

225 To Attend Guild's 4th Canada Convention

Ottawa Guild Set To Host Sixty Locals

Ottawa, Ont.—More than 225 delegates from the United States and Canada are expected to attend the Guild's 34th Annual Convention at the Chateau Laurier here next week. It will be the fourth Guild convention to be held in Canada.

The convention, which is being held in Canada's capital city during the nation's centennial year, will be addressed by members of Parliament as well as labor and local government leaders.

By late this week, credentials already had been received for 222 delegates from 60 locals.

Awaiting the delegates' action is the annual report of the International Executive Board recommending that even greater priority be given to bargaining this year than last year, which produced the highest wage settlements in 20 years, and proposing that local

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per capita payments to the general fund be increased to enable the Guild to restore its field staff to full strength and maintain essential services to locals.

Nominations for this year's biennial election of international Guild officers also will be made at the convention, with any contests to be submitted to membership referendum.

This week an additional candidate, Harry Ryan, a member of the New York Guild executive board and first vice chairman of the Daily News Unit, announced his candidacy for the IEB as a vice president at large.

Bernard W. Stein, the IEB re-

Bid To Split CBC Unit Is Rejected

Ottawa, Ont. — The Canada Labour Relations Board has rejected an application by the separatist Union of Television and Cinema Employees to splinter the Canadian Wire Service Guild's Canadian Broadcasting Corp. unit.

In a long-awaited decision the board held that "segregation" of the company's Quebec employees in a separate bargaining unit would not "serve the best interests" of either the employees, the broadcasting system or the general public.

The application for a separate unit, initiated by the Quebec

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The ANG GUILD REPORTER

Vol. XXXIV, No. 15

Washington, D. C.

July 21, 1967

Farson Offers Alternative To 'Failing-Publisher' Bill



CLOSED RANKS: ANG International Representative Fred Jones, left; Utica Guild President Edward A. Ruffing, fourth from left, and Guildsman Tom Kelliher, right, join striking Pressmen on the picket line at the Press and Observer-Dispatch.

Utica Guild, Three Other Unions Honor Pressmen's Picket Lines

Utica, N.Y. — Utica Pressmen struck Gannett's Press and Observer-Dispatch July 15 following a deadlock in contract negotiations. Utica Guild members respected the picket lines to a man and voted not to return to work until the Guild and all other unions reach a settlement.

With only a trickle of supervisory employees reporting for

Hile Strike Ends . . . Page 8

work, the company immediately suspended publication.

The Guild, the Pressmen and three other craft unions, united in a "coalition committee" of local presidents, signed a pledge that none would return until all had negotiated "a fair and honorable settlement."

The five unions held a joint mass meeting July 19 to cement their unity.

The Pressmen have been bar-

gaining for five months since contract expiration, the other unions for nine.

Guild members walked the picket lines with signs announcing their support of the Pressmen, who struck four days after a final

fruitless meeting with management July 11.

The principal issue is manning of a new press the company plans to bring in from Dallas next spring. The company wants to

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Mellett Grant To Finance 2 Coast Press Councils

A \$16,250 grant to support pilot community press councils in two West Coast cities during the coming year was announced today by the Mellett Fund for a Free and Responsible Press.

Dr. William L. Rivers of the Stanford University Department of Communication was awarded the grant for a project that will establish, administer and report on pilot press councils in Bend, Ore., and Redwood City, Calif.

The Mellett Fund was created through a bequest from Lowell Mellett, newspaper editor and columnist, to the Guild to explore ways of encouraging responsible press performance without infringing on established press freedoms. The Guild established the Fund as an independent, non-profit corporation to further the aims of the bequest.

Both press councils will con-

(Continued on Page 2)

Senators Told Law Would Help Chains

"Maximization of profit," not its "mere preservation," too often is the motive in newspaper consolidations, ANG Executive Vice President William J. Farson told a Senate hearing last week, offering a Guild solution to the problem.

Farson, in testimony July 14 before the Senate Antitrust and Monopoly Subcommittee, said the so-called "failing-newspaper" bill would accelerate the growth of "monopoly and chain-owner domination" of the industry.

Farson suggested that the subcommittee consider instead a proposal Guild conventions have advanced since 1962 for preserving newspapers with their financial backs to the wall.

The New York Times' general counsel, Louis Loebe, said the Times opposes the bill as special-interest legislation. It was also opposed during the opening week by International Typographical Union President Elmer Brown, Eugene Cervi, publisher of a Denver weekly, and Evan Mecham, publisher of daily and weekly papers in Tucson and Phoenix.

Testifying for the bill were William Small, Jr., owner of the Tucson Citizen and the Arizona Star; Arthur B. Hanson, general counsel of the American Newspaper Publishers Association; Richard Day, law professor at Ohio State University, and publishers of the jointly produced Tulsa World and Tribune. Hanson said he had been authorized to appear by the ANPA's board but that his position was not to be taken as the ANPA's.

The "failing-newspaper" bill would exempt from federal antitrust laws newspaper mergers, acquisitions, consolidations and joint operating arrangements involving

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The 'Failing Newspaper': A Guild Analysis

IT IS TOO often assumed that every newspaper merger and suspension and joint operating arrangement is the result of inexorable economic forces over which management has no control and takes place only when a paper has its financial back to the wall. Neither of these beliefs will withstand examination, as we will try to show.

The fact is that many mergers and semi-mergers have taken place when both participants were either perfectly healthy or suffering from no more than a temporary financial indisposition.

Maximization of profit rather than its mere preservation has, we believe, all too often constituted the motive. And where papers have traveled down the financial toboggan, it has often been their own fault.

It would be ridiculous to contend that none of

After analyzing newspaper profits before the Senate Antitrust Subcommittee last week, ANG Executive Vice President William J. Farson, in that part of his statement printed here, examined the extent to which newspaper mergers in fact result from failing newspapers.

the suspensions and consolidations that have taken place in the daily newspaper industry has been the result of an intolerable financial squeeze.

Newspapers do face competition for the advertising dollar but are not fighting a losing battle, according to the industry figures we have cited.

But we have grown increasingly skeptical, over the years, of publishers' inevitable explanation that survival of the property, or the complete ab-

sence of an alternative, forces mergers, suspensions, consolidations, semi-mergers, joint operating arrangements—whatever name is given to a particular event in the constriction that has been shrinking the competition within the newspaper industry.

And we have grown equally skeptical of the other party's protestations, especially in cases of semi-mergers, or joint operating arrangements, that he is really only interested in preservation of other newspapers in the community and therefore is entering the consolidation or buying out his competitor to save the competing paper from extinction.

Before touching briefly on a few examples of events that have fed our skepticism, let me quote

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Bid To Split CBC Guild Is Rejected

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union 16 months ago, was opposed by the CBC, the Association of Radio and Television Employees and the Canadian Union of Public Employees as well as the Guild.

The separatist union, an affiliate of the French Canadian Confederation of National Trade Unions, sought to break off 65 members of the Guild's 226-member unit—58 in Montreal and seven in the City of Quebec. It filed the application late last year after an earlier request was dismissed on a technicality.

The board, in rejecting the new application, said the Guild's "existing and well-established system-wide bargaining unit of employees in the news-broadcast service is the most appropriate and viable unit for collective bargaining."

The board noted "a remarkably close community of interest" among all news-broadcast employees "arising out of the integrated nature and identity of their work."

The establishment of a separate Quebec unit "would lead to the erection and hardening of undesirable barriers to the co-ordination and interchange of work" between Quebec employees and those elsewhere, the board declared.

It would also inhibit transfers of employees between Quebec newsrooms and CBC newsrooms elsewhere, the board said, terming such mobility in the interests of both employees and the broadcasting system.

Although noting testimony of "resentment" among some Montreal members "at what they consider . . . under-representation" on the Guild's national executive committee, the board said "the evidence does not indicate any lack of effort or neglect of the interests" of Quebec employees by the Guild either in bargaining, grievances or liaison between newsroom committees and the national executive committee on matters relating to policy formulation and the conduct of bargaining.

Neither, it added, has there been any evidence of incapacity by the Guild to "effectively discharge its responsibilities as bargaining agent."

Fund To Finance 2 Councils

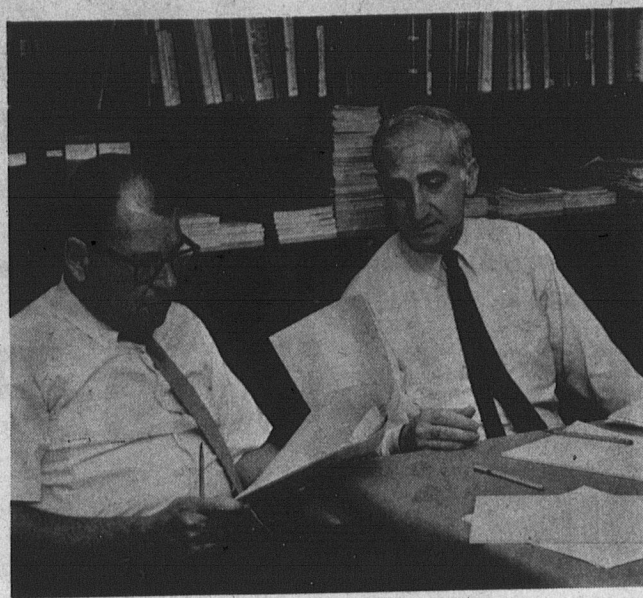
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sist of community representatives who will meet regularly with publishers of their local daily paper for discussions of press performance, Ben H. Bagdikian, president of the Fund, explained. Each will be conducted under different procedures in an attempt to find the most effective ways to promote "useful dialogue" between a newspaper and its community, he said.

Describing the councils as "experiments in press-community relations," Bagdikian said:

"By supporting these projects under the complete direction of a respected university scholar who has a background as a working reporter, we hope to provide a body of knowledge that will help others in this country establish in their own communities a continuing, critical and creative relationship between newspaper and readers without infringing on editorial independence."

"It is also our hope that this will be a genuine dialogue, with community representatives learning more about the problems and values of community newspapers as well as providing a unique channel for publishers to hear from their communities."

Co-operating with Prof. Rivers are chief executives of both daily papers involved. They are Raymond L. Spangler, publisher of the Redwood City Tribune, a daily with 21,000 circulation in a city of 60,000 population, and



PILOT PROJECT: Two directors of the Mellett Fund for a Free and Responsible Press examine outline of pilot press-council project to be undertaken in two West Coast cities by Stanford University professor. At right, Ben H. Bagdikian, president of the Fund; at left, H. Eugene Goodwin, director of the Pennsylvania State University School of Journalism.

Robert W. Chandler, president and editor of the Bend Bulletin, a daily with 7,800 circulation in a city of 12,000 population.

Professor Rivers was a newspaper reporter in Louisiana and Texas and was Washington correspondent for Reporter magazine. He is the author of two journalism textbooks and of "The

Opinionmakers," a study of Washington journalism.

In addition to Bagdikian, officers of the Fund are John A. Goldsmith, United Press International Washington correspondent, who is vice president, and ANG Secretary-Treasurer Charles A. Perlik, Jr., who is secretary-treasurer.

225 Delegates Headed For Ottawa

(Continued from Page 1)
gional vice president from New York, has announced his intention of running for re-election, and both he and Ryan have the endorsement of the New York Guild executive board.

Earlier, ANG President Arthur Rosenstock of New York declared that he would not seek re-election this year. James B. Woods, Midwestern regional vice president since 1955, has announced his candidacy to succeed him.

In addition to Ryan, eight other candidates as well as seven incumbent board members have announced they will seek regional or at-large seats on the IEB.

The IEB, in its report to the convention, also recommends that the Guild's wage goal for experienced employees in key classifica-

tions be increased from \$292 to \$314 to compensate for increases in productivity and cost of living, and that goals for beginners in these classifications and experienced employees in other adult classifications be raised from \$146 to \$157.

Despite last year's "spectacular" wage gains, the Officers' Report emphasizes, "we've only made a beginning—and a small one at that—toward the pay newspaper employees deserve. . . . Our emphasis on money gains must be intensified."

Meanwhile, the report recommends the continued utilization of the "impetus" from wage gains as a stimulus to organizing, and the development during the coming year of a permanent staff training program to facilitate the recruitment of new field staff.

But without a per capita increase, the Officers' Report says, the Guild will face a "massive" deficit in its General Fund operations for the second consecutive year, largely as the result of loss in membership through newspaper mergers and suspensions.

Since 1960, the report notes, some 4,600 Guild jobs have been lost through mergers, combinations and suspensions. Since the preparation of the report, more than 100 additional Guild jobs have been lost in the consolidation of the Boston evening Traveller with the morning Herald.

The members of Parliament who will address the convention are David Lewis, Toronto labor lawyer and deputy national leader of the New Democratic Party, and Barry Mather, who was a Guild member while a columnist for the Vancouver Sun.

Lewis, whose law firm has represented both the Toronto Guild and the ANG, will be the featured speaker at the convention banquet Tuesday night. Mather will address a regular session of

the convention on Thursday.

The convention will open Monday morning with a welcoming address by Robert J. Rupert, president of the host Ottawa Guild and ANG vice president for the Canadian Region.

Others scheduled to address the opening session include William Dodge, executive vice president of the Canadian Labour Congress; David Archer, president of the Ontario Federation of Labour; Larry Scheffe, president of the Ottawa District Labour Council, and Ottawa Mayor Don Reid.

The opening session also will hear reports on the state of the union from the Guild's three top officers.

Committees will begin their deliberations Monday afternoon, instead of Tuesday as in recent years, and committee and general sessions will continue throughout the week with the exception of Wednesday afternoon, which will be devoted to the annual convention outing.

Bargaining, organizing and local-administration clinics will be held Monday night, and on Thursday Eugene Forsey, CLC special projects director, will address the convention on the history of Canadian labor.

Many Happy Returns

Ottawa, Ont.—This year's Ottawa Convention is the Guild's fourth Canadian convention; its first was held in Toronto in 1938, 11 years before the Guild won its first Canadian contract, with the Toronto Star.

A second convention was held in Toronto in 1956; the third Canadian convention took place in Vancouver in 1961.

The 1938 Convention was not only the Guild's first convention in Canada; it was also the first convention held in Canada by a CIO union and the first Guild convention attended by commercial-department delegates, the Guild having left the AFL for the CIO and enlarged its jurisdiction to include commercial employees the year before.

The convention, ANG officers said at the time, marked the "coming to maturity" of the Guild, which had been founded as a union of editorial-department employees five years earlier.

Utica Honors Pressmen's Picket Line

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man it with the same 16 men on two shifts that have operated its present smaller press. The Pressmen are asking for 18, less than have manned it at the Dallas Times-Herald.

With manning the main subject of contention, the company has not even made a wage offer.

A federal mediator called the two parties to a bargaining session yesterday, the first meeting since July 15.

The Pressmen received strike sanction July 14, and picket lines went up at 6 o'clock the next morning. The Guild, at a meeting that afternoon, adopted resolutions expressing wholehearted support for the Pressmen's picket lines and vowing not to return until all contracts have been settled.

A second meeting the next day reaffirmed the local's stand and voted to ask for a resumption of Guild negotiations, suspended 2½ months ago when the company refused to improve an offer of \$5 in each year of a two-year contract.

The meeting voted full support of the Guild's strategy committee.

The same night Guild President Edward A. Ruffing and presidents of the Pressmen's, Typographical, Lithographers' and Photoengraver's and Stereotypers' unions met to sign their no-return agreement.

The presidents' committee issued a statement saying its action "flowed from over nine months of fruitless negotiations with the multimillion-dollar Gannett newspaper chain."

The committee was formed three months ago, when it took the position that economic gains achieved by one union should be extended to all.

At a subsequent printers' negotiating session Publisher Herman E. Moecker refused to bargain with the printers while presidents of the other unions were present as observers. The other presidents left under protest.

Last month, after the printers rejected an offer of the company's "Rochester package"—\$6 and \$5 over two years—the Pressmen took the center of the bargaining stage.

The strike brought a resurgence of Guild spirit; membership in good standing, which had fallen to a low level, spurted rapidly.

ANG assigned International Representative Fred Jones to help the local and sent a \$10,000 benefit check.

Resolutions supporting the strike were adopted by the Greater Utica Federation of Labor and Utica Machinists; Teamsters' officials told newsprint drivers not to make deliveries.

IT SEEMS TO US

Apathy Cited As Cause Of Niagara Withdrawal

BUFFALO, N.Y.

Editor:

I join Robert Kostoff in mourning the loss of the Niagara Falls Gazette Guild unit. The Buffalo Local did all it could to try to keep the unit alive.

The suggestion in his June 23 GR letter that the IEB appoint a special committee to study the problems of smaller Guild papers is a good one.

Granted, the Gazette management never agreed to dues check-off, and contract settlements there have been inferior for a long time.

Also, ANG refused earlier to grant permission to sign a proposed contract for months and frequently shifted international representatives from service as

unit chief negotiator to as far away as Montana and Texas.

But Kostoff has overlooked the point that an unfortunate lack of interest in the Guild among unit members was the "last straw" that caused the Buffalo Local to withdraw as bargaining agent for Gazette editorial employees on May 7.

This lack of interest was demonstrated by the unwillingness of any Gazette unit members to serve on a contract negotiating committee when the local attempted to reopen negotiations last spring. Only a handful of editorial employees were Guild members, and collection of dues from them was a perennial problem.

JOHN R. FLEMING, JR.
President
Buffalo Guild



AT ISTANBUL MEETING: ANG Executive Vice President William J. Farson, left, and Ken Ley of Britain's National Union of Journalists turn to headphones for simultaneous translations at International Federation of Journalists' meeting.

Newspaper Mergers Threaten Freedom Of Press, IFJ Warns

Istanbul, Turkey — Newspaper mergers throughout the world tend to "compromise fatally plurality of opinions and freedom of expression," the International Federation of Journalists warned last month.

The IFJ executive committee, meeting here June 26 through 30, initiated an inquiry into the causes

and effects of newspaper concentration and remedies undertaken in different countries. "Insurmountable economic necessities" are not always the cause, it declared.

The IFJ urged that employees be notified by management before a merger decision is made and allowed to propose other solutions

to the paper's problems. In any case, it said, mergers "should not result in the termination of journalists' employment without ensuring them a new post or adequate compensation."

The meeting, attended by ANG Executive Vice President William J. Farson, expressed "profound concern regarding the continuing deplorable condition of press freedom in Greece."

The IFJ took note of the Greek junta's strict censorship, imprisonment of newspapermen without trial and denial of the right to practice journalism.

Farson stopped in Athens on his way to the meeting to sign a mutual co-operation agreement between ANG and the Journalists' Union of Athens' Daily Newspapers.

Brazilian Unionists Get ANG Briefing

Seven Brazilian newspaper unionists began a six-week tour of the United States and Canada with two days of orientation at ANG headquarters in Washington this week.

ANG International Affairs Director Richard P. Davis and Robert Christofferson, executive secretary of the Contracts Committee, held discussions with the team. The trip is being sponsored by the Labor Department and the Agency for International Development.

Canadian NDP Urges Curb On Injunctions

Toronto, Ont.—The New Democratic Party's national convention this month denounced the use of antipicketing injunctions in labor disputes, putting the party on record for a prohibition of strike injunctions and a ban on professional strikebreakers.

The convention said injunctions are being abused to a point where they represent "the collaboration of the state with the employer in an effort to undermine the right to picket and otherwise destroy the effectiveness of the union."

The party also opposed arbitration as a substitute for collective bargaining and the utilization of "management rights" to unilaterally introduce technological changes without regard to their effect on employees.

Times Posts Guards On Pilot P.M. Paper

New York City — The New York Times last week printed a highly secret pilot issue of the afternoon newspaper it is considering launching, and Arthur Ochs Sulzberger, Times president and publisher, said he hopes a decision on whether to enter the afternoon field can be made before September.

Only 200 copies of the pilot edition were printed. They were distributed only to Times personnel studying entrance into New York City's afternoon field.

The pilot paper reportedly had 40 pages and a six-column format. Its title was "New York," according to the Gallagher Report.

So closely guarded was the pilot issue that guards were stationed at the press-room doors to check people entering and leaving; members of the Times staff not working on the project were excluded. Each copy of the paper was numbered before being delivered to those working on the project.

Val E. Palmer, business manager of the Daily News, said the News has retained Communicaid Inc., a consulting firm headed by former executives of Holiday magazine, and that a decision on an afternoon paper can be expected in a "matter of weeks."

Meanwhile in Washington, Louis Loeb, general counsel for the Times, told a Senate subcommittee hearing on the so-called "failing-newspaper" bill that the Times is "quite satisfied" with the craft unions' co-operation in discussions about the new paper but said that "up until now sessions with the Guild have been most unsatisfactory."

Loeb admitted that he has not taken part in Times negotiations recently and when asked for details by the subcommittee chairman, said he didn't have any.

ANG officers testified immediately after Loeb, and when asked about the allegation ANG Secretary-Treasurer Charles A. Perlik, Jr., said the New York Guild, unlike the crafts, "has received no formal proposals" from the

Times concerning a new paper.

Until the Guild receives firm proposals, Perlik declared, "it is premature for us, the Times or anyone else to conclude what our response, or attitude, will be."

Perlik pointed out that the Guild is still negotiating for renewal of a Times contract that expired March 30 and said it is a "perfectly recognizable bargaining tactic for the Times to attempt to bring pressure on those negotiations by alleging the Guild's unco-operative attitude toward its new evening paper."

Perlik suggested that "the Times could best assure success of its planning" by "bargaining realistically" on a current contract "instead of trying to separate the Guild leadership from its membership through testimony in Washington."

As bargaining for new contracts with the Times and News continued last week, the Guild reported that the Times gave it an estimate that a new afternoon paper would create 1,100 new jobs, 450 of them in Guild jurisdiction.

Connecticut Bans Scabs

Connecticut last month became the 14th state to ban the employment of professional strikebreakers. But the Wisconsin Legislature killed a similar bill after state publisher associations testified against it.

The Connecticut Legislature enacted the law after eight years in which the bill had failed to win approval. A campaign for adoption was led by the Connecticut State Labor Council and the Connecticut Typographical Conference.

In Wisconsin a Republican majority in the Assembly defeated the bill at the urging of spokesmen for the Wisconsin Press Association and the Wisconsin Daily Newspaper League.

Shakedown Charges Bring Karafin Arrest

Philadelphia, Pa. — Harry J. Karafin, the strikebreaker who became the Philadelphia Inquirer's star investigative reporter, was arrested July 5 on charges of blackmail, conspiracy and extortion of thousands of dollars from news sources.

Arrested along with Karafin on similar charges was Joseph H. Ball, a public relations man who was once an Inquirer copy boy and whose father was a strikebreaker with Karafin during the Guild's 1958 strike at the paper.

District Attorney Arlen Specter said the charges stemmed from threats by Karafin in four separate instances "either to control, manipulate or suppress news in the Inquirer."

Melvin G. Rapin, president of a Philadelphia collection agency, testified at a preliminary hearing that Karafin characterized himself as "a powerful man" who could "make or break any man by publicizing him."

Other testimony at the July 11

Aliens Barred In Struck Plants

Newspapers are prevented from employing alien strikebreakers under an Immigration Service regulation issued July 10.

The Tucson Citizen and Arizona Journal and six Texas farms were among the first struck businesses to be certified by Secretary of Labor W. Willard Wirtz under the new regulation.

The regulation forbids struck companies from employing aliens with U.S. work permits. A spokesman for the Tucson papers, struck by the Typographical Union since last November, said they have not been employing any aliens.

TOP TALENT AVAILABLE

The consolidation of the Boston Traveler with the Boston Herald has left a number of talented and experienced staff members available for employment. These include:

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The Guild In Canada

From Defeat To Victory

By FRED JONES

ANG International Representative

ON JULY 1 Canada reached the century mark as a nation. For 31 of those years, the American Newspaper Guild has been linked with Canadian history.

The Guild's contribution in assisting Canadian newspaper men and women, and radio and TV newsmen and women, realize a better life has been significant. But its history in Canada, as in the United States, has been punctuated with adversity and turbulence as well as achievement.

Guild history in Canada traces back to 1936, three years after the Guild's founding, but it was not until 1948 that the union became permanently established there.

Credit for this goes to 12 determined employees of the Toronto Star—Canada's largest newspaper. Undaunted by two abortive attempts to organize the Guild at the Star in the hungry 30's and early 40's, they signed a call for an organizing meeting of editorial employees.

Six months later . . . on August 1, 1948 . . . ANG reissued a charter which had been withdrawn in 1943 when the impact of World War II virtually wiped out the pro-Guild leadership

"While I have not always agreed with the Guild in its proposals, there is no doubt that standards and working conditions have been materially raised due to the Guild. If I were a young reporter starting to work at the Telegram, I would most certainly join the Guild."

—John Bassett, publisher, Toronto Telegram

in Toronto. Bland H. Honderich was elected president. He has since become president and publisher of the Star.

With the reissuing of the Toronto charter—and the achievement of the Guild's first Canadian contract the following year—ANG blossomed into a truly international labor organization.

And Canadian membership has grown from the original Star unit of approximately 150 to 3,300 Guild men and women located in every major city across the Dominion, but predominantly in Toronto, Ottawa, Montreal, Vancouver, Victoria and New Westminster. Today Toronto, with nearly 2,000 members, is the second largest local in the American Newspaper Guild.

FROM 1936 to 1948 efforts of overworked and underpaid newspaper workers to organize Guild units in Canada were defeated time and again by hostile publishers, most of

Fred Jones, an ANG international representative since 1956, works out of Toronto, where he was Guild president for three years and an officer of the Canadian District Council before joining the ANG staff. He was the first chairman of the Guild's unit at the Toronto Telegram. A native of Scotland, he came to Canada at an early age and covered a variety of beats during 24 years on the Telegram. He was labor reporter at the time he left.



whom are now dead. They had the law on their side then.

During that 12-year period six different organizing attempts in Toronto, Vancouver, Montreal and Windsor were shattered. Guild leaders were fired, demoted or harassed into quitting their jobs. Others defected when more money suddenly turned up in their pay envelopes.

In the 30's, the presidents of both the Toronto and Montreal Guilds were fired. In Montreal, the Guild president petitioned for permission to sue his newspaper under the Act Respecting Workmen's Wages, which was supposed to guarantee the right to organize.

The then Prime Minister of Quebec, Maurice Duplessis, testified during a court hearing that the Guild was not an association of wage earners within the meaning of the Act. Debating in the Provincial Legislature on Quebec labor laws, Premier Duplessis openly admitted he was actively trying to break the Guild and other CIO unions. He accused the discharged Guild leader of being a Communist, "seeking to overthrow the world of journalism," and stated he had forced the newspaper to fire him. In Toronto, in 1937, one newspaper fired 41 Guild supporters. The editor-in-chief of another put a Guild meeting announcement on a company bulletin board and in his own handwriting attached this footnote: "Anyone attending this meeting is liable to jeopardize his job."

Not one person from that paper . . . not even the labor reporter . . . attended the meeting.

The publishers' technique of wielding a club with one hand and dangling a carrot with the other—plus the onset of World War II—stifled Guild activity in Canada temporarily after a second unsuccessful organizing drive at the Toronto Star in 1940 that produced pay raises and a 5-day week—but no contract. In

1943 the Toronto and Montreal charters were withdrawn.

FIVE YEARS later, however, certification of the Guild in the editorial department of the Toronto Star, in November 1948, set the stage for a new era of Guild activity and achievement in Canada.

The first issue of the New Lead, official organ of the Toronto Newspaper Guild, described the formation of a Guild by Star employees as a pioneer step and said that developments were "... being watched by newspaper men and women across the country."

And so they were, as subsequent events proved. The first Guild contract in Canada, at the Star in April, 1949, nailed down, among other things, such key principles as a basic minimum salary of \$80 weekly for experienced reporters, a tight 40-hour, 5-day week, premium pay for overtime, job security and severance pay.

Today a journeyman reporter at the Star receives no less than \$159 for a 5-day, 35-hour week, and has his sights focused on a \$200 minimum in the upcoming round of negotiations.

But in 1949 an \$80 minimum with time-and-a-half for overtime represented a bonanza to many on the receiving end of the first Star agreement. Co-workers in other unorganized departments were envious. Employees of other newspapers and in the broadcast field were similarly impressed.

As a result, the historic 1949 Star contract

"The Guild was the best thing that ever happened to the newspaperman and, as it turned out, the newspaper. Nowadays a newspaperman may follow the profession he loves . . . and at the same time earn a respectable income and work decent hours. The quality of newspaper writing has improved for that reason."

—Jack Scott, foreign correspondent, Toronto Star

gave impetus to renewed interest in the Guild. In the next year and a half:

► The Guild was certified as bargaining agent for 300 commercial department employees at the Star.

► Recognition was gained and a contract signed for editorial employees at the Ottawa Citizen.

► An initial contract was negotiated with the Toronto Racing Form.

Meanwhile, in a second effort in the editorial department of the Toronto Telegram the Guild, despite strong management resistance, got 74 votes in the election to 73 against it but fell short by six votes of an absolute majority of those eligible to vote, as required by law.

Management also successfully resisted renewed organizing efforts in Montreal and in the Toronto Globe and Mail editorial department, but certification was granted the Guild on behalf of 80 employees in the Globe and Mail circulation department. However, the certification was later revoked in a decision that was upheld by the Supreme Court despite the fact that unions throughout Canada rallied to the Guild's cause.

And at Canadian Press the Guild won an election, but as a result of management's delaying tactics, dismissals, turnover and anti-union replacements, it later lost its bargaining rights.

DESPITE THESE setbacks, however, the Guild and Guildsmen continued to move ahead in Canada.

The Ottawa Citizen's circulation department came into the Guild, later to be followed by proofreaders, TTS punchers, maintenance and business office employees.

Radio news employees from coast to coast with the Canadian Broadcasting Corporation joined Guild ranks. They were later joined by their associates in TV news.

Following the death of the publishers of both the Telegram and the Globe and Mail, third attempts to organize editorial departments of both papers were successful. Organization soon spread to other departments of the two papers.

The Guild brought editorial and circulation department employees of the Ottawa Journal under contract. It later lost bargaining rights, then regained them in circulation.

While Guild activity in Ontario was accelerating, newspaper men and women on Canada's West Coast also were moving into the organized labor movement.

In a relatively short time, white-collar workers on Vancouver's three papers—the Sun, Province and Herald—Victoria's Colonist and Times, and New Westminster's Columbian, formed their own unions, functioning under federal charters granted by the Canadian Congress of Labour or the Trades and Labour Congress of Canada, which later merged under the banner of the Canadian Labour Congress.

With the encouragement and blessing of the CLC, these local unions subsequently joined ANG, adding over 700 newspaper employees to the Guild's Canadian membership.

And for the third time over a period of 24 years a Guild charter was issued in Montreal. This time it stayed, after the delivery department at the Montreal Star was organized in a three-day drive, and a few months later the Guild won an initial contract after taking a strike vote. Members of the maintenance department soon joined their ranks.

IN ITS 19-YEAR history, the Guild has negotiated many contracts and had only three strikes.

In July 1951 the 13-member unit at the Toronto Racing Form struck. The strike lasted only 30 minutes. Management agreed to Guild terms.

In 1958 employees at the Brantford Expositor—a unit of the Toronto Guild and the first Ontario provincial daily to come under Guild jurisdiction—struck to win an acceptable initial contract.

After three days on the picket line, they returned to their jobs with a contract that in most areas provided 50-percent improvement over what they had been offered before striking. The third strike, in January of last year by 34 employees at the Oshawa Times, a unit of the multimillion-dollar Lord Thomson chain, became the rallying point for unions across the nation as they mobilized to fight the use of court injunctions in labor-management disputes.

From the outset the 34 Guildsmen received the wholehearted support of the organized union movement, particularly in the city of Oshawa where the United Automobile Workers is the predominant union. Picket lines of the small band of strikers were liberally augmented by other union supporters.

Management went to the courts and obtained an injunction limiting the number of pickets around the sprawling plant to 10 at any one time.

When this failed to accomplish its obvious objective—reopening the plant and breaking the strike—the company moved to the courts for a second time for a more sweeping injunction . . . a complete ban on all pickets.

Labor's outcries reverberated in the houses of Parliament.

A hearing on the company's application for the more restrictive court order did not materialize. Through government intervention the disputants returned to the bargaining table, and the 15-day strike ended in a victory for the Guild.

In its wake the Ontario Government appointed a one-man Royal Commission headed by former Supreme Court Justice Ivan C. Rand to inquire into methods of dealing with labor disputes. His findings are pending.

Similarly, Canadian Guildsmen have supported other unions—most recently, for example, in Ottawa where, during negotiations,



the president of the local pressmen was suspended by the Citizen. When the pressmen stopped work, Guildsmen stopped work, too, and the dispute was quickly settled.

A few days later the Guild, seeking a new contract with the Citizen, was confronted with a demand that as a condition of settlement it agree to order its members to cross other unions' picket lines. The demand was flatly rejected, and backed by an overwhelming strike vote, the local went on to win what has been described as the "best settlement" in its history.

The Guild has come a long way in Canada in the past 31 years, as it has in the United States. It now has six Canadian locals (including a nationwide wire-service local), 18

local contracts, 5,300 Canadian members. But, as also in the United States, management sometimes still tries to resist Guild organization in a manner reminiscent of the 30's, as did United Press International of Canada last year.

But, if Guild organization of Canadian UPI began in a manner reminiscent of the 30's, it ended quite differently. The Canadian Wire Service Guild got a contract providing substantial gains.

THE STORY of the Guild in Canada, of course, is not only a story of organizing and bargaining, contracts and strikes. From the very beginning, Canadian Guild members have played a leading and productive role in the

Guild's international leadership, at annual Guild conventions (four of which have been held in Canada) and in the industry itself.

Most of Canada's best-known newspapermen have become members of the Guild; others who are not eligible for Guild membership, including more than one publisher, have praised the Guild and its achievements.

Four Canadian Guildsmen have shared distinction in winning international Guild awards. Frank Drea and Harry Allen were co-winners of the Heywood Brown Award for a series of articles they wrote for the Toronto Telegram in 1960 exposing the exploitation of immigrant labor in the construction industry.

For leadership accomplishments at the local level in 1958, Clifford Hulme and Edward Ecker of Toronto's Brantford Unit won the Guild Service Award.

In 1947 and 1948 the Toronto Guild added two distinguished members to its at-large roster

"Because of Guild salaries and working conditions won over the past generation, newspapermen are able to hold up their heads for the first time in society. The Guild has not only been good for newspapermen but also for the newspaper business as a whole."

—Pierre Berton, Canadian author, columnist and TV moderator

level in 1958, Clifford Hulme and Edward Ecker of Toronto's Brantford Unit won the Guild Service Award.

In 1947 and 1948 the Toronto Guild added two distinguished members to its at-large roster

during their temporary stints as columnists for the Star.

One of them is now the Prime Minister of Canada, Lester B. Pearson, winner of the Nobel Peace Prize in 1957 in recognition of his work at the United Nations and the North Atlantic Treaty Organization.

The other, another national political figure, was M. J. Coldwell, former Member of Parliament and national leader of the Co-operative Commonwealth Federation, predecessor to the New Democratic Party.

In reply to a written invitation to join the Guild, Mr. Pearson, then a member of the Liberal Opposition in the House of Commons, wrote:

"I should very much like to become affiliated with the Guild in my new capacity as a journalist."

He enclosed his signed application card and four months' dues in advance.

Eight years ago an editorial in the official journal of the Canadian Labour Congress, in applauding Guild efforts in Canada, said the Guild had "... undertaken one of the most difficult tasks ever faced by a labor organization" but that it had "practically transformed the industry."

It added:

"The assistance and encouragement given by the members of the Guild in the United States served as a stimulus to organization in Canada and is one of the best examples of international co-operation in the labor field."

Canada, U.S. Union-Sharing Unique

By LES FINNEGAN
Press Associates

FOR MORE than 100 years Canadians and Americans have been referring to their 3,000-mile "unguarded border" stretching from the Atlantic to the Pacific. Both countries speak of it proudly as the world's longest unarmored frontier.

But the U.S. and Canada share another unique feature. This one does not involve latitudes and longitudes but rather millions of men and women who are tied together by the bonds of international union brotherhood.

Nowhere else in the world do two sovereign nations share the same democratic labor movement. Today 71 percent of Canadian unionists—and about the same percentage of unionists in the U.S.—are affiliated with some 110 unions that are jointly and simultaneously Canadian and American, ranging from the tiny International Union of Horse Shoers to the steel and auto workers.

Canadian workers started to organize branches and locals of U.S. unions as early as the 1860s. When the Iron Molders first formed their union in 1859 there were already molders' branches in five Canadian cities. This was probably the first interna-

tional union in the U.S.-Canadian sense. The printers became the second.

But in addition to the historical explanation there was another reason—a hard, pragmatic reason—why millions of Canadian and U.S. workers found it advantageous to belong to the same unions: They found themselves working for the same employers. A leader of the Canadian electrical workers summed it up this way: "It takes an international union to deal effectively with an international corporation."

HOW HAS this unique sharing of unions by U.S. and Canadian citizens actually worked out?

These and other questions have been answered by a Canadian university professor, John Crispo, director of the Center for Industrial Relations at the University of Toronto's School of Business, in a new book, "International Unionism—A Study in Canadian-American Relations."

Professor Crispo begins his summary with a statement that the international unions shared by Canadians and Americans have been advantageous not only for the workers but also for employers and the general public.

"International unions have brought many

benefits to Canadian workers," says Professor Crispo. "To begin with, they were instrumental in introducing a labor movement to Canada earlier and on a firmer basis than would otherwise have been the case."

"On the wage front, international union gains in the U.S. frequently set the targets for their Canadian members. In other areas, such as fringe benefits, they have established precedents."

"International unions have noticeably augmented the bargaining power of their Canadian members, especially where they have supplied generous strike funds in times of crisis. The very fact that there is an international union behind a local leadership sometimes adds immensely to its confidence and to that of its members. The power behind international unions . . . has contributed to the willingness of employers to make concessions they might otherwise have withheld."

Professor Crispo adds that the unions Canadian and U.S. workers share "have acted as a goad and forced employers to strive for ever higher levels of efficiency." And although he does not develop the point, it is clearly implied that U.S. workers, employers and the public have similarly benefited.



ON THE OSHAWA LINE: A city's unions rally to the Guild.

Farson Offers Alternative To 'Failing-Publisher' Bill

(Continued from Page 1)
a newspaper that, "regardless of its ownership or affiliations, appears unlikely to remain or become a financially sound publication."

The bill, introduced March 16 by Sen. Carl Hayden, Arizona Democrat, and 14 cosponsors, would make price-fixing and rate-fixing agreements, by definition, part of a joint operating arrangement.

Farson, who was joined by ANG Secretary-Treasurer Charles A. Perlik, Jr., in answering subcommittee questions, told the committee that the Guild shares the concern of the bill's proponents that many newspapers "are no more" and that more newspapers not be closed.

The Guild's concern goes beyond the "loss of livelihood for the newspaper employees we represent," Farson said.

"Most important of all to the general public is the concern we share with all those who are sensitive to the role of newspapers in a free society—the concern over elimination of the diversity of opinion and news sources which is essential in making the press and the people it serves free."

But, the Hayden bill, Farson said, "would give the newspaper industry a very special position under the nation's antitrust laws—a position enjoyed by no other industry in the nation and one not justified for an industry that, by its own admission, is one of the nation's healthiest."

Farson quoted industry figures on circulation, advertising revenue, revenue projections and Guild studies of newspaper profitability "to counter the widespread myth that the daily newspaper industry has been driven into desperate financial straits by the competition of television and the wage demands of unions—and that mergers, be they total or partial, and monopoly represent the only way out."

Before detailing the Guild's proposal for legislation to check constriction in the industry, Farson cited several events that have



PRESS CALL: Reporters covering the Senate Antitrust and Monopoly Subcommittee hearings cluster around ANG Executive Vice President William J. Farson (seated center)

and Secretary-Treasurer Charles A. Perlik, Jr. (far left) during a break in the Guild's testimony on the bill. Seated at right is ANG Collective Bargaining Director J. William Blatz.

contributed to the Guild's skepticism about "publishers' inevitable explanation that survival of the property or the complete absence of an alternative forces mergers, suspensions, consolidations, semi-mergers, joint operating arrangements."

The Guild's proposal, Farson declared, would insure that before any merger, acquisition or consolidation is permitted, every effort be exhausted to find a buyer who would continue to publish the newspaper as an independent and competitive daily.

The legislation, which has been endorsed by conventions of the International Typographical Union and the AFL-CIO, was outlined by Farson as follows:

► In the case of any proposed merger or consolidation including a joint-printing arrangement, advance notice to the Justice Department would be required.

The notice would include a detailed description of the proposal, detailed financial records of the newspapers and their owners and the name of any newspaper involved that is "in such financial

straits it would be unable to continue publication for more than six months" without merger or consolidation with a competitor.

The proposed merger or consolidation could not be consummated for at least 90 days after the notice.

► If the Justice Department decided the proposal might violate the antitrust laws, it would move under them to prevent it.

► If the Justice Department determined that the papers' proposed merger or consolidation was probably illegal but that a paper involved might be failing, as claimed, it would apply to a federal court for appointment of an appraiser to determine the paper's "fair market value."

The "fair market value" would exclude consideration of the value an existing competitor would place on achievement of reduced competition or a monopoly.

► The evaluation would be filed and made public and sealed bids accepted for 45 days. Each bid would have to contain a statement of the bidder's intent to continue publishing the paper, and

bids from a paper that was a party to the proposed merger or consolidation would not be allowed.

► The owner would be required to sell to any qualified bidder meeting or exceeding the appraised value or to continue publishing the paper himself.

► If no bid met or exceeded the appraised value the publisher of a failing newspaper could be allowed to proceed with consolidation.

If a joint-printing arrangement was allowed, however, its facilities would have to be available to anyone publishing or proposing to publish a newspaper in that community, on the same terms and conditions available to the originating parties.

"We think our proposal would have three effects," Farson said. "First, it would prevent the consummation of arrangements that confront the Justice Department with a fait accompli, in which it faces the task of 'unscrambling the eggs.'"

"Second, and equally important, it would forestall those acquisitions and mergers in which precisely the prospect of monopoly profit impels a publisher to offer a far higher price for a rival paper than that paper would be worth to anyone else as a competitive enterprise."

"Some might contend," Farson said, "that monopoly is not unlawful if the market will not support competition. But all too often a judgment on whether a given market will support competition is determined by questionable economic analysis."

"Who can really tell what another management with a will to compete might achieve in what is supposedly a one-paper market?" Farson asked, adding:

"If there is someone willing to

pay a fair market price for a failing newspaper, what better test for determining whether the community will support that newspaper than to let him try?"

Third, Farson said, "if, as its advocates maintain, a joint-production arrangement allows a community to keep an editorial voice it could not otherwise support . . . why not carry this to its logical conclusion and make it easier for a third or fourth newspaper to be started or continued in a community by granting the third or fourth paper the same expense-cutting advantages?"

"We do not pretend," Farson said, "that our proposal is a complete resolution of the newspaper monopoly problem. It will probably not even prevent the creation of new monopolies in some cities. But it would impose a major check on the growing trend of concentration in the industry and create an atmosphere in which new enterprises might have more than a ghost of a chance in areas now pre-empted by monopolies."

"The constitutional provision for freedom of the press was intended to guarantee free expression," Farson concluded. "It was not intended to create a privileged industry."

Loeb, stating the Times's opposition to the bill, said it was both unnecessary and unwise.

"The press is already privileged," Loeb said. "It is unnecessary and psychologically bad for the press to take advantage of its political influence to get special advantages that other businesses do not enjoy."

Brown told the Senate unit that one of the reasons the ITU opposes the bill is that it "would place a premium on bad newspaper management" which inevitably leads to "economic distress," because such management would be aware that such "distress" can be turned into profit by the simple expedient of forming newspaper combines or monopolistic mergers with no hindrance in controlling publishing fields."

Brown, in response to a question from Sen. Philip A. Hart, subcommittee chairman, denied that the ITU stops publishers from adopting new technology, citing the absence of manning clauses in ITU contracts, the ITU training center in Colorado Springs and labor-saving devices invented by the ITU and made available to the industry as examples of the ITU's affirmative attitude toward automation.

Said Hart: "I think you (the ITU) have shown that you have actively assisted in lowering costs."

Monopoly-Market Entry Bars Described By Two Publishers

Two publishers of weekly newspapers described some of the roadblocks thrown in their paths when they decided to go daily in competition with established daily papers during testimony in the opening rounds of Senate hearings on the proposed "failing-newspaper" bill.

Eugene Cervi, owner, publisher and editor of Cervi's Rocky Mountain Journal in Denver, said he was never able to start his planned daily paper.

Evan Mecham, publisher of the weekly and daily American newspapers in Phoenix and Tucson, said he was forced to suspend a citywide daily in Phoenix and has only recently resumed daily publication there on a more restricted basis—covering only one section of the city.

Mecham said a "major merchant" in Phoenix told Mecham he was "scared to death" of the established, singly owned Republic and Gazette and that he felt he could not "come into your paper unless the rest of the stores do it at the same time."

Mecham also testified that a major Phoenix department store "was given so much trouble by the Republic and Gazette" when the store advertised in the short-

lived Arizona Journal that "they were scared to even talk to us."

Cervi, who said his 18-year-old business and public-affairs weekly "has made me prosperous to a point of concern," said that when he announced plans for daily publication a spokesman for the downtown department stores explained to him that there would be advertising revenue for him as long as he stayed weekly but not if he tried to go daily.

Cervi, who called the Hayden bill the "millionaire-crybaby publishers' bill," said that reporting the filing of a suit in a struggle for control of a large block of Denver Post stock "cost me \$60,000 in advertising." Companies that had advertised the previous year just stopped, he explained.

Cervi said "we ought to stop equating necessary journalism requirements with what a dwindling band of proud and willful newspaper magnates want to have prevail to insure the continued aggrandizement of their private domain."

Mecham, who said his seven-month-old Tucson Daily American is "going to be in the black in the last quarter of 1967," told the hearing that if the Hayden bill passes, that "if you legislate monopoly, then you have to reg-

ulate the industry, you have to pass another bill establishing a regulatory power to protect the people—and I don't think the newspaper industry wants that."

"Is there something about the newspaper business so sacred that it should be reserved for those that are in it now?" Mecham asked.

An Industry Paradox

Rich Seek Help, Poor Say No

The paradox that proponents of the "failing newspaper" bill generally seem to be publishers making big profits while those with little or no profits oppose it was noted by the Senate Antitrust Subcommittee's chief counsel last week.

"The fellow whose balance sheets are showing big profits . . . these are the fellows that are coming in and saying, 'We need this particular exemption,'" S. Jerry Cohen pointed out to Arthur B. Hanson, general counsel of the American Newspaper Publishers Association.

"The fellow whose balance sheet does not show a profit . . . and a lot like him are coming before this committee and writing the committee that this is a bad bill."

"And the little fellows are saying, 'The reason we are having trouble is not because of the antitrust laws, it is because those two fellows have gotten together and are able to give the kind of joint advertising rates that we can't cope

with because we have got to stand on our own two feet, not four.'"

Sen. Mike Monroney, Oklahoma Democrat, came to the Senate hearing to listen to the publishers of Tulsa's two dailies testify in favor of the bill.

Monroney spent about 10 minutes lauding the publishers and their papers.

When Monroney finished, Byron V. Boone, publisher of the Tulsa World, told the subcommittee: "Last time he (Monroney) ran, we didn't support him. But he is making headway now."

There was general laughter in the hearing room.

Remarked Sen. Philip A. Hart, subcommittee chairman: "That's one of the problems we run into when dealing with legislation affecting newspapers."

Hardly anyone laughed.

The 'Failing Newspaper': A Guild Analysis

(Continued from Page 1)

some of the advice on how to cope with competition given to the Suburban Press Foundation seminar on newspaper management.

Editor & Publisher of March 4, 1967, reported the following questions, by unidentified publishers, and answers by Vincent J. Manno, New York City newspaper broker and consultant, and his associate, George Romano.

"Question. My territory has developed rapidly. Just beyond us a new suburban newspaper has started. How can we get together?"

"Answer. If the other paper is smaller and you can acquire it, do so. Or merge on an equitable basis. Or print both papers in one plant. Separate the editorial departments and combine the ad, circulation, mechanical and business departments. Often things are started like this on a mutuality basis, finally going to single ownership."

No mention of financial straits. None of preservation of a competing voice. And Manno and Romano should know whereof they speak. They've handled some of the biggest mergers and semi-mergers that have taken place. In fact, Mr. Manno is cited as an expert in these matters by Senator Hayden in the "background information" he supplied to the Senate at the time his bill was introduced. And Mr. Manno filed an affidavit supporting the Tucson papers with the Federal Court hearing that case.

Again, quoting from the Editor & Publisher article: "Question. How can such arrangements be handled financially?"

"Answer. By a third agency or company, which would retain 5 per cent of the earnings for tax purposes. Get yourself a 50-50 footing by working out inequities . . ."

"Question. My partner and I want to buy out a neighbor because we don't think much of his ability. He won't sell. Should we move into his territory?"

"Answer. If you feel the territory can support another newspaper, yes, move in. . . . If you insist on owning the neighboring property invade him as a last resort. . . . Besides, it is not cheaper to run someone out of business than it is to buy."

"Question. I have a chance to buy out a neighbor. Should I sit tight and make money, or buy?"

"Answer. The trend is to buy . . ."

NOW LET ME cite a few examples of events upon which feeds our skepticism about the motives behind many mergers and semi-mergers.

There was the testimony of Samuel M. Shulman of the General Accounting Office before the shortlived 1963 House Antitrust Subcommittee hearings on newspaper business practices and ownership trends.

Mr. Shulman told the Celler hearings that more realistic bookkeeping would have converted a claimed five-year loss of \$2,037,000 on the books of the Los Angeles Examiner into a \$6,124,000 profit. The hearings were examining the Jan. 5, 1962, closing of the Examiner and the closing two days later of the Los Angeles Mirror. The nearly simultaneous closings resulted in the two papers' publishers, the Hearst chain and the Los Angeles Times-Mirror Co., quitting face-to-face competition, and left one with a morning paper and the other with an evening paper.

When the St. Louis Star-Times sold out to the Post-Dispatch in 1951 the Star-Times was a money-making operation. According to Editor & Publisher of June 23, 1951, the Star-Times had paid dividends for 20 years.

Publisher Elzey Roberts claimed costs had risen more rapidly than revenue for five consecutive years. But E & P reported that since 1946, when the Star-Times earned a profit of one million dollars, costs had gone up only \$80,000 more than income—leaving an apparent profit of almost \$920,000 a year.

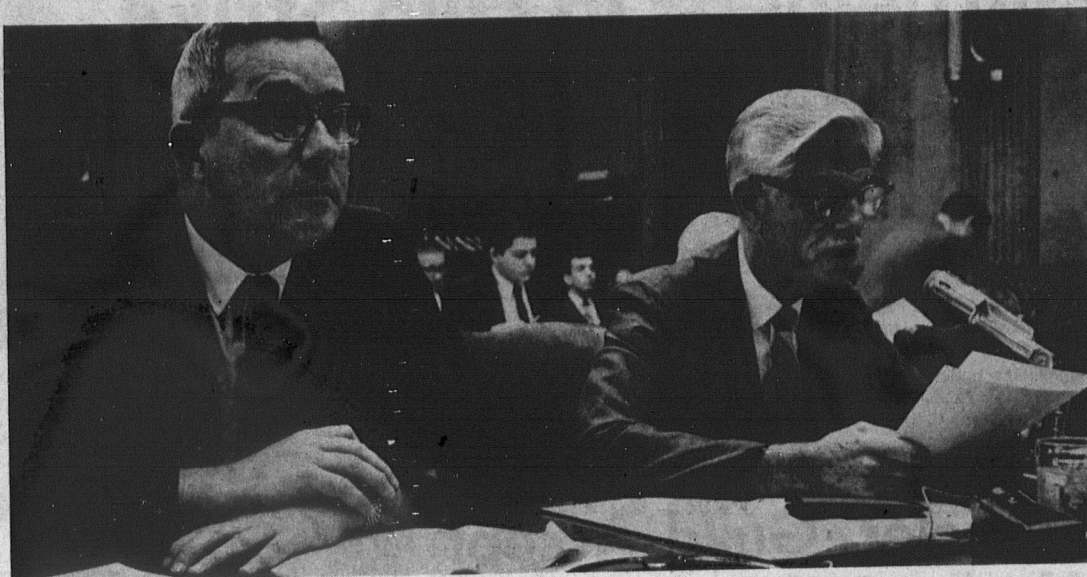
Three years later Col. Robert McCormick sold the Washington Times-Herald to the Washington Post for \$8.5 million, almost twice what he had paid for it only five years earlier. At the time of the sale the Times-Herald had the largest circulation of all four Washington papers—25 percent higher than the Post.

Eugene Meyer, then publisher of the Post, gave McCormick 48 hours to accept his offer. At the hour the time limit expired and the sale was consummated, McCormick's niece had raised \$1,350,000 of the \$1.5 million needed for a "good-faith showing" to buy the paper herself and keep it going. She was desperately trying to borrow the remaining \$150,000.

In 1958, David Stern, Jr., sold the New Orleans Item to the competing Times-Picayune for \$3.4 million more than it had cost him nine years earlier. Editor & Publisher reported on July 19, 1958, that the Item had shown a net profit in both of the previous years but was put on the market, in E & P's words, "at the first signs of red ink on the balance sheets."

When no outside buyer was found willing to pay the \$3.4 million that the Times-Picayune was ready to pay to buy a monopoly, the sale received the approval of the Justice Department's antitrust division.

The Chicago Daily News was sold in 1959 to Field



ANG Executive Vice President William J. Farson, right, testifies on the "failing-newspaper" bill; at left, Secretary-Treasurer Charles A. Perlik, Jr.

Enterprises, publishers of the rival Chicago Sun-Times. Only three years before, John S. Knight, publisher of the Daily News, had pronounced the following judgment on the sale of the Chicago American to the Chicago Tribune:

"The Tribune, loaded with profits from its own and subsidiary operations in New York and Canada, purchased the American to throttle competition. Even at the fantastically high sale price"—reported to have been between \$11 million and \$13 million—"for what has been a hollow journalistic shell, the Tribune can list the American's losses against its own high earnings. Such are the workings of our tax laws."

Yet, when Knight sold the News to Field to further throttle Chicago newspaper competition, he did not even have the excuse of yielding an unprofitable operation. The News, according to Editor & Publisher of Jan. 10, 1959, had average earnings of \$1,250,000 after taxes in the 15 years Knight owned it, had liquidated a \$12.8-million debt, and had added \$2.5 million in plant and equipment.

SOME PAPERS are no more because of unfair competitive practices—by other newspapers—which are, or ought to be, amenable to remedy under the antitrust laws.

In 1962 the St. Petersburg (Fla.) Independent was forced to sell to the rival St. Petersburg Times, according to testimony by the Independent's former publisher before the 1963 Celler hearings. Lloyd Phillips said the sale was forced through use of combination advertising rates by nearby morning and evening papers, exclusivist agreements between features syndicates and rival publishers—including the Times—by which the Independent was prevented from obtaining syndicated material the other papers never used, and loss of national advertising revenue.

The revenue was lost, the former Independent publisher said, because of a top-level decision to drop "secondary" media in competitive newspaper cities.

Let me also cite what the Justice Department, in a complaint filed earlier this year, alleged was going on in the Champaign-Urbana, Ill., area.

The Justice Department charged the Lindsay-Schaub newspaper chain with trying to gain a monopoly in that newspaper market by intentionally operating the Champaign-Urbana Courier at a loss from 1956 through 1963 while trying to gain control of the rival Champaign-Urbana News-Gazette.

Losses exceeded \$3 million, but the newspaper chain subsidized the Courier with earnings from other papers in its chain, the Justice Department charged.

A consent judgment filed simultaneously with the charges, ending the suit, forbids the chain from buying or selling out to the News-Gazette, forbids discriminating against a person because he advertises in a competing paper, forbids giving special low rates to a customer because he refuses to advertise in a competing newspaper.

These are a few of the events that have caused us to feel that the lure of monopoly profit rather than the absence of ordinary profit is often the motivating force behind concentration of newspaper ownership.

IN 1958 one of the major wire services, Hearst's International News Service, was merged with Scripps-Howard's United Press to form UPI.

At the time the Guild asked the Justice Department to investigate a persistent rumor that the news-services merger also involved an agreement to suspend publication of certain newspapers—an agreement to carve out certain markets where competition between the two chains would be eliminated.

Specifically we mentioned reports that Hearst would vacate Pittsburgh, where it was publishing the Sun-Telegraph, and Scripps-Howard would cease publication of its San Francisco News. Spokesmen for the two chains assured everyone there was no foundation to the rumor.

Yet, today, of the two, only Scripps-Howard remains in Pittsburgh, where it publishes the Pittsburgh Press. Hearst left town in 1960.

And in San Francisco, only Hearst remains. Scripps-Howard left completely in June, 1962, after the two had merged their papers there in 1959.

WE HAVE provided the subcommittee with a copy of a memo issued to the circulation-department employees of the San Francisco Newspaper Printing Co. in September, 1965, when that "joint operating company" began performing all but the news functions for the San Francisco Chronicle and Examiner.

As you can see, with the aid of the accompanying map, the memo forbids home delivery of the Examiner, a Hearst paper, in Oakland, Berkeley, Alameda and San Leonardo—the area of the most heavily concentrated population in the East Bay area.

This area also happens to be the main home delivery area of the other metropolitan afternoon paper published in the San Francisco area—the Oakland Tribune.

Home delivery of the afternoon Examiner was not barred anywhere else on the map—which is a Census Bureau rendering of the area of the San Francisco Bay and its tributaries.

Leaders of the San Francisco-Oakland Newspaper Guild informed us that the Examiner opened home-delivery service in the downtown Oakland area May 1, 1967, for the first time since the merger 19 months earlier.

We are at a loss to explain why a newspaper which had just entered a joint production and sales arrangement with a competitor claiming it was in financial straits would choose to forbid home delivery in one of the most concentrated areas of population within what would by all normal yardsticks appear to be part of its prime circulation area.

Audit Bureau of Circulation figures for the Oakland Tribune show that it was selling more than 15,500 more daily papers on Sept. 30, 1966, than on Sept. 30, 1965. It hadn't had a circulation gain of much more than 5,000 any year in its best years since 1951. That was the year after it was left alone in Oakland by the suspension of its face-to-face competitor in the afternoon field, the Post-Enquirer.

But when all this has been said, there are still the cases of those newspapers that have gone down because of financial difficulties.

Undeniably, many factors share the responsibility, and several of them were cited earlier. But these factors—rising costs, competition for advertising dollars, and the rest—are phenomena confronting all newspapers, yet the overwhelming majority not only survive but thrive.

I would suggest that the quality of the product and the ability of management are the decisive factors in determining whether a competitive newspaper goes under or forges ahead.

As far back as 1953, Norman Isaacs, now executive editor of the Louisville Courier-Journal and Times and formerly managing editor of the defunct St. Louis Star-Times, said this:

"It seems to me that all of the newspapers which have failed, or sold out, or which have merged, have been victims of either bad management, short-sighted news and editorial policies, or plain, ordinary backwardness in meeting the needs of the communities in which they are published."

Hawaii Guild, 2 Crafts Win Settlement In Hilo Strike

Hilo, Hawaii—An eight-week strike against the Hawaii Tribune-Herald was settled last week with increases ranging up to \$29 for striking Guildsmen, printers and pressmen, extensive fringe gains and the rescinding of printer dismissals that precipitated the walk-out.

The company agreed to send professional strikebreakers back to the mainland and to dismiss local strikebreakers who have been helping to publish a skeleton eight-page paper since the strike began May 21.

Twenty-four striking Guild members and 27 printers and pressmen, who published a suc-

cessful shopper during the strike, are scheduled to return to work July 24. The last issue of the interim shopper was published July 19; union-sponsored radio newscasts were ended July 15.

The joint settlement, reached July 13 in Honolulu with the assistance of Hawaii Atty. Gen. Bert Kobayashi and a federal mediator, was unanimously accepted by all three unions at a joint meeting two days later.

Guild Administrative Officer Fred Lee, who served as the negotiators' spokesman at the meeting, said the settlement was "a clear-cut victory," terming it the first successful strike ever con-

ducted against a Donrey Media paper. He said the support of advertisers, other unions and the community was decisive.

In addition to wage increases ranging from \$5 to \$7 retroactive to May 17 and \$4 to \$6 in the second and third years, it provides shorter hours, extra holidays, longer vacations, insurance improvements and a pension-plan commitment.

It was a first contract for the Pressmen's Union, which had been attempting to negotiate one, since winning a representation election last September.

A \$19 increase in the top minimum for reporters and display salesmen on the 11,000-circulation daily will bring it to \$157.50 in the third year. The top for district managers will be raised an additional \$10 to bring it closer to parity, at \$138.60.

The work week for Guild members will be reduced to 38½ hours Jan. 1, 1969, and to 37½ hours the following year. Printers and pressmen also won shorter hours.

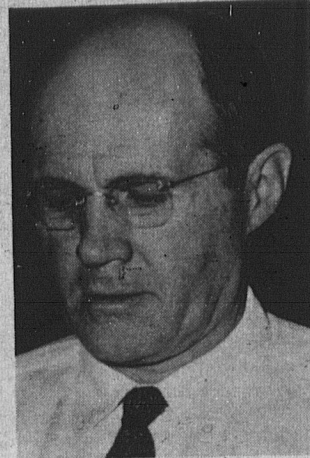
The company will increase its portion of medical-insurance payments to 60 percent Aug. 1 and 70 percent Jan. 1, 1969, and its share of life-insurance payments to 50 percent Aug. 1 and 60 percent in May, 1968.

The settlement provides two more paid holidays, for a total of eight; reduces the service time for a fourth week's vacation from 20 years to 15 and commits the company to negotiate a pension plan with the unions during the life of the contract.

The company, which had announced plans to fire five printers and reduce the pay of others in connection with conversion to cold-type production, agreed to take back all employees, to refrain from any economic dismissals for a year, to retrain all printers on the new equipment and not to reduce their salary classifications.



RONALD C. O'BRIEN



ROLLIN EVERETT

O'Brien Quits Detroit; Everett To Retire By '69

One local Guild executive secretary, Ronald C. O'Brien of Detroit, resigned this month and another, Rollin Everett of St. Louis, announced his intention of retiring.

O'Brien had been executive secretary of the Detroit Guild since March 1963. Before going to work for the Guild he was unit chairman at the Detroit Free Press, where he was an advertising salesman.

A native of Windsor, Ont., O'Brien earlier had worked for the Michigan Catholic.

Everett, a veteran Guild leader who has been executive secretary of the St. Louis Local since September 1951, told the local executive committee that he expects to retire before negotiations for the 1969 St. Louis contracts, the local official publication, No. 47, reported.

Everett, who has been active in the Guild since the '30s, became president of the Cincinnati Guild in 1937 and served as executive secretary of that local from 1949 to 1951. He has been a regular delegate to Guild conventions, serving many times as chairman of the influential Collective Bargaining Committee.

He began newspaper work as a reporter for the Kansas City Star in 1928 and later worked for the Cincinnati Post.

Look Writers Win \$19 Hike To \$230 Top

New York City—The top minimum for most writers and photographers at Look magazine will go to \$230, up \$19 over two years, under a new contract with the New York Guild.

The local won general increases ranging from \$9 to \$17, with the Group II writer-photographer starting minimum up \$14.50, to \$141 in the second year.

The Group II top minimum is increased \$8 retroactive to May 8 and \$11 next May, the starting minimum \$7.50 and \$7. General increases range from \$8.50 each year for employees earning between \$211.55 and \$240.39 to \$4.50 each year for those at \$80 and under.

Other top minimums are \$167 for Group I artists, up \$15.50; \$106 for stenographers, up \$13; \$97 for typists, up \$12, and \$82.50 for copy boys, up \$9.

The Guild also won increases from \$9,500 to \$10,000 in the severance-pay ceiling; from \$40,000 to \$65,000 in the ceiling for accidental-death insurance, and from \$4 to \$5 for supper money.

The Guild is appealing to the National Labor Relations Board against a regional director's dismissal of a charge that Look refused to provide adequate payroll information. The regional office threw out the charge after the settlement was reached.

Hit-Drink Yeggs Visit Guild Office

Buffalo, N.Y.—Burglars who broke into the Guild office last month added insult to injury: They not only drank the local's beer but stole its beer money.

In addition to the beer money and petty cash totaling \$25, the thieves stole several ball-point pens, ripped the cords from a desk lamp, pried open a filing cabinet and scattered hundreds of canceled checks about the office, said Frontier Reporter, the local's publication.

The thieves, who apparently entered the building through the roof, left a warning, "The Catman May Strike," on the office wall.

Traveler, Guild Accept Mediators' Proposals

Boston, Mass.—The Boston Guild and the Herald-Traveler Corp. this week accepted in general the recommendations of a joint federal-state conciliation panel on the Guild's grievances over dismissals and "other actions and conduct of the publisher" in the suspension of the afternoon Boston Traveler.

The company ceased publication of the Traveler July 8, merging it with the morning Herald and dismissing 400 employees, including 106 Guild members.

After several meetings between the company and the Guild failed to resolve issues in dispute, the Federal Mediation and Conciliation Service and the Massachusetts State Board of Conciliation and Arbitration were asked to recommend a settlement.

Federal mediator Daniel Hurley and state mediator David Grodsky made their nonbinding recommendations July 18.

The Guild executive board accepted them that night subject to clearance of counsel. The company yesterday accepted them, with apparently one exception.

The Guild and company agreed prior to entering conciliation that the Guild's contract would prevail on the order in which dis-

missed employees are rehired.

The contract says that employees dismissed in a staff reduction shall be placed on a rehiring list and the publisher "shall fill each subsequent vacancy with the person on the rehiring list who has worked in the classification in which the vacancy occurs or who is otherwise qualified and whose length of service exceeds that of any other person similarly qualified."

Included in the conciliators' recommendations were solutions to disputes involving salary upon rehiring, recall-notice time, procedures for retention of seniority on rehiring, vacation computation on rehiring, severance-credit restoration and special early-retirement benefits.

However, the Guild's grievance on the company's choice of those dismissed was denied by the conciliators.

Resolution of any disputes over application of the recommendations, the conciliators said, should be resolved through grievance and arbitration procedures of the contract.

ANG, meanwhile, sent a letter to all Guild locals last week seeking their aid in finding jobs for the dismissed Guildsmen.

The Guild Reporter

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and
Director of Research & Information

DAVID J. EISEN, Associate Editor

Published by the American Newspaper Guild (AFL-CIO, CLC), the second and fourth Fridays of each month. \$3 per year. Single copies 15c. Guild Reporter deadline at 1126 16th St., N.W., Washington, D.C. 20036; News, the Monday preceding publication; advertising, features and letters, Friday preceding publication. Letters limited to 200 words by ANG convention action.

Vol. XXXIV, No. 15

July 21, 1967

American Newspaper Guild

1126 Sixteenth St., N.W., Washington, D. C. 20036

Area Code 202-296-2990

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\$187 Reporter Minimum Won At N.Y. Italian Daily

New York City—An increase of \$37 in the reporter top minimum, to \$187 in three annual raises, has been won by the New York Guild in a new three-year contract with Il Progresso, Italian-language daily.

General increases range from \$13 to \$23.50, added to contract top minimums, with progression steps increased by the amount of the top-minimum increase.

Formerly in a separate, lower classification, reporters now must be paid the reporter-rewrite minimum, which was \$13.50 higher than the old reporter minimum. The reporter-rewrite minimum goes up \$23.50, to \$187.

Retroactive to Jan. 1, the reporter top goes up \$22 and the reporter-rewrite top \$8.50, to \$172. Both go up \$7.50 next Jan. 1, to \$179.50, and a final \$7.50 on Jan. 1, 1969. The reporter starting minimum goes up \$32.50, and reporter-rewrite \$23.50, to \$128.

Photographers and layout artists, with the same top as reporter-rewrite, have a higher starting minimum, which also goes up \$23.50, to \$148.

Display-advertising solicitor minimums also are increased \$23.50, with the starting minimum going to \$119 and the top to \$173.50. Classified-advertising

solicitor minimums are increased \$19, with the start going to \$101.50 and the top to \$128.50.

Telephone-operator and stenographer top minimums are increased \$17.50, to \$113.50.

Blue Cross hospital benefits are increased from a basic 30-day plan to a 120-to-180-day extended plan.

\$170 Top Minimum Won By St. Paul Church Unit

St. Paul, Minn.—The reporter top minimum is increased \$10.50 to \$170, in a one-year contract between the Twin Cities Guild and the archdiocesan Catholic Bulletin.

The minimum for ad salesmen is increased \$21.50, to a top of \$140 effective Nov. 1, with a concurrent improvement in the commission system.

Other new top minimums are \$191.25 for news editors, up \$11.81; \$105 for bookkeepers, up \$7.95; \$88 for telephone operators and stenographers, up \$6.70, and \$116 for classified phone solicitors, up \$6.

In addition to a general increase of \$3.30, the archdiocese will contribute a lump sum of \$10,000 to a joint pension fund. Weekly contributions of \$3 per employ will continue.