information on the coming of the Community Press and the response to the publication by Statesman-Journal publisher, N. S. Hayden.

But what about the editors and reporters on the staffs of the Press and Statesman? What was their response? Did it make a difference to them, and if so, how? This next portion will focus on

⁹¹ Interview with N. S. Hayden, July 29, 1977.

the competition in terms of attitude, content, and philosophy in the words of the people directly involved.⁹²

View of Competition

Hider: The real story here is the competition. No other situation exists today where a weekly came in and competed with two dailies.
(Press)

Jordan: I don't see it growing and driving the dailies out of town.
(Press) They're up against a mammoth organization in Gannett. Of course, I never would have thought that they'd get it off the ground and go this far.

McMillan: They diverted in their earlier days, although they aren't (Statesman) now, one hell of a lot of advertising revenue.

White: We're an alternative in terms of editorial content and an absolute competitor in business. And we're a competitor news-wise as far as I'm concerned...
(Press)

White: Well, they're making quite an effort right now to gain back readership and advertising that they lost when our company came into the picture. They will not stop making a gargantuan effort to oppose us.
(Press)

McMillan: We didn't respond in any specific news way to their (Statesman) original entry into the market. But the entry of the 2nd edition in Oct. led us to move up our timetable for strengthening the Sports department by two people, and change of an artist from 1/2 time to full time, and the addition of a gal in the family life department. So we added 3 1/2 people sooner than we would have otherwise. They were in the budget for next year.

White: They're doing a lot of things they never did until we came into the area which is one reason why competitive newspapering is healthy.
(Press)

⁹² All quotes taken directly from taped interviews.

McMillan: K Mart and Fred Meyer and Albertsons are still spending (Statesman) most of their dollars in the Community Press. If I had that money I'd be able to do some of the things like have the NY Times News Service you asked about. I'm not able to do that because that money is being spent for other things or not coming in in the first place.

Jordan: Fred Meyer is such a pervasive influence, even I know (Press) about it. I purposely try to ignore the advertising part of it as long as they pay me the pittance I make, I don't care how much money they make.

McMillan: At this instant in time, it doesn't do either (compete or (Statesman) or complement). The Community Press a few months ago was doing some interesting things that we were not doing that seemed to complement the Statesman.

Jordan: I know they're having trouble selling Sunday ads. So if (Press) they're not making money at twice a week, I don't think they'll go for more.

Hider: Gannett sent in publisher Hayden for the one purpose of (Press) getting rid of the Community Press.

Hayden: I'd like to see this newspaper get its market back com- (Statesman) pletely. I'd like to put the Community Press out of business.

Style, Content

McMillan: I suspect if I were running a shopper or a weekly paper in (Statesman) a market dominated by a daily that I would evolve the kind of formula that the Community Press has followed. It is an alternative to daily journalism which is after all what they're looking for.

Jordan: Good news. Club news. Mitch's big wedding stories. (Press) The readers like it.

Hider: Our writing is so much better than theirs. No compe- (Press) tition at all.

Hayden: Some of the staff is good; some of the stories I wish
(Statesman) we had done. As an entity - serious and informative - it
ain't. To call it a newspaper really grates on me.

White: We are not a shopper. We are a community newspaper.
(Press) They are ill informed.

Jordan: We specialize in "people" stories. The Statesman
(Press) tried that - some of them were pretty sad - I don't think
they have the right instinct or the right people to do it.

McMillan: The vim and vitality and vigor seems to have left the
(Statesman) Community Press. They're now putting out two issues
instead of one. As far as I can see when they went to
two issues, they didn't change the news staff in size.

Jordan: We added one reporter, Mike Dolan, when the paper
(Press) went to two issues. Even so the workload last Fall,
right before Christmas, was a real "drag." We were
on the run and the quality suffered. Probably still does
a little, but not as bad as last winter.

McMillan: From a news content, I think the Community Press
(Statesman) forced all of us, reporters, me and everybody to look at
the fact that Both the Cap Journal and the Statesman had
a tendency to be fairly dry and dusty, and we were much
stronger in writing about things and issues than about
human beings. I suppose the presence of the Community
Press made it easier for me to preach the doctrine that
people want to read about people. We're still a long way
from where we ought to be, but I think things and issues
ought to be expressed in human terms.

Hider: What they (the readers) like about it is the style, and
(Press) they like that it's local news and that it doesn't have
any bad news - which causes a lot of philosophical argu-
ments on the paper.

Attitude, Philosophy, Response

Sullivan: We may be seeing, unless newspapers can divert this, a
(Statesman) basic change in the way people learn about their com-
munity. If they're going to learn through the emotional

contact of a tv news broadcast and the narrow perception or the fluff of a community press, then we have made a basic change in our form of government.

White: Our readers find it delightful, refreshing, enjoyable and
(Press) positive... a continuous up.

Jordan: When you get up to the level of "movers and shakers" in
(Press) this town, I think they think we're 'a joke.'

Hider: Dickey's responsible for the advertising banners on the
(Press) front page which are devastating to the staff.

Jordan: Anything Fred Meyer wants in the Community Press, he
(Press) gets. If he's opening a new store, there's a feature on the front page. They (the management) don't talk about it as a "shopper" or a paper that's friendly to business and people in positions of power. They talk about it as a newspaper. Newspaper don't do that or they shouldn't.

White: The reader is the real winner - he gets a choice, and
(Press) better news all around. The advertiser gets more service, and a friendlier approach.

Sullivan: The Community Press is an insidious competitor in that
(Statesman) it attempts to lull the community into reading fluff as opposed to being willing to face up to the real issues of the community... I'm very deeply disturbed by anything that will divert people from attention to the community issues.

Hider: We get a lot of compliments. We also hear 'We like you
(Press) so much better than the Statesman' or 'We've stopped taking the Statesman.' I say to them, 'Where do you get your news?' We can't provide the day to day news about what's going on at the state level or county. They answer 'On television.' And you know, there's no state or local news to speak of on television. So what it amounts to, they don't care. It's ridiculous.

Sullivan: There's a generation coming up that doesn't have the
(Statesman) interest in reading that previous generations have had. So to the extent that the Community Press is able to satisfy whatever minimal reading that people will be wanting to do... and they won't read a newspaper, then

they work hand in hand with this new phenomenon to undermine the basic print oriented government.

Jordan: People like it. We're really well liked. I suppose
(Press) that's a measure of its defects too. A newspaper is not supposed to be well liked. What do you sacrifice to be well liked?

Statesman/Press Wrap-Up

If you were looking for a black and white consensus, you wouldn't have found it. The competition was and is real. It effects not only the business state of the newspapers, but what's on page 1, 2, and on through. It obviously has many of the news people involved thinking in terms of the "other paper," directly or indirectly.

The sampling of community "leaders" (officer of organization or in position of political influence) revealed almost unanimous enthusiasm about the Community Press. Naturally, it pleased the businessmen because they not only had another avenue in which to advertise, but the coming of the Press had brought about a major change in the Statesman Journal. They now had a much more responsive management and subsequent lower advertising rates. Those in political or club positions had another medium to get their message across too. But more than that, my sampling was genuinely pleased with the Press as a paper, - albeit a complementary paper to the Statesman Journal, and all of them wanted the Community Press to continue.

Salem Community Leaders Speak Out

The response from community leaders in both communities was interesting, but the points made by individuals in Salem related better to specific topics, such as competition, covered in this thesis. For this reason, only comments from Salem citizens are included. Here are their views on recent changes in the Oregon Statesman; the Community Press; and general comments. To protect the individuals interviewed and also Oregon State University, none are identified; a simple code system was used when taping the interviews.

Statesman, Recent Changes and Ownership

- S-26: I think the new people who are here with Gannett are very, very fine people. They are very professional; I think they're doing an excellent job... They had two big functions for Mr. Hayden when he arrived that I went to. One was in a home and one was at Illahe (Country Club).
- S-32: The change has been gradual since the Gannett ownership. I used to like to read the editorials every day. I no longer have the same feeling for them that I did. They are now a concensus in both papers. It seems to me something is missing. I frequently feel that the editorials are not as harsh as they should be. Wes Sullivan is still Editor and responsible for editorials but they seem to me to be always toned down now.
- S-20: A big chain is out to earn dollars. To me, they can't be liberal or conservative, they've got to mainstream it, so you don't have a Manchester Guardian in town.

- S-27: I think they care more now. I believe the people themselves, the management of the paper, are more community minded--much more aware of the community and its needs than prior.
- S-29: They've had a change of ownership; there's an eastern outfit that's bought the paper. They're cutting their news stories of local organizations... Now I notice that all three organizations that I write for, all the articles are cut. I've noticed that in the last six months.
- S-27: I think they now are extremely responsive to what the public wants. It's the difference between night and day. I don't think that it's any secret that past ownership (let it be) publicly known that they were the one paper in town. The paper now openly cares about its subscribers and its advertisers.
- S-32: It used to be that "organization C" received excellent press. We always had a notice in prior to our meeting; it's no longer the case. Now it's different, they really are very selective. It definitely has been since the change in ownership.
- S-25: They've left Salem as far as their interest in news. It seems to me that Gannett operating from outside of the community is not caring much about what news is covered in the local papers. We don't find out as much about Salem as we used to.
- S-26: There have been a lot of changes. They were run more as family papers before. I think it's run more as a business now. I think if there are changes, they've been for the better.
- S-21: I've noticed that they've cut the size of the paper down. They've made it into a smaller newspaper than before. It doesn't quite fit my garbage can anymore.
- S-20: They're giving a well-rounded version of what's going on--maybe that's one of the advantages (of chain ownership)--rather than anything real biased. They try to be responsive to all segments. I can see that you can end up with a narrower view because of family or single ownership.

Comments on the Community Press and Its
Effect on the Statesman Journal

- S-20: I think it's healthy to see more than one paper in the community and I think we're getting that in the Community Press. To most people that's the other newspaper. People don't think of the Capital Journal or the Statesman; they think of them as one.
- S-32: The Community Press could possibly fill the role as the other paper, but the Community Press would have to change. Salem is not as "hippy, with it" as the Community Press wants to think it is. They have to become more straight. And I would like to see it succeed.
- S-27: The coming of the weekly paper has made a tremendous amount of difference in the local paper, in its effectiveness and its desire to do a better job. ... I believe the change of management (on the dailies) was brought about definitely by the Community Press.
- S-23: I would say it's fun; it's right home-town.
- S-21: The thing I like about the Community Press, other than fact that I don't have to pay for it, is that the Community Press is more oriented toward community actions. It's kinda developed toward the individual. They don't get involved in the world, and that's fine, I like that. I can pick up the Statesman and get that.
- S-26: I think at first, the competition for the advertising was very, very keen and the dailies did lose some advertising to them, but I hear too that they have gotten some of it back.
- S-21: When it first came in, there was less of an advertising section run in the Statesman Journal; they were all being run initially in the Community Press.
- S-27: I believe we have an alternative to this paper (Statesman); we have it in the Community Press. I'm very happy to have it here. I think competition in the newspaper business, as in retailing, is good. I feel that the Community Press is a very much needed newspaper here and I would not like to see it leave.

General Comments

- S-32: The Journal is becoming the local paper and the Statesman is attempting to become the New York Times. They're giving more and more of the world news. That's the sort of change that's taking place and I don't care for it. They only have so much space. When they do that, the local news is short changed.
- S-25: We have a son who just graduated from University of Oregon. He was one of eleven honor scholars in his graduation class; he was inducted into Phi Beta Kappa. I released this to each paper. We couldn't get one inch in our newspaper (Statesman Journal). Now if he'd raped somebody, it would have been on page one. That's what I mean about caring. Now the Community Press put in the article.
- S-29: I get annoyed--the back page for good deeds and the front page for muggings. I've been concerned about that for some time.
- S-26: Salem is unique to have two daily papers...I just think they do a great job for the Willamette Valley.
- S-25: The problem, as I see these mergers of newspapers by companies like Newhouse who have ownership of radio and television, then my question is, where is John Q. Public going to learn what's going on. If Newhouse controls the press in Portland, and also radio and television, where is the public going to turn to get information. It scares me.
- S-21: One thing I like about the Statesman, it's delivered on time.
- S-25: Well, I feel that just as with buildings downtown that have absentee management, you don't have the responsive-news to local problems. With a newspaper where you have outside monied interests, they really don't care so long as the dollar sign is in their profit statement. I read in Business Week about Gannett and Newhouse (Oregonian/Oregon Journal) that they really don't have much interest in the local scene.

S-32: Their constant claim is that the chain does not control. And that may be true that they don't send out dictates about policy. But when you have an individual who is extremely successful in shaping one paper to the liking of the general president, and then you put him in charge of another paper. It seems to me that is the way they are getting their influence. If you train enough people in headquarters and ship them out, you're going to have your editorial policy.

Corvallis Gazette-Times

While the Gazette-Times has maintained a monopoly within its community, it too faces competition: directly from the Statesman, Oregonian, Oregon-Journal, and indirectly from the Community Press.

If the population of Benton County is 65,100 and the circulation of the Gazette-Times is approximately 13,500, and competitive papers' combined circulation slightly over 4,000, could another paper theoretically come in and survive?⁹³ Publisher Robert Ingalls thought not.

I don't see a time when we'd have a competitive paper and this is primarily a matter of economics. This building and our equipment are worth at least one and one-half million. Our payroll runs pretty close to one million. If another paper were to come in and they were pretty good, we'd probably both be in trouble.⁹⁴

That's undoubtedly the case if a paper was to originate from Corvallis. But what about a paper like the Community Press which

⁹³ Gazette-Times figures.

⁹⁴ Interview with Ingalls.

only needs an office, because its printing plant already exists in Tigard? In the spring of this year, The Gazette-Times began publication and distribution of EXTRA!, a weekly advertising paper; it is distributed by carrier to some 6,000 - 7,000 people within the county. "The 'shopper' or EXTRA! as we call it," explained Ingalls, "is an insurance not against a newspaper, but against a competing 'shopper' like the Community Press which came into Salem. You're trying to give total market coverage to the merchant."⁹⁵

EXTRA! doesn't pretend to be anything but an outlet for advertisers. It contains food ads, general ads, classified ads, and space permitting, photos or short features that had run previously in the Gazette; a number of ad supplements are also included.

The Community Press would probably not find it worthwhile to come into the Gazette-Times market, especially since a "shopper" has now been established. It could have been different.

As Mitch Hider at the Press emphasized, "You know and I know the Gazette-Times and the Albany paper are very worried about Community Press plunging into their neighborhood."⁹⁶ Maggi White reiterated that theme, "No question about it, Community Publications

⁹⁵ Ibid.

⁹⁶ Interview with Hider.

has had a dramatic effect on all newspapers in Oregon. They've all started taking a look at what they're doing, both for the customer and the reader."⁹⁷

Essentially, a "shopper" could satisfy business customers in Benton County but where does a reader look for an alternative? Normally, a newspaper reader who wasn't satisfied with the non-local coverage of the community paper would turn to the Portland papers or the Salem Statesman, which many of them did.⁹⁸ National statistics show people are reading less, and since the majority of them can only get local news locally, that means that fewer are subscribing to second papers. Gazette-Times and Statesman statistics bear that out.

At this juncture, it becomes interesting. Here you have the local community paper supplying more inches of local news coverage because in fact that's where it can compete most successfully and why their readers buy it. On the other hand, those who have canceled their subscriptions to regional and national papers with substantial national coverage because of cost or time are faced with a local product that is meeting even fewer of those needs. The local

⁹⁷ Interview with White.

⁹⁸ 1975 OSU - Business study confirms that the most common complaint by GT readers was relative lack of non-local news. Available through the Gazette-Times office.

paper is getting more "local" and the large-area papers are facing declining circulations.

The possibility of an alternative paper in the Corvallis area or Benton County can not be ruled out. There are at least two existing papers which could consider posing a threat to the Gazette-Times: the Albany Democrat-Herald and the Oregon Statesman.

According to a business survey conducted in 1975 by Oregon State University students for the Gazette-Times, the business manager explained that the Albany paper is not expanding into the Corvallis market at this time, but "the possibility exists in the future."⁹⁹ This may just be a case of bravado on the part of a business manager, since the Democrat-Herald has never tested its product in Corvallis. There appears to be a long-standing "gentleman's agreement" regarding home territory which will probably continue because each paper has as much to lose as to gain.

An aggressive move to increase circulation by the Statesman is another matter. The Statesman has maintained a steady and loyal reading audience. While the Gazette-Times chart (see p. 62 A) indicates that Statesman circulation has dropped slightly, publisher N. S. Hayden offered circulation figures which show a 2.7% increase from June of 1976 to March of 1977.¹⁰⁰ This discrepancy could

⁹⁹ Business Administration Student Study, February 28, 1975, p. 21. Supervised by Prof. Linn Soule, O. S. U.

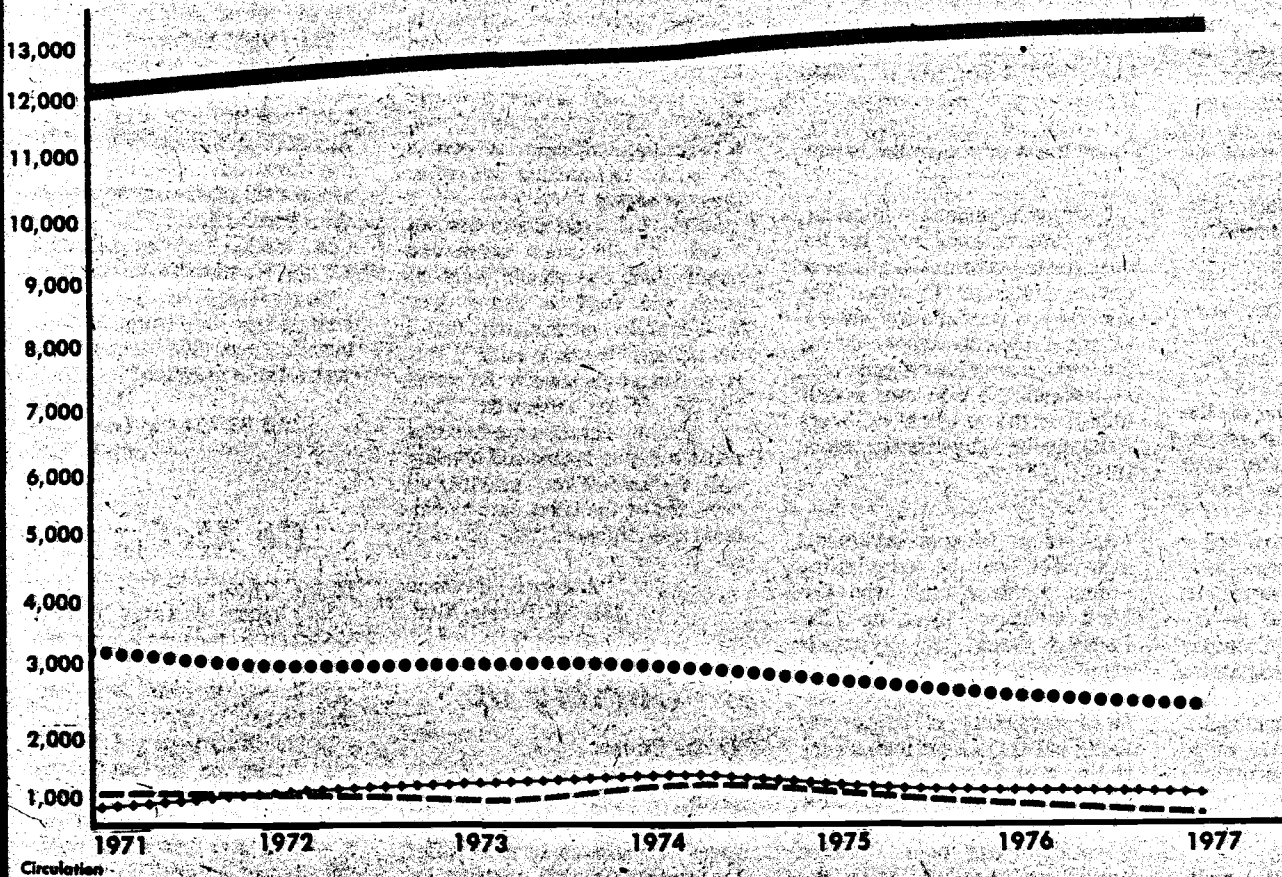
¹⁰⁰ Hayden Interview, July 28, 1977.

Corvallis Gazette-Times

The only daily newspaper
in Benton County
still having growing pains

Steady, continued circulation growth in Benton County. That is the story of the Corvallis Gazette-Times. It is a story that can't be claimed by the Oregon Statesman, Daily Oregonian or the Oregon Journal.

Corvallis Gazette-Times
The Oregonian
Oregon Journal
Oregon Statesman



Corvallis Gazette-Times

So nice to come home to.

MON. AUG. 1 1977

possibly be explained by stating that the Gazette is using A. B. C. figures available from June 30th when a large student segment had left the community. Ingalls explained that their own circulation figures rise and fall slightly depending on season.

However, the 1977 Statesman figures in Benton County are half of what the Oregonian shows here and not imminently threatening. Those who subscribe to the Statesman in Benton County appear to be more vocal than most, according to Gazette-Times staff members. As Gazette Spectrum editor O'Neill remarked, "the readership of the Statesman in our community is very small, but the number of times it's mentioned to me by community leaders is pretty frequent."¹⁰¹ Slight variations on this theme were repeated a number of times.

This fact has not been lost on the Statesman staff either. "I hear people," explained Sullivan, "especially within the academic community over there saying that we are better able to serve their needs than the Corvallis Gazette-Times. It's very difficult for me to look over and be objective." When asked about Statesman coverage of Benton County, he replied, "there's probably more than there was five years ago, but I'd like to add that there's not nearly as much as there will be two to five years hence - at whatever point we decide to really go in Corvallis and establish a news bureau there."¹⁰²

¹⁰¹ Interview with O'Neill.

¹⁰² Interview with Sullivan.

The same question was put to Hayden. "I'm not going to answer your question for obvious reasons, but I'll give you some philosophy. You can't do an effective job outside until you've done an effective job inside. We have got to expand in everwidening circles..."^{102a}

No newspaper is going to win a popularity contest in its home community - it's just not part of the tradition, although the Community Press appears to be starting one. An aggressive paper with plans to expand capitalizes on just that kind of nagging attitude.

If another paper were to come into Corvallis, the reader and the advertiser would gain, as illustrated in Salem. The question appears to be, how long can the competition be maintained without having a financial effect on at least one of the papers? And without a healthy business base, the newspaper can not operate well, if at all. Only if a community can generate enough business to keep all of the newspapers going over a period of time will the competition be good for the community.

^{102a} Interview with Hayden.

V. CHAIN DIRECTION . INFLUENCE

The approaching end of the independent daily is not the result of a conspiracy among media barons. It is a largely impersonal process, operating in harmony with the rest of the American economy... The product happens to be different, for it conditions daily the national political and social consciousness. But the organizations that provide the product operate with the same corporate motives as shoe factories.

Ben H. Bagdikian¹⁰³

No paper or article on group owned newspapers would be complete without at least one quote from Bagdikian, the self-imposed press "watchdog." And the general consensus is yes, indeed, group "press lords" are more concerned with financial gains than in using their papers to exert political influence. The corporate messengers preach the doctrine of "local autonomy" and preach it frequently, because certainly it is a charge they come up against continually. One advantage they have in delivering their message: they own the medium.

Occasionally, a chain oversteps its authority in directing the editorial product, such as in the case of two Michigan newspaper editors who recently refused to run unfavorable stories concerning President Carter as directed by their Panax group head, John P. McGoff. The story earned a top-of-the-page banner headline in the

¹⁰³ Ben H. Bagdikian, "Newspaper mergers - the final phase," Columbia Journalism Review, March/April 1977, p. 19.

Oregonian: "2 editors fired over 'explosive' stories about President." The articles, the Michigan editors refused to print, were written for the Panax newspaper chain by a "newly hired New York bureau chief... and were distributed to his (McGoff's) newspapers two weeks ago along with a front-office memorandum labeling them "explosive" and urging that they be given front-page display."¹⁰⁴

Here was an issue, central to group ownership and the extent of editorial local autonomy. The Gazette-Times paid the original story and resulting "charges" and "counter-charges" no mind and did not run it. Editor Jenks, who could not recall the story when I asked weeks later, explained that it would not have had high reader interest in the Corvallis community and would not have been used for this reason.

But N. S. Hayden devoted his entire Sunday "Comment" column to the incident under the headline, "Ordering an editor to print a story is bad journalism." He wrote;

I find the whole incident repugnant to ethical standards of journalism in an age when group ownership is more the rule than the exception. McGoff's actions, while certainly rare, do serious harm to those of us in newspapering who defend the principle of local autonomy... While most American newspaper groups even shy away from a group-wide editorial policy, there are some groups that still make corporate editorial decisions

¹⁰⁴ Oregonian, June 26, 1977, p. A14.

on national matters. (The Gannett Group, of which these newspapers are a part, does not. I find the idea totally without merit.)"¹⁰⁵

Of all the newspaper staff members now working for the Gazette-Times, the Oregon Statesman, or the Community Press, I found not one who voiced the belief that his/her paper was directed editorially from corporate headquarters.

This feeling is also born out generally in contemporary articles about group ownership, such as in U. S. News & World Report, which related "Many industry officials contend that most chains today exercise a minimum of direct control over what is printed in their individual papers. Big organizations like Newhouse and Gannett take pride in the local autonomy they delegate to their editors."¹⁰⁶ Gannett President Allen H. Neuharth, in the same article, points out that "Everything in the newspaper business starts with the reader product, and unless you're on target in terms of what you're giving the reader, then you can't make it. If you are on target with that, everything else - advertising, circulation - will follow."¹⁰⁷

How do our local newspeople express the concept of local

¹⁰⁵ Statesman Journal, July 3, 1977, p. 2D.

¹⁰⁶ U. S. News & World Report, Jan. 24, 1977, p. 56.

¹⁰⁷ Ibid.

autonomy? Very convincingly. Remember once again, the issue is local autonomy on the news side of the paper.

Says McAlister,

Any publisher that was totally out of step with the community would know about it very soon. Lee is interested in having a profitable paper and having a good product, not necessarily in that order, but the two are closely related. . . . The degree of community acceptance is important, extraordinarily important.¹⁰⁸

Thomas Jenks, the only management level Lee employee on the news side, made the "autonomous" point several times,

I've never heard a word from anybody about what I should or shouldn't do, other than from the publisher, about the content of this newspaper. If Lee or any other chain or group ever got a reputation for dictating the editorial content of a newspaper, the quality of the newspaper would deteriorate terribly; they would no longer be community papers - they'd be out of touch with the community. Any changes made here have been my idea of what a daily newspaper ought to be.

And at still another point in an interview, Jenks concluded,

I don't have any idea what the ownership (Lee) thinks. Ain't no corporate brass hanging around the editors asking what they're doing. I don't know why people expect such dark things in that regard.

Still later, "I have to conclude that the ownership could care less, and I suppose that's not a very prudent thing to say."¹⁰⁹

¹⁰⁸ Interview with McAlister, Editorial Page Editor, Gazette-Times, May 16, 1977.

¹⁰⁹ Interview with Thomas Jenks, Editor, Gazette-Times, Mar. 12 and 13, 1977.

Jenks zeroed in on the fact that the Lee management doesn't interfere, even with some of the papers that he feels "are kind of shaky from a standpoint of news content."^{109a}

Statesman executive editor McMillan remarked, "It needs to be said that Gannett is not directly managing this paper."¹¹⁰

Sullivan, a 25-year Statesman employee, concurred, "Gannett doesn't have a local news policy or editorial policy; the policy reflects the people involved."¹¹¹

Robert Ingalls explained it this way.

Since the days and scandals of the Hearst era, I know of very, very few newspaper groups where there is a strong editorial policy dictated outside the community... There's a feeling among a lot of people that would be very difficult to dissipate relative to dictation of editorial policy from the outside, but I frankly don't know a newspaper publisher or editorial page editor who is influenced outside of his own community.¹¹²

Other than the advertising-influence complaint's mentioned in "Competition" section, the Community Press staffers also believed they had a wide degree of news latitude and no editorial direction from Early California Industries.

With all that unanimity, it would be easy to conclude that editorial direction by the Lee, Gannett and Early California chains

^{109a} Interview with Jenks.

¹¹⁰ Interview with McMillan.

¹¹¹ Interview with Sullivan.

¹¹² Interview with Ingalls.

is non-existent. It would be almost impossible to prove that it exists, even if it did unless it becomes "news" as in the Panax Michigan papers mentioned earlier in this chapter.

There is a tendency, however, to homogenize the editorial product by certain group practices: the hiring and promotion of key management people from within the chain; the use of the chain's news service, if available; the horizontal movement of executives from group paper to group paper; the use of an editorial board to temper opinion.

Let's consider the Statesman-Journal company owned by Gannett, since I believe that a number of these tendencies seem to prevail there. First, we'll look at the horizontal movement of executives.

If you were to send for a July 1975 edition of The Herald-Dispatch (Huntington, West Virginia) as I did, you would find that the publisher was N. S. Hayden and the executive editor was John H. McMillan. The editorial page editor James E. Casto in all probability wrote the editorials, but since there is no mention of an editorial board, we can not be sure how many people, besides the publisher, had input into the opinions printed on that page. In July of 1977, two years later, the Dispatch editorial page masthead retains Casto's name, but the publisher and managing editor (no

executive editor this time) are now different. The 1975 managing editor's name is not to be found.¹¹³

McMillan and Hayden also joined a four-member editorial board for the Huntington West Virginia afternoon paper, The Huntington Advertiser. The situation is similar to the morning Statesman and the afternoon Journal in Salem.

The Statesman-Journal, the Dispatch-Advertiser, and a good many other Gannett papers find it useful to run copy provided by the Gannett News Service - afterall, that's part of the Gannett package. The papers also use the normal wire services such as AP and UPI. Following McMillan and Hayden's arrival at the Statesman-Journal, the New York Times News Service was dropped because of cost considerations. In a 1977 Gannett Company Special Report, there is a list of news services that most Gannett papers subscribe to: Associated Press, United Press International, Gannett News Service, and in the case of larger papers, the Chicago Daily News and the L.A. Times-Washington Post. Gannett has four papers with circulations between 100,000 and 150,000; I can only assume that these are their larger papers.¹¹⁴ In response to my question of

¹¹³ July 24, 1975 Herald Dispatch, Huntington, West VA and July 22, 1977 Herald Dispatch, Huntington, West VA.

¹¹⁴ Report of Gannett Company Inc., Mar. 31, 1977, p. 22.

why the New York Times Service was not included, Hayden said that it was obviously an "oversight" and that he could think of at least "half a dozen papers" in the Gannett group that used the Times Service.¹¹⁵ In an earlier interview, Hayden said that "in our view of the New York Times, it wasn't necessary for what we were paying for."

When asked why he was now working for the Statesman Journal Company, McMillan answered that "Bill Mainwaring, the former publisher, had requested me."¹¹⁶ In a subsequent interview with Mr. Mainwaring, I discovered there were shades of grey in this picture. As Mainwaring recalled, when a joint decision had been made by Gannett executives and himself to combine Statesman Journal resources and have a combined Sunday paper, it was necessary to look around for an editor to coordinate the effort. Mainwaring assumed that he could bring in an editor from the Pacific Coast area, perhaps one he knew. This was discouraged by Gannett. "Rochester said that it had to be someone from another Gannett newspaper," explained Mainwaring. "Since the only one I had ever met was McMillan, at some point I mentioned his name" and after some checking, this

¹¹⁵ Personal communication with N. S. Hayden, Publisher, July 1, 1977.

¹¹⁶ Interview with McMillan.

decision was approved. "Now who decided? I mentioned John's name first, but you know he would have never come out here if they didn't think he was the man for the job." He added, "John is very able, very professional." Mainwaring explained,

The personnel thing, that the new editor be required to come from another Gannett paper - that is, in my opinion, an undesirable infringement on local autonomy... With the Gannett News Service, local editors can decide to use anything they want. It's a plus if you use it intelligently. There is pressure about 1% of the time to use certain stories - it may be a good influence, but it's outside influence.¹¹⁷

Prior to my interview with Mainwaring, Publisher Hayden spoke of his predecessor's resignation in this way:

I think our company made a tactical mistake which we'll never make again because of the new regionalization.¹¹⁸ When you buy a newspaper, if you're a newspaper group, you can't just buy it and leave everything alone, because the people who you're buying from don't expect that to happen. What a Company like ours need to do is at least set out the ground rules. Say, 'now look, we believe in local autonomy and here's how it works - we don't pay lip service to it.' In Salem, when Gannett bought this paper on May 23, 1974, they left the management as it was -- and Bill Mainwaring is a fine, fine man whom I had met while I was in Huntington. Mainwaring felt 'OK, I sold my family newspaper to Gannett and what they say is what we ought to do,' so that a shisper becomes a shout. I think there was overreaction by local management to the Gannett Company's forceful way of whispering. We get

¹¹⁷ Mainwaring Interview, Salem, July 8, 1977.

¹¹⁸ Four Regional divisions were established by the Gannett Company in May 1977; Statesman Journal will be included in Gannett West, based in Reno, Nevada, headed by Rollan D. Melton. Lee Enterprises, Inc. has three regional divisions with rotating division heads.

a lot of suggestions, but we don't have to follow any of them.¹¹⁹

Mainwaring's response to the "whisper" statement was, "No, I don't think that's valid on important things." He conjectured that Hayden was probably more able to do that. "I think that "Buddy" is one of the Gannett Company's most highly regarded publishers. I suspect for that reason he has more local autonomy than the average Gannett publisher has."¹²⁰

As Hayden points out, "he and a friend were the only two publishers ever recruited from outside. That was in February of 1972 when I went to the Huntington, West Virginia papers; we were the last two, too; there may be a message there. We do believe in bringing up from within. At that time there wasn't any talent."¹²¹

N. S. Hayden and John H. McMillan seem to have brought in expertise and a professional approach on both the news and business side of the Statesman Journal Company that was sorely lacking.

In response to my question "Did I think the Statesman was a better paper now than a year ago?", Hayden answered without a pause, "Oh hell yes. A hell of a lot better than it was a year ago."

¹¹⁹ Hayden Interview, June 7, 1977.

¹²⁰ Mainwaring Interview.

¹²¹ Hayden Interview.

At another point when I attempted to draw a cause-effect relationship to the papers improvement, Hayden explained that the paper was better "because of McMillan and me and what we believe in in newspapers; it has nothing to do with the Community Press."¹²²

(As pointed out in an earlier section, outsiders believe that the Community Press had a positive effect on the Statesman.)

A Statesman employee said,

Gannett has improved the paper. I think they sent some of their best people in. McMillan and Hayden are committed to good journalism. They may get sidetracked because of advertising and marketing constraints, but the paper has improved remarkably. I'm just not sure in the scheme of corporate things whether that's going to be a permanent kind of thing or not. What's going to happen if and when they send the second string team in?^{122a}

That's the question. And Hayden and McMillan wince every time they hear it, not because they don't have an answer, but because they hear it so often, "How long do you plan to stay here?" While Hayden says he could be here forever or be gone tomorrow, he admits, "I have a lot to do here; it's going to take 3-5 years to get this place to where I want it."¹²³

McMillan's answer was direct and then reflective. He and his wife were unwilling to relocate their eighth-grade daughter another

¹²² Ibid.

^{122a} Interview with Statesman staff member.

¹²³ Interview with Hayden.

time.

Gannett allows people to do what they want to do. I've got all kinds of guilt about leaving Huntington; Appalachia has been screwed by American society. We were able to do some reasonably exciting things there... I wish I had stayed there for two more years for the very reasons you're talking about (does a sense of community conflict with outside corporate control?) It's a very central issue, not only group-Journalism but group-everything else. You look around Salem and even Corvallis, you will find virtually nothing that is locally owned. It raises some very legitimate questions about newspapers' control of their own destinies.¹²⁴

This chapter was begun with a Bagdikian quote, and it will close with one:

I don't want to pretend that all independently owned papers were great paragons of journalism because obviously they weren't. But the publisher whose fate and ego are involved in the community is more apt to take the coverage of the community more seriously and enhance the property than someone who is using that property as a source of capital for investment elsewhere.¹²⁵

¹²⁴ Interview with McMillan.

¹²⁵ U. S. News & World Report, Jan. 24, 1977, p. 51.

VI. FINANCIAL CONSIDERATIONS

Chain owners usually insist on a firm hand in directing the business side of their individual publishing properties. The aim is to improve profit performance by introducing management techniques and efficiencies that have proved successful elsewhere. Chains can also furnish their properties with access to capital for technological improvements, national advertising representation, and savings that come from group buying of newsprint, ink and equipment.¹²⁶

Gannett Company, being the largest newspaper group, can obtain more favorable rates on newsprint and columnists. "Syndicated columnists cost Gannett as little as half what they would if purchased one paper at a time."¹²⁷ Group papers lead the way technologically, and can bring about substantial savings in labor in this manner. "Gannett is bringing the benefits of sophisticated computer technology to the production of its... papers. Employment at Gannett is actually falling as the company grows. In 1975, 412 of the firms 10,879 employees were pared from the payroll by attrition."¹²⁸

The Lee papers, including the Corvallis Gazette-Times, have all adapted to the computer revolution in newspapering. The savings factor has been considerable here too. Since Lee purchased the

¹²⁶ U. S. News & World Report, Jan. 24, 1977, p. 56.

¹²⁷ Andrew Tobias New York Magazine, "It's Pronounced Gannett..." Reprinted in Community Press, Oct. 3, 1976, p. D-1.

¹²⁸ Ibid.

Gazette-Times in 1969, savings, brought about on the production side with more efficient equipment and fewer employees, have been put to use on the news side. Publisher Ingalls explained that the news staff had grown from 10 to 18 since 1969 because of Lee management improvements which resulted in larger news budgets.

Gannett Company has owned the Statesman Journal since May 1974, and in that time three and one-half time employees have been added to the news staff.

Few would argue with the fact that when a newspaper has greater staff resources, it is easier to put out a better product. The Statesman Journal and Gazette-Times have been able to do things that they couldn't do easily before. An increase in professional awards for features, page make-up, investigative reporting, editorial writing, and photo pages testifies to that fact.

Often group papers adhere to uniform pay scales according to region, such as in the Lee group, which can result in a higher salary scale than before; or the group encourages merit pay raises which appears to be the case at the Statesman Journal. So not only are staffs larger but they are generally better-paid with improved fringe benefits. Groups would prefer to control this aspect carefully rather than face guild or union organization; where it already exists or is moving in, they make a distinct effort to discourage it.

Group papers also have available management expertise, and professional sharing practices, which non-group papers do not usually have. Financial support for "improvement" seminars and educational opportunities for news staffers is also available through the head company. Gazette-Times Publisher Ingalls explained that Lee provides his paper with \$1500.00 each year for the Editor and Publisher to spend on upgrading the quality of the news staff. He said, "we spend it and we spend it well" by sending our people to schools or bringing expertise in.¹²⁹

Budgets

Newspaper improvements and increased budgets can be brought about, not just by technological advances, but also by stricter business and management practices. Group executives generally have definite ideas on budget procedures and expectations.

As former publisher Mainwaring pointed out,

Local autonomy is pretty strong on the news side - it is 98% of the truth. It is on the business side where the Profit Plan allows for 2% local autonomy. Number one consideration is the annual profit plan in which the local publisher is expected to commit himself to make a certain amount of money... They expected us to make far, far more money than our family newspapers had ever made - and make it pretty quickly. In order to do that, we had a rapid increase in both subscription and advertising rates.^{129a}

¹²⁹ Interview with Ingalls.

^{129a} Interview with Mainwaring.

What resulted, as mentioned in previous chapters, was the formation of a coalition of advertisers which led to the coming of the Community Press. Mainwaring added, "I didn't agree with the rapid rate increases. The need to continue doing this to make the money we needed to make was a very important factor in my decision that I was working for the wrong company."

Allen H. Neuharth, President of the Gannett Company, Inc., is a firm believer in continued growth and steady rate increases. One only has to read his recent remarks in an Editor & Publisher article headlined, "Neuharth: Charge reader more for newspaper" or read a 1976 New York Magazine article, entitled "It's Pronounced Gannett, And It's Very Profitable."¹³⁰ In the latter article, the writer charges,

At times when it might be awkward to boost ad rates, circulation prices can be hiked instead. Neuharth makes no bones about it. A newspaper is such a low-ticket item to begin with, he explains that, particularly without competitors to worry about, you lose very little circulation when you boost a paper from say, 15 cents to 20 cents, a 33 percent increase.¹³¹

¹³⁰ Editor & Publisher, July 2, 1977, "Neuharth: Charge reader..." and Andrew Tobias, New York Magazine, 1976.

¹³¹ Tobias, New York Magazine.

In my last meeting with Statesman Journal publisher, N. S. Hayden, he informed me that both circulation and advertising rates would be increased somewhat in September.

Gazette-Times editor Jenks pointed out also the strong direction from group headquarters when it comes to budgeting;

What all these corporations are interested in primarily is in making a profit, because they have to make a profit to survive, and they're damned well interested in what the Gazette-Times does that makes the best use of that money. And they control that in the sense that we have to do budgets and we have to do budgets their way... The corporation rules on how much money you have to make and if you don't do it, they ask how come. ¹³²

Naturally, advertising and circulation increases have been made at the Gazette-Times since Lee bought the paper in 1969. Ingalls acknowledged that budgeting procedures were changed when the paper changed hands. He did not feel, as Mainwaring did, about Gannett, that the Lee group had expectations that were unrealistic or unwarranted. When I asked why I would get such different responses, he replied that "Gannett is a large, money-oriented group. There are groups and there are groups." ¹³³

¹³² Interview with Jenks.

¹³³ Interview with Ingalls, July 23, 1977.

VII. OTHER CONSIDERATIONS

While a number of issues have been raised in preceding chapters about group-owned newspapers, before this thesis is concluded, I am adding more comments of others who are looking at the overall picture and not just the papers in Corvallis and Salem.

The trend to chain-owned newspapering in this country has interested, and worried, many. One of those is Morris Udall, United States Representative to Congress (D-Arizona) who addressed this subject when speaking before the National Press Club on April 5, 1977. I have quoted here excerpts of his speech which speak to the group ownership issue,

... This trend signifies a very real loss to American society - the publisher with roots in the community.

That hometown publisher cared about the profit and loss statement, to be sure. But that publisher carried a passion for the good of the community absent in the corporate board rooms of the big chains.

... What does bother me is that there is an increasingly prevalent pattern here that has disturbing implications.

I think everyone in this room is acquainted with my continuing interest in warning against the acceleration of bigness - of the stifling effect concentration has on innovation and imagination in basic industry. . . .

I dread the day all newspapers look and read alike, when there will be less difference in daily newspapers than between the Big Mac and the Whopper -- and less flavor.

If the trend towards concentration goes on so, too, will the chance that we'll lose that independent spirit in the community who had the power and sometimes the disposition to blow the whistle on the politicians and the promoters -- who was unafraid of the high and the mighty. ^{133a}

Udall had two recommendations: one, find out "what pressures and forces are killing the independent publishers as an institution -- and (see) what can be done about it;" and two, study in Congress the issue of economic concentration industry-by-industry.

The Bill, H. R. 6098, was introduced the same day, April 5, 1977, by Udall and 25 co-sponsors. The bill proposes "To establish a commission to study the laws and policies of the United States and major industries for their effect on competition, and for other purposes." ¹³⁴ This was very similar to a bill that Udall had introduced before, but this time, the newspaper publishing and communications industry was included for consideration.

Les AuCoin, the Representative from Oregon's First District, was a co-sponsor and replied in this way to my query;

I co-sponsored this bill not so much out of a concern with the communications industry, specifically. I am more concerned by the fact that only 200 corporations hold two-thirds of the manufacturing assets in the United States today. That number has shrunk from 400 in the last 20 years. HR 6098 would authorize the Commission to study the elements of the economy which have influenced this trend, and recommend to Congress policy

^{133a} Copy of speech sent to Judith Carlson, Aug. 3, 1977, from Morris Udall, Representative (D-Arizona).

¹³⁴ A Bill, H. R. 6098, copy from Congressional offices.

charges which would promote competition and reinvigorate the free market.¹³⁵

No action has been taken on the bill to date.

AuCoin touches on another central issue, the decline in the number of corporations. This is happening not only in manufacturing but in the newspaper-communications industry.

In explaining that the top 25 newspaper chains had 52% of the nation's circulation, Ben Bagdikian states the concern succinctly, "never before had so much been under the control of so few. Among chains, the big are getting bigger...the process of concentration is taking the form of chains buying other chains."¹³⁶

We only have to look to the now familiar name of Gannett, a chain which acquired Spiedel Newspapers this year-- a chain itself with 13 dailies. Or consider Booth Newspapers, with eight papers in Michigan and the Parade magazine, which sold to S. I. Newhouse (owners of Oregonian-Oregon Journal) in November of 1976.

What concerns some, as larger chains swallow up smaller ones, and the family-owned paper becomes rarer, is the lack of independent "voices."

The link between diversity of media ownership and diversity in the flow of news and opinion cannot be lightly dismissed. As Judge Learned Hand wrote in

¹³⁵ Les AuCoin, Representative, 1st District Oregon, Personal communication, to Judith Carlson, July 18, 1977.

¹³⁶ Ben H. Bagdikian, Newspaper mergers-the final phase, Columbia Journalism Review, March/April 1977, p. 19.

U.S. v. Associated Press, 'Right conclusions are more likely to be gathered out of a multitude of tongues.' ¹³⁷

What bothers others is the long-range view of chain ownership; not just newspaper groups being bought by groups, but newspaper groups being bought by conglomerates that umbrella a number of other industries. Bagdikian concludes, "In such a setting, news can become a mere by-product and there is maximum potential for conflict-of-interest pressures."

Closer to home, Alton F. Baker, Jr., Publisher and Editor of the Eugene Register-Guard, spoke to the current issue of group ownership of the Corvallis and Salem papers and to the not-so-distant issue of conglomerate ownership;

...I would say at this time both Gannett, which owns the Statesman-Journal newspapers in Salem, and Lee Enterprises, which owns the Gazette-Times in Corvallis, do a reasonably good job. They put out good products and in some instances, have enhanced them.

In each of these cases, I believe generally an effort is made to produce a high quality product, for a number of reasons.

As an independent owner, who is besieged several times a month by groups wanting to buy, the real problem is what might happen 10 to 20 years down the road if either of these groups were owned through merger or whatever, by, say Standard Oil or Exxon or ITT? I fear that profit for investors, the bottom

¹³⁷ William T. Gormley, Jr., "How cross-ownership affects news-gathering," Columbia Journalism Review, May/June 1977, p. 43.

line we hear so much about, would outweigh the basic requirement of a newspaper to serve the needs of the local community where it is located. 138

¹³⁸ Personal Communication from Alton F. Baker, Jr., Publisher, Eugene Register-Guard, July 25, 1977, in response to my letter.

VIII. CONCLUSION

One of the main conclusions to be drawn is that it would be impossible, without national legislation, to reverse the trends of groups buying up independent papers and larger chains buying smaller newspaper chains. And the question follows, would we choose to do that if we could? The examples used in this paper, the Corvallis Gazette-Times and the Statesman Journal, have shown that group papers can be responsible in the community and responsive to segments of the community.

Chains are principally interested in increasing the profits of their papers. They achieve this with good business practices, and, in the absence of competition, by using the considerable freedom they have to set their subscription and advertising rates. Happily, however, chains have found that when a newspaper serves its readers and advertisers well, it becomes good business. A better-looking product follows when chain executives are sent into a community newspaper office. These executives are very aware of what sells newspapers elsewhere, and they make the necessary changes. They know what their newspaper can provide that area radio and television stations cannot. As sincere and dedicated newspaper professionals, they are naturally inclined to being responsible and responsive members of the community.

It has also been shown that when competition comes in, as in Salem with the Community Press, the reader and the advertiser may benefit initially, both by the presence of a second source of news and advertising, and through its effect on established papers. Such competition will likely come from a company with large financial resources, in other words, most likely from a chain. This was the case in Salem. It is not clear at this time if the Salem area can support the Statesman, the Journal, and the Community Press over the long run.

There is some evidence that when chains buy independent papers and send in their own executives, there is a noticeable homogenizing effect on the paper's content and format. The editorial page, which reflects the publisher's or owner's philosophy, becomes more middle-of-the-road, a tempered voice.

Today's newspaper product has been streamlined and mainstreamed. The diversity and multiplicity of voices are gradually ebbing away. And what's ahead, but fewer and smoother voices. Should the day come when merger after merger has resulted in every community newspaper being owned by one of the nation's large conglomerates, we will no longer have a fourth estate. The press's role as "watchdog" over government, over big business, and other matters that affect our daily lives, will be over.

As for the present, when chain ownership concerns itself more with the on-time arrival of a daily homogenized product than with the

challenging of our daily thoughts, we the readers and citizens are the losers.

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APPENDIX

APPENDIX

INTERVIEWSCorvallis Gazette-Times

Publisher, Robert C. Ingalls	May 23, 1977; July 23, 1977
Editorial Page Editor, Wanda McAlister	May 16, 1977
Editor, Thomas C. Jenks	May 12, 13, 1977; July 22, 1977
City Editor, Rodney J. Deckert	May 17, 1977
Spectrum Editor, Janine O'Neill	May 18, 1977

Statesman Journal

Publisher, N. S. Hayden	June 7, 1977; July 29, 1977
Executive Editor, John H. McMillan	May 27, 1977

Oregon Statesman

Editor, J. Wesley Sullivan	May 31, 1977
Managing Editor, Van Eisenhut	June 7, 1977
Reporter, Sue Hill	May 25, 1977
Reporter, David Reyes (Incomplete interview)	June 7, 1977

Capital Journal

Managing Editor, Paul Jacobs	June 7, 1977
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Former Statesman Journal Publisher

Salem Writer, William Mainwaring	July 8, 1977
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The Community Press

Editor, Maggi White

May 25, 1977

News Editor, David Jordan

June 14, 1977

Reporter, Mitch Hider

May 23, 1977

Community Leaders

22 anonymous citizens

June, July 1977

NEWS EDITOR, NEWS PERSON BASIC QUESTIONNAIRE

1. Please describe your specific duties.
2. How long have you been with this paper? Previous journalistic experience and education?
3. How would you define the readers of your paper? Do you write for a specific portion of them? In what way are you responsive/responsible to them?
4. There is often professional criticism aimed at 'bulletin-board' newspapers, but isn't this exactly what community leaders want? Within this scope, how would you describe your paper?
5. Who are your obligations to -- the management and/or readers?
6. What do you see as the strengths of your paper?
7. What are the most frequent criticisms that you hear from outsiders, and how do you answer them?
8. Do you ever feel insulated from the viewpoints of other staff members? ...from the community? And how can you reasonably assess the needs of Corvallis/Salem from your office?
9. What changes have been made or planned because of loss of readership or results from a readership survey?
10. In your city, would you say your paper shapes the community, reflects the community, and/or is independent of the community?

Salem Respondents only:

11. In your view, does the Community Press complement or compete with the Oregon Statesman?

COMMUNITY LEADER SURVEY

1. What newspaper do you subscribe to?
2. What do you like about the paper?
3. What do you dislike about the paper?
4. How would you rate the paper's accuracy, generally?
0 10 20 30 40 50 60 70 80 90 100
5. If you had contact, within the last two years, with a staff person on the paper, how would you rate his/her responsiveness?
0 10 20 30 40 50 60 70 80 90 100
6. Have you noticed any changes in the paper within the last 2 or 3 years? If yes, what and why?
7. Do you believe the paper "cares" about the community?
8. What would you like to see in the way of alternatives to this paper, if any?

Salem Respondents only:

9. What do you think of the Community Press?

**THE GANNETT GROUP
DAILIES**

City	Newspaper	Circulation
Agana, Guam	Pacific Daily News	18,000 Daily
	The Sunday News	18,000 Sunday
Battle Creek, Mich.	Enquirer and News	35,000 Daily; 41,000 Sunday
Bellingham, Wash.	The Bellingham Herald	24,000 Daily
	The Sunday Herald	25,000 Sunday
Binghamton, N.Y.	The Evening Press	100,000 Combined Daily
	The Sun-Bulletin	79,000 Sunday
Boise, Idaho	Sunday Press	
	The Idaho Statesman	55,000 Daily; 66,000 Sunday
Bridgewater, N.J.	The Courier-News	57,000
Burlington, Vt.	The Burlington Free Press	48,000 Daily; 34,000 Sunday
Camden, N.J.	Courier-Post	122,000
Chambersburg, Pa.	Public Opinion	20,000
Cocoa, Fla.	TODAY	58,000 Daily; 66,000 Sunday
Danville, Ill.	The Commercial-News	32,000 Daily; 34,000 Sunday
Elmira, N.Y.	Star-Gazette (all day)	43,000 Daily
	Sunday Telegram	48,000 Sunday
El Paso, Tex.	The El Paso Times	56,000 Daily; 88,000 Sunday
Fort Myers, Fla.	Fort Myers News Press	65,000 Daily; 74,000 Sunday
Fremont, Ohio	The News-Messenger	17,000
Honolulu, Hawaii	Honolulu Star-Bulletin	121,000 Daily
	Star-Bulletin & Advertiser	195,000 Sunday
Huntington, W.Va.	The Herald Dispatch	60,000 Combined Daily
	The Huntington Advertiser	52,000 Sunday
	The Herald Advertiser	
Ithaca, N.Y.	The Ithaca Journal	21,000
Lafayette, Ind.	Journal and Courier	42,000 Daily; 37,000 Sunday
Lansing, Mich.	The State Journal	73,000 Daily; 77,000 Sunday
Marietta, Ohio	The Marietta Times	16,000
Marion, Ind.	Chronicle Tribune	25,000 Daily; 28,000 Sunday
Nashville, Tenn.	Nashville Banner	85,000
New Kensington-Tarentum, Pa.	Valley News Dispatch	43,000
Niagara Falls, N.Y.	Niagara Gazette	33,000 Daily; 35,000 Sunday
Olympia, Wash.	The Daily Olympian	25,000 Daily; 27,000 Sunday
Pensacola, Fla.	The Pensacola Journal	80,000 Combined Daily
	The Pensacola News	58,000 Sunday
	The Pensacola News-Journal	
Port Clinton, Ohio	News-Herald	6,000
Port Huron, Mich.	The Times Herald	33,000 Daily; 35,000 Sunday
Richmond, Ind.	The Palladium-Item	31,000 Daily; 31,000 Sunday
Rochester, N.Y.	The Times-Union	258,000 Combined Daily
	Democrat & Chronicle	225,000 Sunday
Rockford, Ill.	Morning Star	81,000 Combined Daily
	Register-Republic	78,000 Sunday
	Register-Star	
Salem, Ore.	Capital Journal	65,000 Combined Daily
	The Oregon Statesman	55,000 Sunday
San Bernardino, Cal.	The Sun-Telegram	78,000 Daily; 85,000 Sunday
Sante Fe, N.M.	The New Mexican	18,000 Daily; 22,000 Sunday
Saratoga Springs, N.Y.	The Saratogian	13,000 Daily; 18,000 Sunday
Tucson, Ariz.	The Daily Citizen	63,000 Daily
Utica, N.Y.	The Daily Press	67,000 Combined Daily
	The Observer Dispatch	54,000 Sunday
Westchester Rockland Counties, N.Y.	The Daily Times (Mamaroneck)	206,000 Combined Daily
	The Daily Argus (Mount Vernon)	150,000 Combined Sunday
	The Standard-Star (New Rochelle)	
	The Citizen-Register (Ossining)	
	The Daily Item (Port Chester)	
	The Journal-News, Nyack (Rockland)	
	The Daily News (Tarrytown)	
	The Reporter-Dispatch (White Plains)	
	The Herald-Statesman (Yonkers)	

**THE GANNETT GROUP
WEEKLIES**

Bronxville, N.Y.	Review Press-Reporter
Cherry Hill, N.J.	Suburban Newspaper Group (10 weeklies)
Fairfield, Conn.	Fairpress
Melbourne, Fla.	Times
New Kensington, Pa.	Butler County News, North Hills News Record (semi-weekly)
Saratoga Springs, N.Y.	The Herald
Taos, N.M.	Commercial News
Titusville, Fla.	Taos News
	Star Advocate

**THE GANNETT GROUP
BROADCAST FACILITIES**

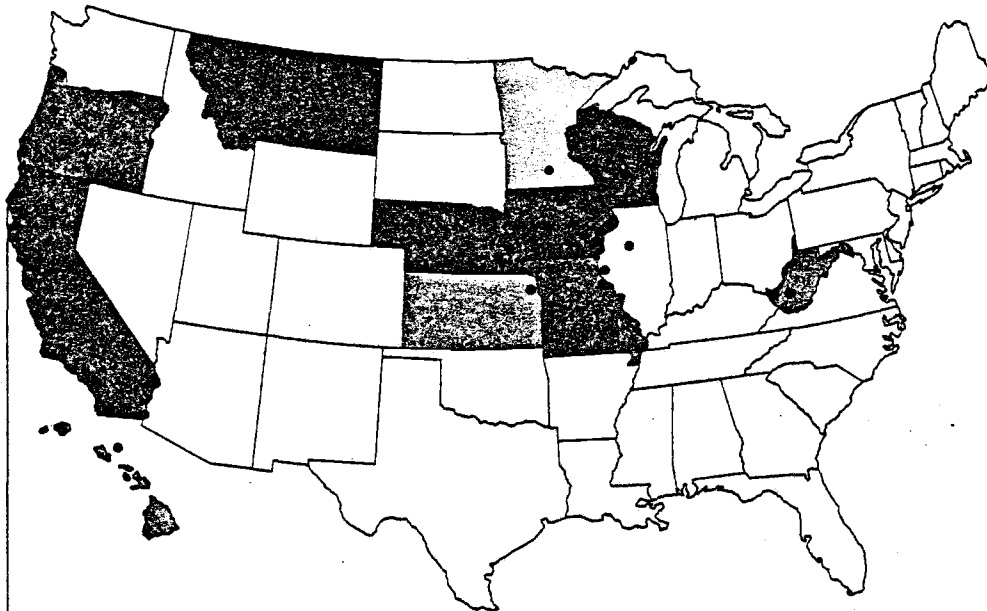
Marietta, Ohio	WBRJ (Radio)	910 KHz
Rochester, N.Y.	WHEC-TV	Channel 10
Wilmington, Ohio	WKFI (Radio)	1090 KHz

A GANNETT SUBSIDIARY

Louis Harris & Associates and Louis Harris International

Profile/Lee markets served

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COMMUNITY	PROPERTY	Est. Market Population	COMMUNITY	PROPERTY	Est. Market Population
NEWSPAPERS					
■ Madison, WI	<i>Wisconsin State Journal</i>	530,000	■ Mason City, IA	<i>KGLO - 3 (CBS)</i>	430,000
■ Davenport, IA	<i>Quad-City Times</i>	650,000	■ Hannibal, MO/ Quincy, IL	<i>KHQA - 7 (CBS)</i>	430,000
■ Lincoln, NE	<i>Lincoln Journal-Star</i>	360,000	■ Huntington/ Charleston, WV	<i>WSAZ - 3 (NBC)</i>	2,000,000
■ Racine, WI	<i>The Journal Times</i>	190,000	■ Mankato, MN	<i>KEYC - 12 (CBS)</i>	300,000
■ La Crosse, WI	<i>La Crosse Tribune</i>	220,000	■ Honolulu, HI**	<i>KGMB - 9 (CBS)</i>	700,000
■ Mason City, IA	<i>Globe-Gazette</i>	200,000	RADIO STATIONS		
■ Ottumwa, IA	<i>Ottumwa Courier</i>	130,000	□ Quincy, IL	<i>WTAD-AM; WQCY-FM</i>	650,000
□ Kewanee, IL	<i>Star Courier</i>	70,000	■ Mason City, IA	<i>KGLO-AM</i>	390,000
■ Muscatine, IA	<i>Muscatine Journal</i>	80,000	■ Omaha, NE*	<i>KFAB-AM; KGOR-FM</i>	1,530,000
■ Billings, MT	<i>The Billings Gazette</i>	230,000	DIVERSIFICATION		
■ Butte, MT	<i>The Montana Standard</i>	130,000	■ San Marcos, CA	<i>NAPP Systems (USA) Inc.</i>	
■ Missoula, MT	<i>The Missoulian</i>	150,000	■ Davenport, IA	<i>Blackhawk Films, Inc.</i>	
■ Helena, MT	<i>Independent Record</i>	50,000			
■ Corvallis, OR	<i>Corvallis Gazette-Times</i>	80,000			
■ Bettendorf, IA	<i>Bettendorf News (weekly)</i>	30,000			
■ Kansas City, KS	<i>Kansan</i>	200,000			

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1977 ACQUISITIONS

Gannett Co., Inc.

The Times; Shreveport, Louisiana
World and News-Star; Monroe, Louisiana
Springfield Newspapers, Inc.; Springfield, Missouri
Phoenix and Times Democrat; Muskogee, Oklahoma

Spiedel Newspapers which include:

Times; St. Cloud, Minnesota
Stockton Record; Stockton, California
Sioux Falls Argus-Leader; Sioux Falls, South Dakota
Reno Gazette/Journal; Reno, Nevada
Salinas Californian; Salinas, California
Iowa City Press-Citizen; Iowa City, Iowa
Chillicothe Gazette; Chillicothe, Ohio
Fort Collins Coloradoan; Fort Collins, Colorado
Visalia Times-Delta; Visalia, California
Freemont Tribune; Freemont, Ohio
Poughkeepsie Newspapers, Inc., New York

Lee Enterprises, Inc.

KGMB-TV, Honolulu, Hawaii
KOIN-TV, Portland, Oregon