

L.A. Mediation Panel Resigns, Scores Hearst

(Continued from Page 1)

"The cause for our failure is clear," the mediators told Yorty. "One of the parties to the dispute, the Herald-Examiner management, has flatly refused to co-operate with the panel."

"This despite the unremitting efforts of the panel from the time of its appointment on March 19 and those of the chairman of your Labor-Management Citizens Committee, Quentin Ogren, in addition to your own personal efforts, to seek management's co-operation."

The panel noted that Hearst had given the participation of federal and state mediation agencies in the dispute "as its reason for refusing to co-operate."

"But as you well know," it declared, "each of these two governmental agencies has specifically disavowed any attempt to use them as a pretext to avoid co-operation with the city's panel."

"The Herald-Examiner unions did meet with the panel and expressed their full co-operation with the panel and also their desire to search diligently for a fair and speedy solution to this dispute. We were impressed by their sincerity and convictions."

"This dispute has been and is a tragic one. It may become worse. The community, as well as the parties to the dispute, must inexorably suffer while it continues."

"We take no position with respect to who is responsible for the inception of the dispute. But we do believe that you and the citizens of Los Angeles are entitled to know the reasons for our failure. We trust this report makes those reasons clear."

Neither Bailer nor Wolpert was able to attend a press conference called by the panel April 22 to discuss its resignation. But Leavitt accused Publisher George R. Hearst, Jr., of administering "a slap in the face to the mayor, the City Council and the people of Los Angeles" by refusing to meet with the mediators.

Affirming that "at no time was Hearst interested in getting to the point of discussing the substantive issues," Leavitt said the chain's aim was "a nonunion operation."

"He wants to destroy these unions," the mediator said. "He is not looking for a fair and just settlement."

Leavitt reported that Yorty had sought the intervention of Richard E. Berlin, Hearst Corp. president, to help settle the dispute but was told he would have to deal with George Hearst.

At this week's meeting with management, ANG International

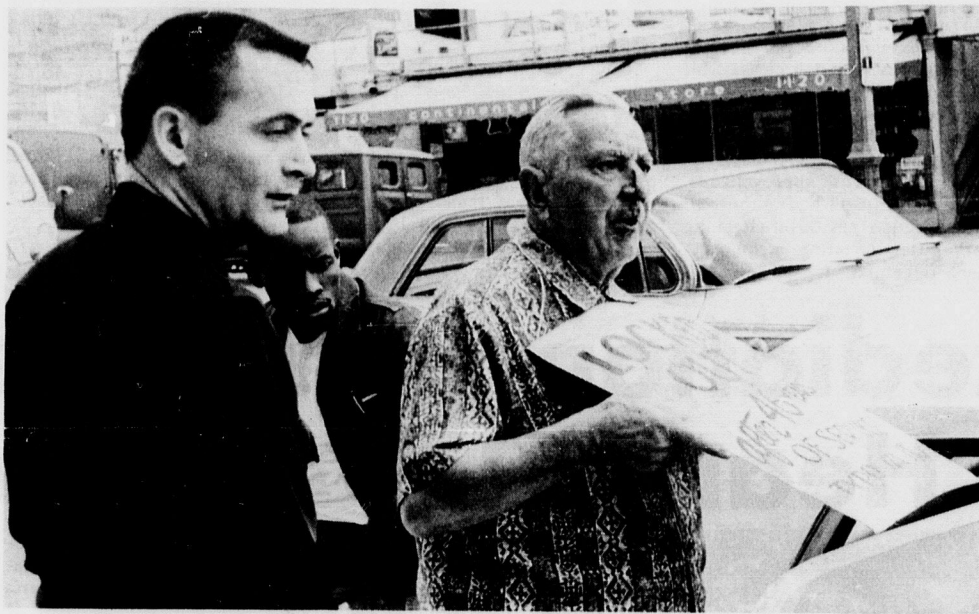
2nd L.A. Unit Votes Strike

Garden Grove, Calif.—A second Los Angeles Guild unit is nearing the brink of a strike.

Guild members at Ridder's Orange County Evening News voted late last month to authorize their bargaining committee to call a strike any time it feels a settlement cannot be reached. A federal mediator was called in following the vote.

The company, while offering a total increase of only \$12 over three years at the top reporter level, is demanding freedom to establish "independent" circulation agencies exempt from Guild jurisdiction outside Garden Grove and split work days for editorial personnel and circulation district managers.

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Unequal Match

Blood from a nose laceration flows onto the picket sign of 70-year-old David Bernstein, a locked-out Herald-Examiner printer, as he and a strikebreaking truck driver, Edward Lee Goldston, 27, await transportation to the police station, where Bernstein charged Goldston with assault and battery. Wit-

nesses said Goldston jumped out of a circulation truck and struck Bernstein after the truck narrowly missed the printer as it sped up to the plant. Guildsman Joseph C. Jackson, in his 60s, was knocked down and injured. Goldston charged Bernstein with disturbing the peace.

Representative Robert J. Rupert, interim administrative officer of the Los Angeles Guild, protested Hearst's delay in submitting a new proposal, stating the Guild was ready to present an offer immediately. But management said it wasn't ready to reciprocate.

The company, however, agreed for the first time to furnish the Guild with information on the number of strikebreakers it is employing in all departments.

Rupert testified on behalf of the striking and locked-out unions April 24 at a City Council committee hearing on an ordinance to outlaw professional strikebreakers. And in Sacramento an Assembly committee initiated hearings on a state anticab law April 22 with testimony from Arywitz and two Los Angeles printing-trades officers, among others.

Arywitz, in his letter to the AFL-CIO, said a delegation of the striking and locked-out locals "would be happy to come to Washington" to map a boycott program with Meany and representatives of their internationals.

"In order for this strike to be prosecuted successfully," he said, "we are going to have to have the help of the entire labor movement to mount a massive boycott campaign against all Hearst publications, newspapers and magazines alike."

"Reports coming back to us indicate that Hearst management has been making so much money on its magazine business, it feels it can afford to lose a great deal in resisting the strike."

"We have been successful in reducing the Herald-Examiner

circulation very substantially and have also been able to persuade some advertisers to discontinue insertions for the duration of the strike. Our efforts have worked to the degree that the Hearst management is now spending a great deal of money in an advertising campaign to rebuild circulation."

The unions estimate that Herald-Examiner circulation is down by 450,000 copies a day and advertising linage by more than 800,000 a month. They report that advertising is being sold at 40 percent of the prestrike rate or at production cost, at the advertiser's option.

More than 100 formally dressed unionists picketed the motion-picture industry's "Oscar" awards April 10 in protest against studios advertising in the struck paper.

The Guild this week began preparing court action to compel the Herald-Examiner to pay severance to employees who have resigned since the strike.

Management, at an April 18 meeting, refused to make the contractual payments despite a clause extending contract terms "as long as negotiations continue." The company conceded that negotiations were continuing.

Two pickets, Guildsman Joseph

C. Jackson and David Bernstein, a 70-year-old printer, were beaten by a strikebreaking truck driver April 16 after the driver narrowly missed Bernstein as he sped up to the plant. Bernstein suffered severe facial cuts, and Jackson, who came to his aid, was knocked down, suffering head and mouth injuries.

Two striking machinists have sued the Herald-Examiner and another strikebreaker for \$300,000 damages, charging they were assaulted and "maliciously beaten" on the picket line in January.

The Guild this week reported \$6,846.21 in additional strike contributions, bringing the total to date to \$46,029.53. Recent contributions include:

Albany Guild	\$ 200.00
Boston Guild	330.00
Chicago Guild	150.00
Cleveland Guild	100.00
Columbus Guild	75.00
Hawaii Guild	150.00
New York Guild	1,500.00
Philadelphia Guild	300.00
Sacramento Guild	200.00
St. Louis Guild	750.00
San Diego Guild	830.00
San Francisco-Oakland Guild	300.00
San Jose Guild	400.00
Stockton Guild	200.00
Toronto Guild	100.00
Twin Cities Guild	250.00
Vancouver-New Westminster Guild	200.00
Washington-Baltimore Guild	600.00
Wilkes-Barre Guild	100.00
Wire Service Guild	600.00

To intensify prosecution of the strike a third ANG international representative, Charles Dale, has been assigned to Los Angeles. In addition to Rupert, International Representative Robert A. Steinke also is assigned here.

Rupert presented strike issues on television April 17 on station KJH-TV's "Tempo III" program.

Strike Is Voted In San Antonio

San Antonio, Tex.—San Antonio Guild members voted April 21 to authorize strike action at Hearst's San Antonio Light in the face of a wage offer totaling \$6 at the top over three years.

Editorial, maintenance and business-office employees and truck drivers at the Light voted unanimously to empower the local executive board to initiate a strike at its discretion.

In 37 meetings management has refused to improve its initial wage offer of \$2 in each year of a three-year contract. The Guild is seeking a key top minimum of \$213, up \$67.44.

3-Year Pact Gives Seattle \$35

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at the Post-Intelligencer. The starting minimums for reporters and display salesmen go up \$24, to \$136.75.

General increases range from \$4.75 the first year, \$5.25 the second and \$5.25 the third for employees earning up to \$80 to \$11, \$12 and \$12 for those at \$150 and over.

The Guild also won a reduction in the service requirement for a fourth week's vacation from 15 years to eight in three annual steps.

At the Post-Intelligencer the age requirement for collection of severance pay upon resignation or retirement is reduced from 65 to 55, and the alternate-benefit plan under which such payments are made will be funded as part of the Guild-company Retirement Benefit Fund.

At the Times, retirement bene-

fits will be based on average pay over the employee's final five years of service rather than 10.

Both companies agreed that any reduction in force resulting from automation will be by attrition only; at the Post-Intelligencer job security was improved to provide for seniority in economy dismissals barring "important differences" in competency or ability.

Mileage allowances at the Post-

Intelligencer are increased one cent, to nine cents over 300 miles a week for circulation men and 150 for photographers, and to six cents for ad salesmen driving 80 miles a week.

At the Times, minimum mileage guarantees are increased from \$5 a day to \$5.50 in two annual steps for editorial and circulation employees and from \$4.30 to \$4.80 in two steps for others.

\$8 Increase Won In Yakima Reopener

Yakima, Wash.—Increases in top minimums ranging from \$3 to \$8 have been won by the Yakima Guild in a one-year wage reopener at the Yakima Herald & Republic.

The top minimum for special reporters is increased \$8, to \$173, effective April 1, while that for staff reporters, classified and dis-

play salesmen and circulation district supervisors is raised \$7, to \$158. The top for reporter and sales trainees is increased \$6, to \$125.

The top for telephone operators is increased \$4, to \$86, that for custodial workers is raised \$4, to \$98, and that for clerk-typists \$3, to \$78.

News Media And Riots (2)

Codes Seen Helpful In Covering Racial Disorders

NEWS MEDIA might consider brief, voluntary "moratoriums" on reporting racial incidents prematurely to help prevent such incidents from escalating into serious disturbances, the National Advisory Commission on Civil Disorders suggests in its recent report on last summer's riots.

In its report to the President, the commission also declared that adoption by news media of "thoughtful, stringent" internal staff guidelines governing riot coverage is required to ensure balanced and responsible news treatment.

The commission also proposed consideration of formal, voluntary codes governing relations between press and police, including access of newsmen to riot areas.

Most of the existing codes studied by the commission, it reported, set "common-sense standards of good journalistic conduct" and establish moratoriums of from 30 minutes to an hour on reporting the outbreak of disturbances.

Internal staff guidelines can prevent such incidents as that in which a newspaper photographer urged a Negro boy to throw a rock during last summer's Newark riot, the commission suggested, and voluntary moratoriums "on reporting news of an incipient disturbance" can minimize sensationalism and inaccuracy.

THE JUSTICE Department's Community Relations Service surveyed experience under voluntary press-police codes in 11 U.S. cities at the commission's request. It pronounced them "constructive" and reported that no one found them either useless or harmful but that some ghetto spokesmen complained that their existence "tended to lead the media to neglect reporting the underlying causes of racial tension."

Noting that the voluntary news moratorium is the most controversial and least understood aspect of the press-police codes, the CRS reported that some kind of moratorium was specified in the codes of six of the cities surveyed—Chicago, Buffalo, Indianapolis, Toledo, Omaha and Kansas City.

"The confusion about a moratorium, and the resulting aversion to it, is unfortunate," the com-

Editors Oppose Codes

Newspaper editors in cities that have had ghetto disorders are opposed to codes of voluntary restraint governing riot coverage, according to a survey conducted by the American Society of Newspaper Editors.

William M. Ware, executive editor of the Cleveland Plain Dealer, who conducted the survey for the ASNE's freedom-of-information committee, said the editors surveyed not only found no need for a formal code but had "a positive determination to have no part of one."

Ware quoted one editor as saying he was opposed to codes or guidelines because he felt "they are invariably used against the free flow of legitimate information."

mission said in summarizing the CRS report.

"The specific period of delay is seldom more than 30 minutes. In practice, under today's conditions of reporting and broadcasting, this often will mean little if any delay before the full story gets into the paper or on the air.

"The time can be used to prepare and edit the story and to verify and assess the reports of trouble. The only loss is the banner headline or the broadcast news bulletin that gets out prematurely to avoid being beaten by 'the competition.' It is just such reflexive responses that can lead to sensationalism and inaccuracy.

"In cities where a moratorium is part of the code, CRS interviewers detected no discontent over its presence."

The CRS reported that moratoriums had been invoked last summer in both Chicago and Indianapolis and, in each case, "many thought the moratorium contributed" to preventing "quite minor racial incidents from escalating into more serious trouble."

But, the commission noted, a commission-sponsored conference of media representatives criticized

the Chicago code for being open-ended and cited a voluntary news blackout in Detroit on the first day of last year's riot as evidence that a moratorium "does not necessarily defuse a riot situation."

EMPHASIZING that press-police codes should not be imposed by "unilateral government action," the commission said that "any procedure finally adopted should be negotiated between the police and media representatives and should assure both sides the flexibility needed to do their respective jobs."

The commission concluded on the basis of the CRS survey and other evidence that voluntary codes "are seldom harmful, often useful but no panacea."

"They are only one of several methods of improving relations," it said. "Ultimately, no matter how sensitive and comprehensive a code or set of guidelines may be, efficient, accurate reporting must depend on the intelligence, judgment and training of newsmen, police and city officials together."

The commission said that internal staff guidelines, "carefully formulated, widely disseminated and strictly enforced, underlie the self-policing activities of some news organizations already, but they must be universally adopted if they are to be effective in curbing journalistic irresponsibility."

The commission, which specifically studied the guidelines in use last summer at the Associated Press, United Press International, the Washington Post and the Columbia Broadcasting System, reported that generally staff guidelines "urge extreme care to ensure that reporting is thorough and balanced and that words and statistics used are appropriate and accurate."

"The AP guidelines call for broad investigation into the immediate and underlying causes of an incident," it said. "The CRS guidelines demand as much caution as possible to avoid the danger of camera equipment and lights exacerbating the disturbance."

But regardless of the specific provisions, the commission declared, "the vital step is for every news-gathering organization to adopt and implement at least some minimal form of internal control."

Romney Calls 4 Union Chiefs To Discuss Detroit Shutdown

Lansing, Mich.—Gov. George W. Romney this week invited Detroit publishers and presidents of four international unions to the state capital April 30 to discuss means of settling the 164-day Detroit newspaper strike.

Romney's invitation went to the presidents of three striking unions—Anthony J. DeAndrade of the Pressmen, John J. Pilch of the Typographical Union and Kenneth J. Brown of the Lithographers and Photoengravers—and to Frank E. Fitzsimmons of the Teamsters, who have settled.

Romney, in issuing the invitation, was critical of Mayor Jerome P. Cavanagh's mediation efforts, charging that Cavanagh's medi-

ator, Nathan P. Feinsinger, had spent two hours on the dispute and then left for the Bahamas.

Cavanagh rallied to Feinsinger's defense, stating that progress was being made at a series of meetings initiated by Feinsinger before he left town.

The Detroit News and Free Press and the striking unions have been negotiating with the assistance of federal and state mediators and City Labor Relations Director Al Leggett, a former Detroit Guildsman.

The Free Press, meeting with the Guild April 22, reiterated its rejection of a counteroffer of \$33 over 33 months, made by the Guild earlier this month.

The Guild rejected a proposal by State Sen. Robert J. Huber's special subcommittee on the strike to serve in a fact-finding capacity provided the unions permit resumption of publication.

Thomas M. McMahon, Guild executive secretary, told the committee that fact-finding at the present stage would probably delay rather than hasten a settle-

ment of the disputed issues.

McMahon took to the air on behalf of the Detroit Council of Newspaper Unions to reply to a WJBK-TV editorial charging the unions with "total contempt for the public" in rejecting Cavanagh's proposal that the strike be suspended during Detroit's racial emergency.

The editorial was delivered by Robert J. McBride, the station's news director and a former assistant promotion manager for the Free Press.

McMahon pointed out that it would have taken 48 or 72 hours to resume publication and by that time the emergency was over. Many union members would have had to give up interim jobs only to find themselves back on the street when the emergency ended, he noted.

A new attempt to fill the city's news gap was initiated this week with publication of a new interim paper, the Detroit American, by the Polish Daily News. It is employing 15 locked-out Guild members.

Probe Sought Into Strikes

Rep. Lucien N. Nedzi, Detroit Democrat, this month introduced a bill to establish a commission to investigate the cause and effects of newspaper strikes and to recommend "improved procedures" for preventing and settling them.

The bill, which has been referred to the House's Special Subcommittee on Labor, would create a 20-member commission including representatives of the newspaper industry, unions, the public, the House, the Senate and the Justice Department.

The commission would also be charged with investigating the impact of the reduction in the number of U.S. newspapers through merger and suspension.

Atlantic City Press Dismisses Negotiator, Guild Files Charge

Atlantic City, N.J.—The Philadelphia Guild filed an unfair-labor-practice charge against the Atlantic City Press last week following the discharge of a Guild bargaining-committee member.

K. Daniel Resh, a general-assignment reporter, was dismissed April 12 after he had arranged to get free time on an Atlantic City radio station to present the Guild's story on deadlocked

negotiations for an initial contract. The company accused him of neglect of duty.

Bargaining is continuing with a federal mediator in the wake of strike authorization voted by the unit last month. Pledges of support in the event of a strike have come from officers of the Typographical Union, the Teamsters and the Atlantic-Cape May Counties Central Labor Council.



Memorial Picket Line

A picket-line tribute is paid to the Rev. Dr. Martin Luther King, Jr., by striking and locked-out unionists at the Los Angeles Herald-Examiner on the day of King's funeral. Marching with black-bordered signs are George Heussenstamm of the Los Angeles Guild and Leon Lewin of the Typographical Union.

CBC Guildsman Killed In Air Crash

Toronto, Ont.—Canadian Wire Service Guildsman Robert Schiaffino was killed April 23 when a light plane in which he was returning from an assignment crashed in dense fog a half mile from Toronto International Airport.

Schiaffino, a reporter for the Canadian Broadcasting Corp., had

been covering the return of a Toronto man to a German prisoner-of-war camp at Monteith, where he had been held during World War II. The ex-POW was also killed.

Schiaffino was formerly a copy reader at the Baltimore Sunpapers, where he was active in the Guild's 1965 strike.

Public Employees Union Aids Guild In Conflict With CNTU

Ottawa, Ont.—The Canadian Union of Public Employees intervened on behalf of the Canadian Wire Service Guild this month in the Guild's battle to prevent the fragmentation of its Canadian Broadcasting Corp. unit.

The Public Employees, who recently won representation rights for CBC technicians and stagehands, told the Canada Labour Relations Board that it is in the best interests of CBC employees to be represented by national unions.

The Guild is resisting a second attempt by the Union of Television and Cinema Employees, an affiliate of the Quebec-based Confederation of National Trade Unions, to split off Guild CBC employees in the cities of Montreal and Quebec.

The Quebec union claims that 55 of 55 Guild-covered CBC employees in the two cities have signed CNTU cards. The Guild has filed a notice of intervention in the CNTU union's petition, but no date has been set for a hearing.

The Public Employees Union, which recently was awarded a national unit of CBC production

workers over CNTU protests, intervened on the Guild's behalf in a formal submission to the board.

The Canadian Labour Congress's executive council last week invited the CNTU to meet with the CLC and the Quebec Federation of Labour, its provincial affiliate, to "work out a pact designed to prevent conflict and promote co-operation."

The CLC said its objective has been to seek "arrangements with the CNTU that would minimize conflict, eliminate raiding and combine our strength to tackle the social problems of Canadian workers."

The CNTU has been holding discussions on jurisdictional problems with the Quebec labor federation.

Labour Minister John R. Nicholson suggested that the government's Labor-Management Committee attempt to resolve mounting friction between the Guild and CBC on grievances.

The Guild asked for a Labour Department investigation of CBC after its national grievance committee walked out of a Feb. 23 session with management, charging it with frustrating the grievance process.

Guild Business Agent Jean-Marc Tremblay said the local would await the imminent start of contract negotiations to see if CBC has "a change of attitude" before deciding whether to accept Nicholson's offer or press for a government probe.

New Bargaining Paths Sought In New York

New York City—Representatives of the New York Guild and nine other newspaper unions met with the New York Times, Post and News this month in an effort to achieve improved collective-bargaining procedures in the industry.

The meeting was held under the auspices of the newly organized Institute of Collective Bargaining and Group Relations, a labor-management group of which Lane Kirkland, executive assistant to AFL-CIO President George Meany, is president.

Mediator Theodore W. Kheel is serving as adviser to the institute, founded by the American Foundation on Automation and Employment to improve procedures for collective bargaining and to give the public a better understanding of its operation.

The unions and publishers also met recently with Robert J. Mangum, chairman of the State Commission on Human Relations, to discuss the employment of minority-group members in the industry.

Mangum called the meeting to ascertain why so few minority-group members are employed on New York papers.

Afterward Thomas J. Murphy, executive vice president of the New York Guild, urged the commission to extend its inquiry to the rest of the city's publishers. He said the Guild was "vitally interested" in seeing that job opportunities are open to minorities throughout the industry.

GR Immured For Posterity

Glenn Dale, Md.—The front page of the Guild Reporter issue marking ANG's 25th anniversary was sealed last week into a building stone to be opened up in 100 years.

It went into the date stone of the McCall Printing Co.'s new plant in Glenn Dale, where the GR is printed. With it went the covers of other publications printed by McCall.

The stone is scheduled to be opened in 2068 to give printing experts an idea of how it was back in the 1900s.

Few Negroes Are Found In Ad-Agency Positions

New York City—The advertising industry's record on employment of minority groups is almost as bad as that of newspapers, believe ad agencies cannot persuade minority-group members that real opportunities exist for them in the field.

Of 17,967 employees of 40 leading advertising agencies, only 3.5 percent are Negroes and 1.6 percent Puerto Ricans, according to figures. The New York City Commission on Human Rights disclosed.

The ad was headed: "Who says there are no Negroes in the advertising business?"

Agency executives advanced essentially the same reason as newspaper executives—a dearth of properly trained Negroes and Puerto Ricans.

But Commission Examiner Michael L. Vallon, terming the situation "appalling," said he was tired of hearing such statements as "If only someone would come in, I'd hire him."

which is considering the bill, that it was meant to apply primarily to such fields as broadcasting, where he argued that language and cultural association might warrant regional units.

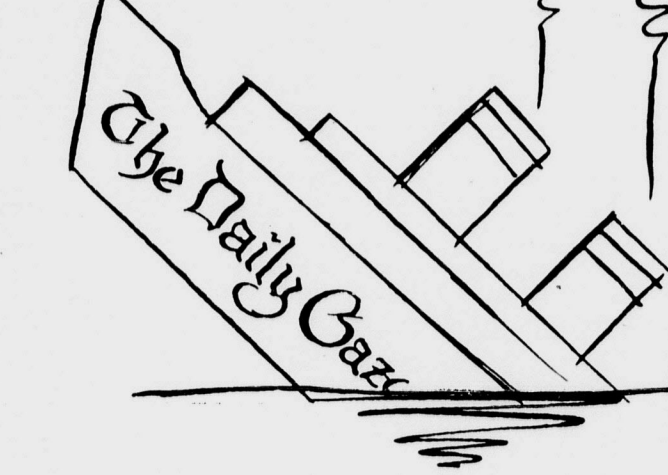
CBC Mediation Proposed By Labor Minister

Ottawa, Ont.—Labour Minister John R. Nicholson, asked by the Canadian Wire Service Guild to launch an official probe of the Canadian Broadcasting Corp.'s industrial-relations policies, has offered his department's services in a mediatory capacity.

Nicholson suggested that the government's Labor-Management Committee attempt to resolve mounting friction between the Guild and CBC on grievances.

The Guild asked for a Labour Department investigation of CBC after its national grievance committee walked out of a Feb. 23 session with management, charging it with frustrating the grievance process.

Guild Business Agent Jean-Marc Tremblay said the local would await the imminent start of contract negotiations to see if CBC has "a change of attitude" before deciding whether to accept Nicholson's offer or press for a government probe.



I. Who, What And Why Make News?

A. What Is News?

NEWS is what gets in the paper. The event may be cataclysmic, but if no reporter is sent to cover it the whole thing dies like a shout into outer space. The reporter may return hot and panting with the tidings, only to encounter an editor who decides that the event did not warrant coverage, that in any case there is insufficient space to print it or that really significant news does not barge into the city room unannounced.

There is a growing school of thought which maintains that news is generated from the celebrations of an editorial conference, much as luminous gas arises from a rotting swamp. Again, no event that upsets the publisher's digestion without advancing his political or financial interests can expect to impress itself on his expensive newsprint.

In the Erewhonian community envisioned by proponents of the FNA (Failing Newspaper Act), where one or more newspapers flourish under a single ownership, nothing will become news until it has won its spurs with the local publisher. Surely this winnowing process is preferable to the often erratic exposures which disrupt cities where competing publishers scramble to outdo each other.

B. Once Said Is Sufficient

Every newspaper publisher has written at length on the critical issues of government interference in private business, the relentless encroachment of state socialism, the proliferation of the welfare state, the wanton dispersal of foreign aid, the alarming rise in the crime rate and the indefensible prolongation of strikes. Would it not be the part of Congressional wisdom, expressed through the FNA, to limit a given editorial thesis to one newspaper in each city?

Readers would be spared the tedium of overlapping philippics at breakfast and dinner, and the great northern pine forests, now imperiled by the voracious hunger for newsprint, would be allowed to stand for the enjoyment of our posterity.

C. The Malleability Of Chain Publishing

Publishers of unsuccessful newspapers would do well to acquire the damascene flexibility of the typical chain publisher. He is ever on the alert to find out whether the majority of his readers in each community is Democratic or Republican, integrationist or segregationist, antiluvian conservative or crackpot liberal, and to conduct his enterprise in harmony with that civic consensus.

This is best done on a wholly decentralized basis, so that the publisher does not, through some oversight in the home office, discover himself endorsing a John Birch rally on the Lower East Side of Manhattan.

Businessmen in all cities he serves appreciate this course of action, and the continued employment of his staff—except for such reductions as the publisher may deem advisable—is assured.

II. The Prudent Publisher

A. How To Stifle A Staff

WHEN MISFORTUNE casts a publisher into the snake pit of open competition—a condition that the FNA will go far to alleviate—he is sorely pressed to retain his editorial staff at a price he can afford to pay. He moves immediately to erect an invisible barrier between his editorial executives and the staff, knowing that failure to do so will lead to serious reprisals, such as requests for a raise.

If a newspaper advertising salesman sells two

By GENE GLEASON

This tongue-in-cheek analysis inspired by the Failing Newspaper Bill is condensed from the Columbia Journalism Review. Gene Gleason is a former New York Guild member at the scuttled New York Herald Tribune; any resemblance between its death throes and those of the paper herein described is purely coincidental. Gleason is currently a free-lance writer.

Words of praise from an editor destroy this subjective evaluation, causing staff members to consider the value of their services to others. Abandoning their artistic independence, they resort to collective action, challenging the very enterprise which provides their subsistence.

The American Newspaper Guild may have sprung from this sort of ill-timed approbation, although folk legends have assigned its origin to certain inescapable wage adjustments during the 1930s.

Instead of allowing his editors to upset staff people with words of praise spoken in haste, the wise publisher will counsel them to point out minor flaws in the staff man's performance.

B. This Knotty Business Of Wage Negotiations

Persons outside the newspaper industry must be made aware that contract negotiations between newspaper publishers and their editorial unions are in no way comparable to union-management bargaining in the auto, steel or electrical industries. By its nature, the newspaper is a semipublic utility, service to its readers rather than profit-making potential is the true measure of its worth. Editorial unions frequently lose sight of this fact, and must be periodically reminded of it as negotiations advance.

It is significant that newspaper publishers had no "outlet" editorial union until the 1930s, when a wave of anticapitalistic hysteria caused it to replace many time-honored company unions. Perhaps it is too late for publishers to recapture the rapport of that era, but they have carried some of its virtues into their discussions with the Newspaper Guild.

Friends of management are rewarded with pay raises just in advance of negotiations. These disbursements are not ostentatious but take the form of concessions which need not appear on the regular payroll. A prudent management will not expose its loyal allies to interoffice taunts.

Very early in the wage talks, the publisher must accustom himself to extortionate union demands, e.g., a \$300-a-week salary for some reporter or copyeditor of no more than 20 years' experience, or a vastly inflated pension scheme which would permit a news worker to retire at half pay after no more than 30 years' service.

At this juncture, the publisher presents figures showing that satisfaction of Guild demands would cost \$10 or \$15 millions. This must be an accurate figure, but the etiquette of the situation does not oblige the publisher to specify that his estimate covers the cost projected over the next half-century.

The publisher must emphasize his inability to pay, and if union representatives demand to see the books it is quite in order to show them the books reserved for this purpose. The promotion department must be cautioned to soft-pedal claims of the paper's recent prosperity.

Secrets Of Newspaper

Failure

An unsolicited guide for members of the Senate Antitrust and Monopoly Subcommittee holding hearings on a proposed Failing Newspaper Act

A timely economy wave will sweep through the editorial department, suspending typewriter repairs, rationing pencils and advising the use of both sides of a sheet of note paper before discarding it. The editorial accountant must crack down hard on reporters' expense accounts, imposing an absolute ceiling of \$2 on lunches or refreshments bought for likely news sources.

No concession of any type should be made until the union has approved a definite strike date, since no contract improvement can be considered meaningful unless whelped out of crisis. When an agreement is reached, it should be accompanied by the reminder that only tremendous boosts in man-hour productivity will assure the staff of continued employment.

Admittedly, this is a turbulent sequence, but if unions persist in being mercenary, what publisher can afford the urge for public service that originally attracted him to newspaper work?

III. Overtures To A Götterdämmerung

A. A Consultant Shall Lead Them

WHEN A NEW owner acquires a sick newspaper, either by inheritance or purchase, he turns with a tropic response to a firm of management consultants. It is the job of the management consultant to tell a man who does not know enough to run his own business how it can be saved by knowing even less.

Having been hired for a neat figure of 50 to 100 thousand dollars, the consultant unleashes his pack of analysts to swarm over the entire newspaper plant, sniffing out dry rot in every shadowy corner. These young, keen-nosed investigators can follow a scent into the very heart of battle.

To cite an example, they will interview news workers within shouting distance of the deadline to obtain a realistic "battleground picture." If they come upon a reporter typing a story, they will ask him what he is doing and, probing still more deeply, why he is doing it. If they observe the city editor hastily scribbling on copy paper and simultaneously handling telephone calls, they will want to know whether this is a vital news process or simply make-work.

If they notice—and they certainly will!—that reporters are sitting idly at their desks during so-called "slack periods," they will ask to what extent the reporters' presence contributes to the hourly word-output rate. Team members will mark the exact time that newsmen go to lunch and when they return; if the "out" time exceeds an hour, they will note the reason for this deviation.

Delivery trucks will be checked in and out of the loading dock, and drivers will be held accountable. Printers will be called upon to justify the amount of time it takes them to make corrections on a piece of copy. Display-advertising salesmen will be asked why they give so large a portion of their working time to "business luncheons" and to furnish the names of the prospects they interviewed.

Occasional misunderstandings may arise, but the interviews should be completed within a month or two.

With the passage of a few more weeks, the publisher receives a 300-page report. This is no routine presentation but contains dozens of schematic charts, mathematical formulae interlocked with cost factors, and circulation analysis by race, creed and feet above sea level. Its flashes of documented illumination are so brilliant that the publisher is unable to comprehend them without a young consultant or two constantly hovering at his elbow. It soon becomes clear to him that he cannot hope to implement the report without hiring away the consultants who have been explaining it to him.

Stated broadly, the report concludes that costs must be pared to the bone, and the way to do it is to reduce the employed force of the paper by

10 or 20 percent. Quite naturally, this unhappy task falls to the consultants who have just become newspapermen. Yet everyone benefits; the employees who have been unshackled from the pay-roll accountant must crack down hard on ever-expanding newspaper industry, the publisher has been able to slash his payroll, the management firm collects its roundish fee and several of its young experts are ready to settle down to stable employment—as much of it as an ailing newspaper can guarantee—instead of being buffeted from one survey to the next.

B. Last Act: Entrance Of The Undertakers

In an age when even God must deny persistent rumors of his death it is heartening to behold the faith of a failing newspaper publisher. If it is suggested that he hire more reporters and give additional space to news stories, he recoils from the blatant obviousness of such actions.

What he pines for, with the immaculate innocence of eternal childhood, is a prepackaged, COD miracle.

He rolls out the red carpet for his supernatural visitation by engaging a public-relations counsel to revamp the "image" of his paper for a rock-bottom retainer of \$2,000 a month. The next step is to hire a dynamic editor who has shown his mettle on 25 previous jobs—almost all of short duration.

This repeating-action Merlin rips the newspaper's format apart, remodeling it to convince the readers that they are getting an entirely new paper, although nothing has been added except a stylized graphic circus act and chaos in the composing room. Merlin's next step is to pack the executive echelons with the gypsy band of irregulars who have accompanied him on his previous forays. Since every executive circus needs an appropriate side-show, Merlin will expand his cast to include a full spectrum of freakish feature writers, bizarre columnists and verbal-insult comics to romp through the day's news like a mass breakout from Bedlam.

A few hundred thousand dollars in radio and television commercials should be enough to tell the public where the freak show is playing. But such is the perversity of the general public that it will revel in the hoopla, ask "What else is new?" and buy a rival newspaper to find out.

With his faith undimmed by the shattering of his staff and the conversion of his enterprise into a stranded carnival, the publisher fires his Merlin and takes on an all-department wonder worker.

Whatever his other abilities may be, this last-chance Superman bounds into the arena with a strong instinct for personal survival. A cursory glance at the corporate seismograph tells him that the structure is shaky and about to come down on his head. Effective renovation would take 10 years, but he is expected to show results immediately. He follows the one course left open to him—a breakneck economy drive.

Initially, he lays off a specified number of employees in several departments, exercising care to detour around those inflamed by union activists. Not that he's afraid of unions—no sir! When union contracts are up for renewal, he boldly serves notice that he is "not going to be pushed around" by union leaders. That engraves his steely image on the public consciousness.

Greater austerity becomes the watchword, and it works about as well as cutting off the plant's water supply. The union boys now have all the ammunition they need to get a unanimous strike vote from their membership.

Superman, ever the first to hear the death-rattle, dons his cape and soars off over the rooftops to a better-paid job on another distressed publication, leaving the publisher to hold the sack. The rest of the staff, enraged beyond reason, walks out in a body, remaining on strike until the newspaper becomes one with Nineveh and Tyre.

ANG Picks Padgett To Run Office



ALBERTA PADGETT

Alberta Padgett, a member of the ANG clerical staff since the Guild moved to Washington 12 years ago, will become ANG office manager May 1. It was announced this week by Executive Vice President William J. Farson.

Mrs. Padgett, who will also serve as secretary to the executive vice president, will replace Helen Barkan, who resigned after serving a year in the post.

Mrs. Padgett was the first office manager May 1. It was announced this week by Executive Vice President William J. Farson. Mrs. Padgett, who will also serve as secretary to the executive vice president, will replace Helen Barkan, who resigned after serving a year in the post.

Before coming to ANG Mrs. Padgett was secretary to the president and the director of organization of the OPEIU. During World War II she was secretary to the director of the War Plans Office of the Navy Department's Bureau of Ships.

NLRB Upholds Guild, Orders 1 Canton Unit

Cleveland, Ohio—A National Labor Relations Board regional director last week upheld the Cleveland Guild's request for a single bargaining unit at Lord Thomson's Canton Repository.

The director, Philip Fusco, rejected a management move to break the Guild's proposed unit of 135 employees into five fragments. He also upheld the Guild's request to exclude the assistant to the editor as a supervisor.

Fusco ordered a representation election within 30 days in a unit of editorial, advertising, business-office, maintenance and circulation employees, including drivers.

Washington Guild Files At Suburban Paper

Alexandria, Va.—The Washington-Baltimore Guild this month filed a petition to represent 15 editorial employees at the suburban Alexandria Gazette.

The Guild petitioned the National Labor Relations Board after the Gazette, a 16,000-circulation evening daily, refused to grant voluntary recognition.

Fairfield, Conn.—A National Labor Relations Board election will be held May 9 on the Bridgeport Guild's petition to add 10 advertising-department employees to its unit at the Connecticut Sunday Herald.

Turner, Dixon, Hart Hit Failing Newspaper Bill

(Continued from Page 1)
Tucson antitrust case before taking any action against similar joint publishing arrangements, said "there is reason to suspect" that some of them have occurred "where . . . competition might have been preserved."

Noting that the bill would allow a newspaper which "appears unlikely to remain or become a financially sound publication" to enter an otherwise unlawful merger with a competitor and thereafter have immunity from laws banning price-fixing and profit-pooling, Turner observed that the paper's difficulties might be due to "nothing more than its inability to conduct its operations with skill and efficiency."

If the bill were passed, Turner said, such a publisher could "be compensated for his lack of success through an agreement which eliminates commercial competition and permits him to share in the profits of a commercial monopoly."

"The bill is needed," he declared, "only if price-fixing and

Promises, Promises

Some of the publishers who have testified at hearings on the Failing Newspaper Bill apparently are no better at keeping their promises to the Senate Antitrust Subcommittee than some of those they make to their employees.

Sen. Philip A. Hart, subcommittee chairman, said in closing the hearings last week that some of the joint-operating agreements promised by publisher witnesses "have not been furnished" and "some additional financial information" requested of others "has not yet been received."

"Prompt response" by the delinquent publishers, Hart said, "will enable this committee to consider" the bill.



PHILIP A. HART
'Press Untouched By Antitrust'

profit-pooling agreements are to be allowed. We do not see why they should be."

Hart, noting that "none who support God, the Flag and Motherhood will disagree with the basic premise" of the bill—"the more independent editorial voices the better"—said he "cannot accept" the bill's "broad exemption from the antitrust laws as a realistic price for propping up a failing newspaper."

The bill, he said, "seems to have the potential—if not the likelihood — of muting more voices than it would amplify."

"This bill seems to be like putting a fresh coat of paint on a house structurally weak," he said. "Paint won't hold the house together; neither will saving a handful of papers deconcentrate the communications industry."

"That chore is the responsibility of the Federal Communications Commission, the Department of Justice and the FTC," Hart declared, adding that their "track record is not good up to now."

Noting that his subcommittee's hearings on the bill comprised

"the first full-scale Congressional study of the newspaper industry," Hart said it is "no great surprise" that the hearing record "is jam-packed with allegations of anti-competitive practices."

The newspaper industry, he said "has been virtually untouched by antitrust hands through the years."

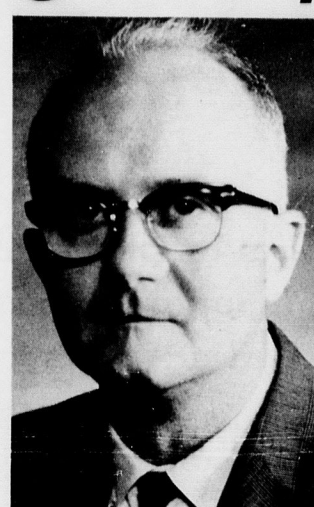
The list of violations alleged during the hearings "reads like a textbook of antitrust law," he said, listing eight areas of anti-competitive activity that he urged Turner's and Dixon's agencies to study closely and report on to the subcommittee.

The alleged violations listed by Hart include the use of below-cost zone editions, satellite papers, shoppers and combination rates to injure or restrain competition, attempts to destroy independent distribution systems, the use of profits from other media to destroy competition, the possibility of price discrimination in the sale of newsprint, and deposit requirements and other difficulties experienced by newspapers in obtaining wire services.

Attacking the bill's definition of a "failing newspaper," Dixon said there are "about 23 other major cities in which it is possible or even likely that at least one daily newspaper is now or will not permanently remain 'financially sound'." He added:

"There will be other cities in which new entrants cannot become financially sound independently but whose existence may be preserved by restrictive agreements with competitors."

"There may even be some new entrants who will not want to become financially sound—inde-



DONALD E. TURNER
'No Persuasive Case'

pendently."

"If the industry will tailor its requirements to what is reasonable for survival and preservation of independent editorial voices—not to the monopolistic profits that may be realized through additional restraints—we think the extraordinary relief contained in the pending bill will not be required."

Turner, pointing out that the "value" of the newspaper industry's "production is greater than that of the drug industry or the petroleum-refining industry," said that "it is well known" that at least some of the joint publishing arrangements in 22 other U.S. cities are "practically indistinguishable" from the one found illegal in Tucson.

Turner said the Justice Depart-

ment would seek voluntary compliance from the other publishers before filing suit against them if the Tucson decision is upheld. He said the government would "not normally attack" joint arrangements limited to printing and circulation facilities.

In scoring the bill's proposed definition of a "failing newspaper," Turner said the bill would "disastrously thwart" the nation's antimerger laws by enabling "unlawful mergers" simply on the basis of "a loss of market position" or for failure "to keep up with competitors in some respect."

If price-fixing and profit-pooling were allowed on these pretexts, Turner said "many publishers will opt for that way even though they might be capable of remaining fully independent or finding other solutions to their difficulties which preserve competition."

"Indeed," he declared, "there is reason to suspect that some joint-publishing agreements have in fact occurred where . . . competition might have been preserved."

"The fact that most joint-operating agreements involve profit-sharing almost compels this conclusion. It is simply not reasonable to expect that a dominant paper would agree to share its profits with a weaker rival if that rival were truly headed for extinction and there were no prospects that a more optimistic and more able successor would take over."

Turner and Dixon both said the newspaper industry has demonstrated "no persuasive case" for granting the antitrust exemption sought.

Canada, U.S. Prices On Par

(Continued from Page 1)
has been eliminated by the higher rate of price increases in Canada in the two years between the survey and its publication late last year.

Its comparison of individual cities showed a price level only one percent higher in Detroit than in Toronto, one percent higher in Boston than in Montreal and two percent higher in Washington than in Ottawa—all as of 1965.

The study was designed to help the Economic Council measure the difference in real income between the United States and Canada. It utilized for the most part price information originally gathered to measure the rise of consumer prices in the two countries.

Noting that their study is based on prices collected in 18 major Canadian and U.S. cities, the authors said that while it cannot be considered "definitive," it does provide "a general indication of the order of magnitude of retail price differentials."

Prices were compared on a dollar-for-dollar basis, without regard to the exchange differential between the two countries.

Segal, queried about the effect of the exchange differential on the comparison, said it did not affect the fact that a person making \$100 a week in U.S. dollars would require approximately the same amount in Canadian dollars to maintain the same standard of living in Canada.

Sales taxes were included in the computation. Only rents, which the authors said could not be measured, were excluded from the survey.

The study disclosed that most individual prices were lower in the United States than in Canada, but this was offset by the fact that in a number of instances those Canadian prices that were lower were "significantly less expensive" and "loom large in the Canadian spending pattern."

The greatest disparity, it found, was between durable goods, such as automobiles and appliances, which it said are "significantly less expensive in the United States," and services such as health care and public transportation, which are "generally much lower-priced in Canada."

"Food prices on the whole are

somewhat higher in the United States," the report said, "while clothing is less expensive there."

Reading and recreation tend to be more expensive in Canada, but the study noted that prices of newspapers and magazines are not significantly different.

The study showed that clothing, over-all transportation (including private cars), recreation, and tobacco and alcohol that cost \$1 in Canada cost, respectively, 94 cents, 95 cents, 92 cents and 82 cents in the United States.

On the other hand, food at home, food away from home, health care, personal care and housing that cost \$1 in Canada cost, respectively, \$1.06, \$1.20, \$1.33, \$1.09 and \$1.03 in the United States.

Erie Men Beard Boss

(Continued from Page 1)
in manifest fashion.

"These beards," they said, "after sufficient growth, will be kept trimmed and neat with grooming becoming of gentlemen and a credit to the Guild and to the great men of history who grew beards."

"It should be pointed out that some of the outstanding newspapers of this country have employees with beards."

"It is not our sole intention to beard the lion in his den, so to speak, but to see fairness done." "Since Regis is a brother Guildsman, we, your executive committeemen, hereby proclaim ourselves bearded brethren."

Time, Newark News Drop Purchase Deal

Newark, N.J.—Time Inc.'s announced purchase of the Newark News collapsed this month, frustrating its heralded entry into the newspaper field.

Executives of Time and the News said the deal was abandoned because they were "unable to conclude a final purchasing agreement." Time officials said differences over the price were responsible.

Time officials said they were still interested in acquiring newspapers, however, and had several specific ones in mind. The papers were not identified.

Cancellation of the purchase came as a surprise. It had been announced in February that an acquisition agreement had been concluded under which Time would acquire the News in return for 325,000 shares of Time stock and assumption of a five-million-dollar mortgage on a new addition to the News plant.

The stock was valued at about

29 million dollars at that time. But by early this month its value had increased to 33 million on the New York Stock Exchange.

The number of Time shares to be finally exchanged for the News's assets was reportedly the principal rock on which the sale foundered. "Technical and legal difficulties" in separating the News's radio station and newsprint company also entered into the picture, the Wall Street Journal said.

The Justice Department's Antitrust Division had been investigating the purchase at the request of Rep. Emanuel Celler, chairman of the House Antitrust Subcommittee, but News Publisher Richard B. Scudder said antitrust considerations were not involved in the decision.

The Justice Department last week gave a go-ahead to Time's proposed acquisition of Little, Brown & Co., Boston publishing house, for 17 million dollars. Time said the department has told it the purchase does not appear to violate antitrust laws.

A Time spokesman said the company was disappointed at the Newark deal's falling through. So were the News's non-Guild editorial employees, many of whom Newsweek magazine said "were hoping for a raise under a new management."

IFJ Parley Set

ANG President James B. Woods and Executive Vice President William J. Farson will attend the biennial congress of the International Federation of Journalists April 28 through May 4 in Dublin.

Paul Tobenkin Award Goes To Guildsman At N.Y. Post

New York City — The 1968 Paul Tobenkin Memorial Award, given in honor of a former Guild unit chairman at the New York Herald Tribune, was awarded this week to William Burrus, a Guildsman at the New York Post and vice-chairman of an unsuccessful Guild organizing drive at the Dallas Times-Herald in 1965.

Burrus won the \$250 award for

a series of six articles on the city's welfare crisis. The award is presented for outstanding newspaper writing in the fight against discrimination.

Judges were Herman Mitgang of the New York Times editorial board, Associate Prof. Louis M. Starr of the Columbia University Graduate School of Journalism, and Edward R. Cony, managing editor of the Wall Street Journal.

St. Louis Papers Pool Profits, Probers Charge

(Continued from Page 1)
Court in a case involving price-fixing and profit-pooling in Tucson before seeking to make other joint-operating agreements conform to the antitrust laws.

S. Jerry Cohen, chief subcommittee counsel, asked why the department should have to wait for the Supreme Court in a case like St. Louis "where we know there is profit-sharing . . . between two healthy papers . . . a case of simple profit-sharing by two going enterprises."

Turner replied that action in such a case "would not hinge" on the Tucson decision but said he was not familiar enough with the details of the St. Louis situation to comment further.

The Los Angeles agreements, operative at least from 1959 to 1961, were revealed when Sen. Philip A. Hart, subcommittee chairman, entered into the record "codes" of the defunct Los Angeles Newspaper Publishers Association (LANPA). Hearst and the Times-Mirror Co. were the only members of the association.

Observing that "these codes seem to cover pretty much everything from A to Z—from advertising rates to the amount that can be spent on a funeral wreath for a customer" (\$10), Hart asked Turner why the Justice Department had not initiated action against the publishers in view of the fact it has had the documents since 1963.

Turner, who came to the Justice Department in 1965, said he wasn't aware of the codes until immediately before his appearance before the subcommittee.

"In at least one respect," Turner said, the codes "would appear to violate the antitrust laws."

The Justice Department obtained the codes in 1963 during a short-lived investigation of the newspaper industry by the House Antitrust Subcommittee under Rep. Emanuel Celler.

The Celler hearings were prompted by Hearst's abandoning the morning field in Los Angeles in 1962 at the same time the Times Mirror Co. abandoned the afternoon field. Since then, Hearst has been without newspaper competition in the afternoon and the Times without challenge in the morning.

The Celler hearings recessed March 15, 1963, after objection from Hearst lawyers as testimony was about to be taken from Norman Chandler, Times Mirror president.

Celler said it would be inappropriate to question Chandler about the codes "at this time," since the Justice Department, under Atty. Gen. Robert F. Kennedy, was "actively inquiring into the matter."

The Justice Department did not bring suit, the Celler hearings were never resumed, the transcript of testimony given and documents gathered was never printed as an official House document, concluded.

N.Y. Guild Gives \$200 To Grape Strikers

New York City—The New York Guild executive committee this week voted a \$200 contribution to striking workers in California's grape fields.

The executive committee acted following a representative assembly vote last month of full support to the strikers' boycott of California grapes.

The assembly heard two organizers for the United Farm Workers Organizing Committee describe the conditions under which agricultural workers have had to labor in California.

trary to usual practice, and the publishers' association was dissolved.

Two of the four codes made public by Hart are plainly labeled association codes. They are a two-page "Code of Circulation Practices" as revised Jan 5, 1961, and a 12-page "Advertising and Publicity Code, Advertising Section" as revised June 15, 1960.

The other two, although they were obtained from association files and refer repeatedly to "member newspapers," are labeled "Los Angeles Times and Mirror News, Classified Advertising Code," and "Los Angeles Examiner and Herald-Express, General Advertising Code, Classified Advertising."

The two classified codes contain at least nine identical or nearly identical clauses. Among their provisions:

► No changes in classified-ad rates shall be made "without 60 days' notice to the LANPA."

► "Each newspaper shall print all its rates on rate cards, and no advertising shall be sold by any newspaper at rates lower than the printed rates." Rate cards "must" be filed with the association.

► "All newspapers shall have a nine-column classified page."

► "Type . . . shall be agate . . . 14 lines per inch." The Times code forbade changing type face, size or weight without 60 days' notice to the LANPA.

► No classified ads from the same advertiser may be printed side by side unless each ad "is at least 12 inches in depth."

► "No classified department shall purchase more than four tickets for any advertiser-sponsored function."

► No gifts may be made by any representative or employee of the newspaper to advertisers or advertisers' employees. The Times code permitted giving "blotters."

► No more than 15 advertisers are permitted to attend any lunch, dinner or similar function given by any of the newspapers.

► Classified salesmen are forbidden expense allowances other than "car and telephone allowance." No repayment may be made to salesmen for "luncheons, dinners, tickets or entertainment."

(The Times Mirror classified code contained a \$10 limit on "funeral, death, anniversary or opening bouquets" that "may be sent by any newspaper.")

Among the provisions of the LANPA circulation code:

► Morning papers are forbidden to leave the plant before 6

p.m. the day preceding publication date, except those going outside the Audit Bureau of Circulation retail-trading zone and shipped via public transportation. Sale or distribution of the latter is forbidden before 7 p.m.

► Afternoon papers are forbidden to leave the plant before 8:30 a.m. the date of publication, except those going outside the ABC retail zone.

► Each newspaper "shall have the privilege of one public subscription contest a year."

► Sample papers are limited to 3,000 copies a day, no more than "six days per week," and may be delivered to one address "for one week only within a 90-day period."

► Sunday papers may sample "Sunday supplements only."

► Merchandise-cash prizes to carriers, dealers and employees for securing subscriptions shall not exceed \$1.50 for each" order for three months or more and total cash may not exceed \$1.

► No commission for new subscriptions "to be paid apartment-house managers."

Among provisions of the advertising section of the LANPA "Advertising and Publicity Code":

► No free cuts or art of any kind may be given.

► A "1,000-line or 72-inch advertisement" is the "minimum-size

color advertisement" in the "general" classification.

► "Minimum" local color ad "will be 80 inches," except a minimum of 70 inches is approved for tabloid supplements.

► "Motion-picture exhibitor" ads carrying "multiple-theater signatures" may list "only those theaters holding minimum-rate contracts." Other theaters "may be listed below the main advertisement" but must be "separated therefrom by a cutoff rule."

► No "double-truck" ads of under 200 inches are allowed.

► "A maximum number of 75 free newspaper proofs will be given to an advertiser. Quantities in excess of 75 will be charged at six cents per proof." Limits are also set on free tear sheets.

► Free "slick" and "reproduction" proofs are forbidden. Minimum charges are established (75 cents per proof, minimum charge of \$1.50).

► "An advertiser shall not indulge in criticism, either directly or by implication, of any policy, rule or regulation in force by any newspaper or which can be construed as critical or derogatory of other advertisers."

► "Any advertisement referring in any way in copy or illustration to any circular, broadside, shopper or handbill is not acceptable for publication."

► "All requests for charity or special rates must be referred to the LANPA."

► "All new requests for memberships, contributions, trophies, awards, purchase of tickets, etc., shall be cleared through the association office."

A spokesman for the Times Mirror Co., when asked about the codes by the Wall Street Journal, said only that the association has been defunct for a number of years and that the codes died with the association.

A spokesman for Hearst's Herald-Examiner said only, "If there's no group, there are no codes," the Wall Street Journal reported.

Cincinnati Antitrust Trial Slated To Start In June

The Justice Department's four-year-old antitrust suit seeking to force the E. W. Scripps Co. to give up its controlling interest in the Cincinnati Enquirer is scheduled to come to trial in June, Donald F. Turner, head of the department's Antitrust Division, said last week.

Scripps owns Cincinnati's only other daily, the Post & Times-Star.

The suit's aim, Turner said, is "to assure full competition"—commercial and editorial—"between the city's only dailies."

Privileged Status Ends

FTC To Air Press Earnings

Newspaper industry financial data—including average profit rates—will soon be included for the first time in the government's Quarterly Financial Report for Manufacturing Corporations, Paul Rand Dixon, Federal Trade Commission chairman, promised last week.

While stating that he was not sure why newspapers have been specifically excluded from the reports since their inception in 1947, Dixon told the Senate Antitrust Subcommittee that he has "a suspicion somebody didn't want to make the newspapers mad" by including them up to now.

A spokesman for the Securities and Exchange Commission, which with the FTC produces the reports, told ANG substantially the same thing a year ago when an ANG staff member asked why newspapers were the sole industry excluded from the industries surveyed.



PAUL RAND DIXON
'Didn't Want Press Mad'

Testifying April 16 at the subcommittee's final day of hearings on the Failing Newspaper Bill,

Dixon said he had gotten clearance the day before to include newspapers in future reports. But he complained that the Bureau of the Budget had failed to authorize additional staff for the extra statistical work involved.

Sen. Philip A. Hart, subcommittee chairman, suggested that the FTC and SEC consider dropping statistics on some less significant industry—"like hairpin companies"—in order to free staff for the work on newspaper data.

One of the purposes of the quarterly reports, according to "explanatory notes" that appear with each issue, is to aid persons "to determine whether to undertake new ventures by comparing the profitability of various types of business activity."

The reports are compiled from a representative sampling of manufacturing industries and list rates of profit on sales and stockholder's equity by industry and according to asset size within each.

250,000-Circulation Daily Reaps 22½% Profit

(Continued from Page 1)
122 earned in 1960, when E&P began reporting on the paper's finances. They were seven percent higher than 1966 profits.

In comparison, the Guild's average reporter top minimum rose five percent, from \$154.42 in December 1966 to \$162.07 in December 1967. Over the seven-year period from 1960 it rose 27 percent, from \$127.33.

The paper has never earned a profit of less than 19.1 percent on sales since the analysis began. Gross income since 1960 has risen 32 percent, from \$11,752,425 to \$15,564,331, while expenses have risen only 27 percent, from \$9,429,303 to \$12,034,518.

Cooke Coen of the Newspaper Analysis Service, Chicago, noted that the paper held its cost increase to 2.8 percent, considerably less than the five-percent increase anticipated a year ago, and

Big-City Daily: The Profit Ladder					
Profits Before Taxes *					
Year	Annually In \$	% of Revenue **	% Increase Over Prior Year	% Increase Over 1960	Cumulative Since 1960
1960	\$2,263,122	19.2			
1961	2,354,338	19.6	3.1		\$ 4,597,460
1962	2,614,082	20.7	12.0	15.5	7,211,542
1963	2,473,571	19.1	-5.4	9.3	9,685,113
1964	2,554,278	19.3	3.3	12.9	12,239,391
1965	2,726,938	19.5	6.8	20.5	14,966,329
1966	3,296,179	22.0	20.9	45.6	18,262,508
1967	3,529,811	22.5	7.1	56.0	21,992,319

* Profits after taxes not disclosed.

** Revenue rose from \$11,752,425 in 1960 to \$15,564,331 in 1966, an increase of 32 percent.

Source: Editor & Publisher

a figure Coen said was "not typical of the industry in general." Income, on the other hand, rose

by a total of 3.7 percent.

Advertising income increased in all classifications, Coen ob-

served, while editorial content was reduced from 33.6 percent of space to 33 percent.

Editorial

Hayden's Boomerang

Sen. Carl Hayden's introduction of the Failing Newspaper Bill a year ago might well have been a good idea, although we didn't think so at the time.

The Justice Department's Antitrust Division had charged that the arrangement under which the Tucson Citizen and the Arizona Daily Star had been fixing prices, pooling profits and dividing the local newspaper market between them since 1940 was a violation of the antitrust laws.

Federal District Court Judge James A. Walsh had agreed with them in a pretrial ruling, and a Justice Department attorney told Judge Walsh that if his Tucson ruling is upheld other publishers who have merged all but the editorial departments of "competing" newspapers in a similar fashion will be asked to "unmerge" everything but their production facilities.

Up to that point we thought things were going along pretty well. But it was obvious that the prospect of competition was irritating to a fair number of publishers who had grown used to the ease, comfort and profits of their version of monopoly while the Justice Department docilely kept its "place."

So the Failing Newspaper Bill was introduced by Hayden of Arizona and 14 other senators.

"In the public interest of maintaining the historic independence of the newspaper press," it said, the antitrust laws shouldn't apply to a full or partial merger of a healthy paper with one that "regardless of its ownership or affiliations appears unlikely to remain or become a financially sound publication."

We didn't think much of that idea, even though, as Sen. Philip A. Hart, chairman of the Senate Antitrust Subcommittee, said when he closed hearings on the bill last week, "None who support God, the Flag and Motherhood will disagree with the basic premise" of the Hayden Bill—"the more independent editorial voices the better."

In the 21 days of public hearings on the bill Hart and most others who followed them closely concluded that granting antitrust exemptions is not the way to "deconcentrate" the newspaper industry.

Pointing to the hearing record, "jam-packed with allegations of anticompetitive practices" that read "like a textbook of antitrust law," Hart said in concluding the hearings that it is "clear there are many areas which should cause concern to those who support the theory of free enterprise along with a free press."

The violations alleged, said Hart in commending the hearing record to the Justice Department and the Federal Trade Commission for close study and a report back to the subcommittee, include:

Use of below-cost zone editions, satellite papers, shoppers and combined advertising rates to injure and restrain competition; deposit requirements and other roadblocks to obtaining wire services; unreasonable territorial exclusivity for syndicated features; attempts to destroy independent distribution systems; the use of profits of other media to destroy competition; price discrimination in newspaper sales, and the rapid concentration of ownership of all media.

It's quite a list, but as Hart said, "no great surprise in an industry that has been virtually untouched by antitrust hands through the years."

Now that the public hearings are over we are more convinced than ever that passing the Hayden Bill would be, as Hart put it, "like putting a fresh coat of paint on a house structurally weak" and expecting the paint to "hold the house together."

But now we do think that introduction of the bill might have been a good idea, after all. We extend our thanks to Hayden and those who joined him in sponsoring it for touching off what Hart called the "first full-scale Congressional study" of the economic practices of the newspaper industry.

New Lead Antitrust



DATELINE: WASHINGTON

The Campaign Goes On, Muted But Feverish

By WILLARD SHELTON, Washington Guild



SUDDENLY it's later than we think in this election year. Vice President Hubert Humphrey's scheduled announcement of candidacy tomorrow will be followed in the space of one month after May 7 by the Indiana, Nebraska, South Dakota, Oregon and California primaries, plus an almost unnoticed District of Columbia primary involving rival slates of delegates backing the Administration (presumably Humphrey) and Sen. Robert F. Kennedy.

In Indiana, Nebraska, South Dakota, Oregon and California, Kennedy and Sen. Eugene McCarthy will clash head on. Humphrey isn't running in these primaries.

Kennedy's strategy is clear. It is to sweep the rest of the primaries and cut down McCarthy's early if surprising bolts to victory in New Hampshire and Wisconsin. It is also to tap the hostile organizations in the populous industrial states, where there aren't any primaries, and force them into endorsements, as his brother, John F. Kennedy, did in Ohio and Pennsylvania eight years ago.

Humphrey's necessary objective is entirely different. It is to keep the powerful state organization leaders uncommitted and neutral, so that they are free to swing their big blocs of delegates to him in the national convention the last week in August. He must do this while still a deputy

in the Johnson Administration, not wholly a free man striking out on his own.

SOMEWHAT miraculously, almost everyone stopped talking immediately after President Johnson threw events into confusion by taking himself out of the Presidential sweepstakes.

Kennedy and McCarthy talked about as much as they were required to do by their positions as rivals in the fast-approaching primary tests. Humphrey did as little talking as he could.

Former Vice President Richard Nixon, looking well ahead in the Republican race, stopped talking almost totally. New York's Republican Gov. Nelson A. Rockefeller took his precious time about setting forth his views on major issues in seeking that imponderable thing called a GOP convention draft.

This did not mean that political activity by rival candidates halted totally. They simply were pursued at a different level.

Apparently blessed with unlimited funds, Kennedy's organization sent dozens of advance men and spokesmen into the primary states, and the candidate himself pursued backing from organization leaders. Humphrey, for once in his career, appeared to have plenty of money for a major drive to hold the Democratic organization leaders, who basically don't trust Kennedy, safely neutral until he had a chance to assert his claims.

Four years ago a Newsweek survey in May could flatly conclude that Barry Goldwater had such a solid nucleus of committed delegate strength that a California primary victory would make him unbeatable. And so it proved.

This year no such solid conclusions are justified. By the time the California primary is held in June it will be only about eight weeks before the Republican convention in Miami, a little more than two months before the Democratic convention in Chicago.

Republican congressional leaders have suddenly realized that the third-party candidacy of Alabama's George Wallace poses a more serious menace to the GOP than to any Democratic nominee. Goldwater in 1964 carried just six states—his home state of Arizona and five Deep South states. They might go Republican again, but they might well give their electoral votes to Wallace this year.

It is perfectly possible to envision a close race nationally between the major-party candidates, in which Wallace will win enough Southern states to keep either major candidate from winning an Electoral College majority. This would kick the actual election into the House of Representatives, where each state delegation has just one vote. At least the Republican House floor leader, Gerald R. Ford of Michigan, thinks it's a clear danger and has finally begun to say so publicly.

King Mourners Paid By Times

New York City — New York Times Guildsmen who flew to Atlanta to participate in the Rev. Dr. Martin Luther King's funeral April 9 received the day off with pay.

The Times agreed at the Guild's request not to dock employees who went to the funeral as part of a 26-man Guild delegation. The company also agreed to advance air fare for those who needed it, deducting it from pay checks over a two-month period.

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Sacramento Union Scoffs At Charges

Sacramento, Calif.—Charges of unfair competition filed by Sacramento Suburban Newspapers Inc. against Copley's Sacramento Union were termed "ridiculous" last month by Union Publisher Carlyle Reed.

Reed said the Union will contest the suburban chain's 4½-million-dollar suit vigorously. The suit, filed under California's Unfair Trade Practices Act, accuses Copley of selling ads at a loss in order to drive the suburban papers out of business.

Reed said similar charges filed with the Federal Trade Commission were dismissed last year as without justification.

DeAndrade Returned In Pressmen's Vote

Anthony J. DeAndrade has been re-elected to a four-year term as president of the Printing Pressmen's Union in a membership referendum.

DeAndrade defeated Walter J. Turner of California by 27,652 to 24,029. Alexander J. Rohan was re-elected secretary-treasurer, defeating John W. Hays, 29,254 to 21,907.