

Exposé of abuse of the retarded wins Broun prize

Washington — Paul Magnusson and Susan Watson's series in the Detroit Free Press on abuse of patients at Michigan's Plymouth Center for retarded children has won them TNG's 1978 Heywood Broun Award.

They received the award—checks for \$500 for each of them, plus a citation to the Free Press—at a luncheon at the National Press Club Jan. 22, the opening day of the winter meeting of TNG's International Executive Board.

Among the guests was AFL-CIO President George Meany.

Watson and Magnusson's entry was selected from among 107 in the contest. Watson is the first woman to receive or share the annual award in the 38 years since it was established in memory of TNG's founding president.

Honorable mentions went to Gary Galloway of the Gary (Ind.) Post-Tribune and Hoag Levins of the Philadelphia Daily News. They will receive citations.

Entries by the Chicago Sun-Times and Mansfield (Ohio) News Journal that involved team efforts rather than the individual reporting that is the essence of the Broun tradition were not considered for the award by the judges, but received special mention by them as being "in the highest Heywood Broun spirit of crusading to right a wrong."

The judges said the award went to Watson and Magnusson be-

cause their "persistent and comprehensive effort to expose unconscionable treatment by state officials of retarded children," was on behalf of "a forgotten, inarticulate, underdog group that would surely have elicited Heywood Broun's attention and help."

The pair's reporting "righted an injustice of enormous proportions, resulting in a complete overhaul of the way the state of Michigan deals with such children," the judges said.

The Free Press ran a ten-part series by the pair from mid-February until early March and more than 100 stories by them during the year on the center and the state's system of care for the retarded.

"In addition," the judges continued, "most of those responsible for the abuse of the children at Plymouth Center, which included a death and an unnecessary amputation, were fired or charged with criminal offenses."

"Plymouth Center itself was transformed, its staff increased by 50 percent and its budget raised by \$8 million, thanks to the response of the governor of the state and the state legislature," the judges concluded.

The honorable mentions also were in "Broun's tradition of courageous, dogged reporting," the judges said.

✓ Galloway of the Post-Tribune took on "what seemed a rou-

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THE GUILD REPORTER

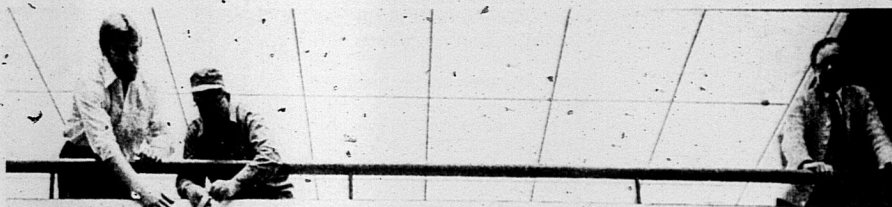


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WELCOME BACK



Robert C. Holt, Jr., St. Louis, Guild

BY-LINE STRIKE AND MORE

Utilities-beat ban protests escalate

Cleveland—The Plain Dealer's management was the target of a "censure" vote by the membership of the Cleveland Guild's unit at the paper Jan. 22, the latest action in a two-week effort to get a reporter returned to covering utilities.

Earlier the unit had mounted an informational picket line outside the Newhouse paper's plant, conducted a by-line strike and, in another resolution, called removal of Robert H. Holden from writing a series on the city's controversial electric utilities "arrogant" and a slur on the integrity of all its employees.

Management's action "placed in question" its employees' "ability to perform their jobs efficiently, professionally and free from external pressures," the

Guild unit's Jan. 12 resolution declared.

The unit demanded both Holden's return to covering the city's Municipal Light system (MUNY) and the Cleveland Electric Illuminating Co. (CEI) and a public apology from the Plain Dealer's editors.

The dispute was touched off on Jan. 10 when the editors took Holden off a series he had been preparing on the two electric utilities and said he was never to

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... to the Post-Dispatch after 54 days

Artist Tom Eaton and carpenter Russ Kaiser hang a greeting off balcony in lobby of the St. Louis Post-Dispatch Jan. 22 as staffers begin returning minutes after settlement of the last of the contract disputes that saw the Post-Dispatch and the jointly published Globe-Democrat suspend publication for 55 days. Smiles and waves show that the greeting is returned by

Pam Meyer, a financial writer, Ray Ferguson, a photographer, and Charlie Pfendergast, an editorial writer. George Eddy of building security is at upper right. Post-Dispatch resumed publication Jan. 14, the Globe-Democrat the next day. Details of the Guild's settlements at the two papers, which include raises as high as \$126 a week, are inside, on Page 3.

Reins on chains, subpoenas, raids urged

Size limit proposal endorsed

Washington—The United States needs a law to limit the size of newspaper chains without infringing on First Amendment rights and Congress should fashion one before it is too late, TNG's International Executive Board declared at its meeting here Jan. 22-25.

There is a line—rapidly being approached—beyond which "domination of the U.S. press by fewer and fewer media conglomerates threatens to stifle the very freedom and diversity protected by the First Amendment," the board said.

The board recommended that appropriate congressional committees look for guidance to the suggestion of press analyst Ben H. Bagdikian before a Federal Trade Commission symposium in December [Guild Reporter, Dec. 20; full text, Jan. 12 and this issue, Pages 4 and 5].

Bagdikian proposed a ceiling on the number of newspapers or the aggregate circulation a single media company could control.

"As a First Amendment safeguard," the IEB pointed out, "such legislation would not prevent anyone, including a media giant, from establishing a new newspaper; it would simply prevent it from gobbling up any more existing ones."

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New shield law push backed

Washington—The Guild's International Executive Board has called on the new Congress to enact bills to ensure newsmen's unqualified privilege to protect news sources and materials from forced disclosure and to prevent surprise police searches of newsrooms—and other places.

Both resolutions were adopted at the board's Jan. 22-25 winter meeting here.

A privilege bill should protect against "forced disclosure in every arena, legislative and judicial, federal and state," the IEB said.

It noted that a recent Gallup Poll showed that the U.S. public favors such legislation by 3-to-1.

In "a scant few months," the IEB said, there have been three cases of reporters sentenced or facing sentence to jail for refusing to disclose the identities of sources. One of the reporters was M. A. Farber of the New York Times, who spent 38 days in jail in New Jersey.

"Other judges, taking their cue from a Supreme Court that has demonstrated increasing indifference to First Amendment rights,

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Bagdikian on concentration

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29 in Madison share \$250,000

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AP members ratify pact

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Two on Free Press share 1978 Broun Award

(Continued from Page 1)

time police assignment [and] wound up freeing an Indiana man who had been wrongly sentenced to life imprisonment for a 1975 robbery-shooting," the judges pointed out.

"The fact that the man already had a long record of criminal involvement made Galloway's effort even more commendable in his pursuit of helping the down-and-out," they added.

Levin's series in the Philadelphia Daily News "blew the top off" that city's illegal prescription racket and "exhibited unusual personal courage because of Levin's undercover work as a hustler in the big city's drug underworld," the judges noted.

Levin's work prompted a federal investigation into the practices of "croakers," doctors who trade drug prescriptions for a welfare recipient's signature on blank medical invoices.

The Chicago Sun-Times entry involved exposing and helping correct what the judges called "abominable conditions in the Second City's abortion mills, unsanitary clinics whose first and only interest is money—even if it means giving women abortions when they aren't pregnant."

The Mansfield News Journal entry—on a corrupt county jail system—was commended as an example of the courage of a paper and reporters' fighting conditions of brutality and corruption in a small community.

The work resulted in indictments of the county sheriff and 11 other current and former officials.

The Heywood Broun Award is made annually by TNG for outstanding individual journalistic achievement "in the spirit of Heywood Broun," the newspaper columnist who was TNG's founding president. That spirit was distinguished by an unceasing devotion to the public interest and an abiding concern for the underdog.

Judges of this year's contest were Hale Champion, former California and Wisconsin newspaper reporter, now U.S. undersecretary of Health, Education & Welfare; Patrick R. Oster, chief of the Chicago Sun-Times Washington Bureau, and Sam Donaldson, ABC News White House correspondent.

Chandler Forman, retired Chicago Sun-Times travel editor and a former TNG vice president and Chicago Guild president, was chairperson of this year's award competition.



Raymond Crowell/Merkle Unit/Washington-Baltimore Guild

THE AFL-CIO'S GEORGE MEANY, LEFT, MEETS BROWN CO-WINNER WATSON'S SON, ALLEN Susan Watson, right, and co-winner Paul Magnusson, second from right, do the honors

AP members ratify new 2-year contract

New York—Associated Press members of the Wire Service Guild have ratified a new, two-year contract that raises the newsman-newswoman top minimum \$40, to \$450 a week.

Unofficial returns showed a vote of 342-218. An official canvass is to be held shortly, a local spokesperson said.

Settlement with the AP came five and a half hours before a Jan. 1 strike deadline [Guild Reporter, Jan. 12].

Newmen, newswomen, photographers, artists and programmers will get raises in their top minimum of \$20.50 effective from Jan. 1 and \$19.50 next Jan. 1, taking their top to \$400.

Among other classifications, increases and resulting top minimums include:

News dictationists—\$11.85 and \$14.40 (total, \$26.25), to \$278.21.

Bookkeepers—\$11.185 and \$11.70 (total, \$23.55), to \$267.13; telephone operators, stenographers, receptionists, same increase as bookkeepers, to \$239.83; clerks and cable clerks, same increase, to \$216.14.

Flat rate for New York and Washington news librarians rises \$28.90 to \$299.78. New York and Washington librarians' top minimums \$23.55, to \$253.90; other librarians get a \$23.55 raise in the top minimum, to \$241.97.

Top minimum for keypunch operators, equipment records and stock clerks goes up \$23.55, to \$245.98.

Accountants and assistant cashiers' top minimum rises \$23.55, to \$343.05.

There will be a cost of living adjustment if the price index for December, 1979, exceeds that for December, 1978, by more than 8 percent.

Excess of 8 percent will be added to the minimums or, at Guild option, used to reduce employees' portion of health insurance costs. AP's monthly payment for

family coverage health insurance rises \$12.50, to \$69 per employee.

Meanwhile, hearings continued on an AP petition to "clarify" more than 100 positions from coverage under the Guild's contract.

A National Labor Relations Board law judge is simultaneously hearing arguments on a counter-petition by the Guild to "clarify" dozens of AP broadcast employees and secretaries into the unit.

AP refused to settle the dispute in bargaining for the new contract. The hearings began late in December.

As bargaining with the AP was drawing to a close, Richard Olive, the Guild's administrative officer, characterized the wire service's proposals for the exclusions as "union busting" and accused management of having "pressured" covered employees to resign from the Guild in recent months, the New York Times reported.

Thomas F. Pendergast, AP vice president for personnel and labor relations, however, told a Times reporter that management had a different view.

"We want to bring our contract out of the World War II period into the 1980s," Pendergast said. "Involved in this are things that are not going to help the union—but it's not our job to help the union. We're interested only in the Associated Press."

Earlier, Pendergast said he had been "unwise" when early in December he told Guild bargainers that AP employees who utilize the contractual grievance procedure are "rotten apples." It was AP's aim, he said, to reverse all arbitration losses by rewriting the contract.

First co-op in 1845

Washington—The first consumers co-operative in the United States was set up by Boston mechanics in 1845, according to the U.S. Labor Dept.

29 in Madison share \$250,000 settlement

Madison, Wis. — The Capital Times is paying a total of \$250,000 to 29 Madison Guild members and reinstating five of them to their jobs while the Madison Guild is ending its participation in the 16-month-old strike against the Capital Times and Wisconsin State Journal and their joint operating company.

The actions are included in the terms of a settlement of the Capital Times' involvement in unfair-labor-practices complaints by the National Labor Relations Board growing out of the strike and bargaining that led up to it.

The settlement was reached Jan. 12 and ratified by the Madison Guild membership the same day. It came as an NLRB administrative law judge was preparing to open hearings on allegations of more than two dozen labor law violations by the two papers and Madison Newspapers, Inc., including one that they "caused and prolonged" the strike.

A complaint that the Lee chain's Wisconsin State Journal had bargained in bad faith with its employees' unaffiliated State Journal Editorial Assn. also was

settled as the hearings were opening. That paper is to make one lump-sum payment of \$60,000 and reinstate one association striker while two dozen others waive all rights to their jobs.

Hearings are proceeding on complaints of unfair practices by the papers' joint operating company against members of the Typographical, Mailers' and Pressmen's unions. Their resolution is expected to take much less time following the Guild-Capital Times settlement.

Involvement of the two in the unfair charges was bottomed on the NLRB regional director's conclusion that the paper is a "joint and/or co-employer" for bargaining purposes and thus responsible for the actions of the State Journal and Madison Newspapers Inc.

That co-employer finding, with possible implications for all 22 joint newspaper operations across the United States, was expected to be appealed as far as possible or necessary by the publishers. There were predictions of litigation on the question tying up resolution of the other unions'

charges for two years, and more.

The Guild-Capital Times settlement is to become effective Jan. 30, unless there is substantive objection before then.

Other portions of the settlement include waiver of their job rights by Guild members who are not reinstated under the agreement, a stipulation by the Guild that it will not assert bargaining rights for Capital Times employees for a year and a statement that the paper admits neither that the charges against it are valid nor that it is a co-employer with the State Journal and Madison Newspapers.

The settlement also provides for dissolution of a joint Guild-Capital Times pension administration committee and for withdrawal of pension monies from TNG's commingled fund.

The five members who will return to work at the Capital Times were chosen through a polling process by the Guild's membership after it became clear that five was the most reinstatements that could be obtained.

The five, plus one senior member whose return to work was

approved by the Guild's membership last fall, will share a total of \$12,750 as reimbursement for income lost over the past six months. Payments to individuals range from \$6,000 to \$2,500. Four of the five are reporters, one is a part-time librarian.

The remaining \$237,250 is to be divided among the 23 who are not returning to work in amounts based on the duration of each's active service to the strike. Individual payments range from \$4,000 to \$15,500. Eleven members will get \$14,000 or more; nine of them, \$14,942.31.

"We felt this settlement was won by the vigorous strike activity we have maintained, so people should be paid according to their service to the strike," said Guild President Diane M. Woodstock, who is also a vice president of TNG.

"The distribution concept is in the progressive tradition" of the Madison Guild, said its vice president, Ron McCrea.

Neither Woodstock nor McCrea is among those reinstated. Both, along with many other former Guild strike participants, will

continue with the Madison Press Connection, the co-operative daily that evolved from the strike paper started by the five unions a week after the strike started, on Oct. 1, 1977. McCrea is editor.

Shortly before the Guild-Capital Times settlement was reached, TNG President Charles A. Perlík, Jr., said he felt it was "highly unlikely there would have been an opportunity to consider a settlement... if it had not been for the Press Connection keeping the strikers together."

Under the settlement, the Guild and the Capital Times also withdrew subpoenas for vast quantities of material from each other.

The Guild's subpoenas were for material to help establish the NLRB's joint-employer finding, going to such matters as shared facilities, corporate boards and legal and financial pacts.

The Capital Times said it sought documents to try to show that the strike was actually part of an effort to merge TNG and the International Typographical Union. The paper also subpoenaed Perlík and Woodstock.

St. Louis tops to reach \$534; up \$99 at the Globe

St. Louis—New, three-year St. Louis Guild contracts raise top minimums for key news, editorial and outside advertising sales employees of the city's two daily newspapers to \$534.92 a week, up \$99.29 a week at the Globe-Democrat and \$85.79 a week at the Post-Dispatch.

The Globe-Democrat settlement also raises several other jobs' top minimums to parity with their counterparts at the Post-Dispatch, while reclassification raises the top minimum for the paper's country circulation dealers by \$126.76 a week, to \$387.08, eliminating all but \$12.53 of a \$51.71 disparity with district representatives at the Post-Dispatch.

The settlements were reached during a series of strikes by the Pressmen's, Paper Handlers' and Teamsters' unions that kept the papers closed from Nov. 20 until Jan. 12. The Post-Dispatch Guild Unit honored the picket lines. Members at the Globe-Democrat were laid off since the paper, printed by the Post-Dispatch, was unable to publish.

Minimum and general increases under the Guild's settlements are retroactive to Sept. 1 and effective Sept. 1 this year and next as well at the Post-Dispatch and also March 1, 1981, for most jobs at the Globe-Democrat.

Top-minimum increases at the Globe-Democrat over the three years include:

Reporters, photographers, copy-readers—\$30.33, \$31.94, \$33.65, \$33.37 (total, \$99.29), to \$534.92.

Stenographers, switchboard operators, keypunch operators—\$14.49, \$15.26, \$16.07, \$17.51 (total, \$57.37), to \$252.92.

Circulation country dealer advisers—\$84.18, \$20.67, \$21.91—

no March, 1981, increase—(total, \$126.76), to \$387.08.

Circulation city representatives—\$57.68, \$19.08, \$20.22—no increase on March 1, 1981—(total, \$96.98), to \$357.30.

Outside classified sales representatives—\$30.33, \$31.94, \$33.65, \$33.37 (total, \$99.29), to \$502.67.

Advertising accounts receivable and senior utility clerks, secretaries—\$16.22, \$17.07, \$17.98, \$2 (total, \$53.27), to \$282.27.

Top-minimum increases at the Post-Dispatch over the three years include:

Reporters, photographers, outside ad representatives—\$26.95, \$28.56, \$30.28 (total increase, \$85.79), to \$534.92. Copy editors go up \$85.79, to \$547.42.

Circulation district representatives—\$43.62, \$21.34, \$22.62 (total, \$87.58), to \$399.61.

Classified telephone sales representatives—\$18.72, \$19.85, \$21.04 (total, \$59.61), to \$371.64.

Payroll, advertising makeup and circulation account clerks—\$14.22, \$15.07, \$15.78 (total, \$45.27), to \$282.27.

Stenographers, telephone operators, keypunch operators—\$12.74, \$13.51, \$14.32 (total, \$40.57), to \$252.97.

In addition, cost of living provisions in both contracts will adjust wages if the area price index rises by more than six percent, with a two percent limit on each year's living-costs hikes.

At the Globe-Democrat, the adjustment will be based on September, 1978, with the excess added to wages each four months.

At the Post-Dispatch, the adjustments will be made after publication of the price index in January, May and September of this year, 1980 and 1981.

Pulitzer calls strike 'an investment'

Chicago—The St. Louis Post-Dispatch wouldn't comment on reports of \$15 million in missed advertising and circulation revenues during its 54-day shutdown. Advertising Age reports.

The paper's publisher, Joseph Pulitzer, "regards the long strike as an investment rather than a loss," the trade magazine quoted Nick Penniman, the paper's assistant general manager, as saying.

"At this point, the investment has been considerable," Penniman added.



Fred Waters, Wire Service Guild, AP Department

SIGNING UP FOR THREE YEARS AT THE ST. LOUIS POST-DISPATCH

From left, seated, James H. Foley, director of employee relations, and Robert C. Hermann, local Guild president; standing: Al Backer of management, Robert A. Steinke, Charles Dale and Robert C. Holt, Jr., all of the Guild, and Gil Siering of management

Detroit ex-président Schram, at 79

Bradenton, Fla. — Donald F. (Don) Schram, former president of the Detroit Guild, has died after suffering a stroke.

Schram was local president in 1945-46 and 1961-62. He also was treasurer in 1947-50. He retired from the Detroit Free Press in 1964. Schram had attended at least ten Guild conventions.

For many years he had been

the paper's state editor and wrote a column which was described as the most widely read in Michigan.

Schram went to work as a vacation reliever at the Free Press in 1931. The next year, a clerk in the payroll department told management she was tired of

making out weekly pay slips for Schram and suggested the paper put him on permanently. It did.

He joined the Guild when it came to the Free Press in 1940.

Schram, who was 79 years old, is survived by his wife, Agnes, and a daughter and two sons.

ITU members approve levy

Colorado Springs — Unofficial and incomplete returns Jan. 25 showed that the International Typographical Union's membership approved by a wide margin a one-half percent assessment on earnings to rebuild the union's strike fund.

With locals representing about 90 percent of the potential vote in the Jan. 17 referendum having reported, the assessment was being approved

by nearly 60 percent, 27,792 to 18,918.

The ballot question also re-establishes a mechanism for automatically instituting similar assessments whenever the strike fund falls below \$3 million, with the levy to come off when the fund reaches \$5 million.

Official tabulation of the vote was to be Jan. 27 and the assessment to begin in February.



BROWN AWARD JUDGES NARROW FINALISTS FROM 107 ENTRIES IN 1978 CONTEST Seated: Sam Donaldson, ABC News; Hale Champion, U.S. Dept. of Health, Education & Welfare; Patrick R. Oster, Chicago Sun-Times. Standing: Chandler Forman, 1978 contest chairperson

Clerk ordered into next sales job

Seattle—The Seattle Times must offer its next display sales vacancy to an advertising scheduling clerk who was denied promotion for almost five years without being told why.

In making the ruling, arbitrator Albert L. Gese upheld a grievance by the Pacific Northwest Guild.

Gese said the clerk had no right to promotion under the contract—only the right to "first consideration" over outside applicants if qualifications were equal.

But he ordered the paper to offer the next vacancy because that is "the only proper remedy" in view of "the basic unfairness of the denial of his promotion." When the clerk becomes a sales representative, he will be subject to the contract's three-month probation language.

The grievant was an ad scheduling clerk since 1967. When he asked for a promotion to outside sales in 1974, he was told that his two years of college meant that he was unqualified.

So he obtained a college de-

gree in advertising and applied three more times. His application was denied each time and outsiders were hired.

Although there is no contractual obligation upon the paper to promote current employees, "first consideration" means that "once the publisher has determined that the qualifications are equal... it has the obligation to promote the current employee," rather than hire the outsider, said Gese.

But, he added, the paper never

Back-to-work elusive in Montreal

Montreal—The Montreal Star remained closed Jan. 26 as it and its employees' four unions were unable to reach back-to-work agreements.

The Montreal Guild on Jan. 11 became the last of the unions to reach tentative agreement on a new contract with the paper and bargaining shifted to conditions to govern members' return to work and the paper's resumption of publication for the first

time since June 15, when it was struck by the Pressmen.

Back-to-work talks were repeatedly broken off over disagreements on guarantees against economy dismissals, payment of insurance premiums for the strike period, vacation and pension-service credits and the Star's insistence that the Guild withdraw a grievance over the lack of notice when the paper laid its members off in the face of the strike last June.

AP's monthly payment for

time struck by the Pressmen.

Excess of 8 percent will be added to the minimums or, at Guild option, used to reduce employees' portion of health insurance costs.

AP's monthly payment for

Conglomeration, Concentration and the flow of Information—II

By BEN H. BAGDIKIAN

CONCENTRATED CONTROL of news is different from control of other commodities. The principal difference, of course, is that this is not control of automobiles, detergents and breakfast cereals but control of public information. But this control of public information becomes even more critical when we look at the pattern of local monopoly.

We have already noted that of the cities that have their own daily paper, 97½ percent have a local monopoly. This, too, has progressed with frightening speed. From the turn of the century we have gone from almost two-thirds of newspaper cities with competing papers to 2½ percent. And I believe that it is only a matter of time before competing daily papers in the same city will be a peculiarity of a handful of cities either of great size or where publishers compete for reasons other than economic profit.

This means a great deal when we look at what it means to have most of our news controlled, as it is today, by a few national and transnational corporations.

Concentration of control in the marketplace is not limited to newspapers and other media companies. It is true of a large segment of our economy. There is similar and frequently even greater concentration in other industries, and with even a greater rate of accumulation of control from an earlier period of hundreds of individual entrepreneurs. In the automobile industry, for example, two generations ago there were more than 200 companies making cars in the United States. Today there are four.

But because almost all of our papers are local monopolies and because chains particularly try to stay away from competing papers we have a different situation in the newspaper industry.

IN THE AUTOMOBILE industry, the remaining giant corporations compete with each other and with foreign companies, all of which acts as a restraint against overpricing and reduction of quality. General Motors, Ford, Chrysler and American Motors compete with each other and they all compete with Volkswagen, Toyota and so forth. That is not true in the newspaper business:

- ✓ Of the 1,082 papers owned by chains, half of one percent, or 50, have local printed competition.

- ✓ Of these 50 papers, only seven, or seven-tenths of one percent have face-to-face competition, or competition in the same time of day.

- ✓ Of the 50 chain papers that have any competition at all, whether dividing the market into A.M. and P.M. segments between them or in face-to-face competition, 16 are in agency agreements permitted by the special exemption from antitrust laws.

- ✓ This means that among the 50 chain papers that have any kind of local printed competition, 16, or one-third of them can legally fix prices and share profits.

- ✓ The result is that 97 percent of all chain papers have no economic competition in their cities.

- ✓ If you eliminate the ones with agreements to fix prices and share profits, you still have 95 percent of all chain papers with no local competition.

It seems to me that this places a different light on the growing control of news by a few corporations. It means that each of these noncompeting corporations has a network of monopoly operations. So the daily newspaper industry is not comparable to other concentrated industries where at least the giants compete with each other. It is more like the telephone or other utility companies that have sanctioned monopolies. In the ultimate test, a real choice available to the consumer, the consumer loses 95-to-5.

Applying strictly business law could prevent this without infringing on the First Amendment and the right of each person, including each newspaper company, to print whatever it wants whenever and wherever it wants, a subject I'll return to in a moment. There is yet another development, a

recent one, that makes control of news by a few large corporations a matter of social concern. The newspaper industry, within a relatively short period of time, has been transformed from a large number of individual units usually controlled locally by a family, a group of families, or a closed stockholders' group.

We need not romanticize this period as one of great journalism because on the whole it was not. Individual owners of papers have among them at least as many inadequate publishers as have chain owners. But they were locally based and their lives affected by the future of the community. And they had the opportunity, if they wished, to plow a significant portion of their profits back into the paper and the community that made those profits.

This is where all of our distinguished daily papers came from—from individual owners whose major interest was a particular paper and a particular community, papers in their older incarnation like the New York Times, the Washington Post, the Louisville Courier-Journal, the St. Louis Post-Dispatch, and the St. Petersburg Times. With the possible exception of the Philadelphia Inquirer, no existing distinguished paper was developed by a chain. And the reason is that the economic function of a chain paper is to be an accumulator of capital for the parent corporation, that capital to be used to acquire other properties elsewhere. This means the maximization of profits beyond the normal demand of any enterprise.

Within the past 15 years leading newspaper corporations have become large enough to become strong competitors in the stock market. Perhaps this is inevitable with huge corporations but it affects the news industry in a complicated and not particularly reassuring way.

Historically, newspapers as an industry have evolved from a simple relationship with their readers to a complex one, with each step making the readers less directly involved.

In the beginning newspapers were almost entirely supported by their subscribers. As society developed with greater political involvement, literacy and affluence, newspapers began to become major carriers of advertising. This meant that publishers had two constituencies, the readers, needed to provide an audience of consumers, and advertisers, who wanted to reach them. This relationship has rapidly shifted until today dailies get more than 75 percent of their revenues from advertisers.

In recent years, as large newspaper corporations have begun to compete for advertising with broadcasting and other media, they have also adopted standard marketing strategies that concentrate on affluent subscribers and deliberately de-emphasize nonaffluent readers. This has had a profound effect on the total content of newspapers, as anyone can see by looking at the percentage of space and the nature of content designed to reflect and attract not the average American but the most affluent Americans. In the process our central cities get almost no routine coverage, except for crime and tragedy. Reportorial and circulation attention turns to the rich suburbs.

THE IMPACT of trading newspaper securities on the stock market has meant that news companies must constantly expand in size and rate of profits in order to maintain their position on stock exchanges. This has meant the end of a company reaching a steady state of profits in real dollars and the new ethic of squeezing the maximum from every newspaper unit in the corporation in order to buy ever more properties, not always in the news business, and to declare ever growing dividends.

This has introduced yet a third constituency for daily newspapers—stock market investors. Instead of the single master so celebrated in the rhetoric of the industry—the reader—there are in fact

three masters: the reader, the advertiser and the stock market. And with increase of size of the corporation the emphasis steadily shifts toward the last two in order for the large news corporations to maintain their economic position with other national and transnational corporations and, not incidentally, for the executives of news corporations to maintain their positions within their hierarchies.

They all need the reader as a base on which to satisfy the other constituencies of advertisers and the stock market. But with 95 percent of their properties monopolies, there is flexibility in how you treat the consumer, permitting inadequate service not tolerated under competition.

DOES THIS REALLY affect the news? Does the growth of chains make any difference to the reader? The only systematic study of this that I know of was done recently as a Master's Thesis at the University of California at Berkeley by Kristine Keller. Keller took one day's paper, Wednesday, Jan. 18, 1978, for 56 daily papers. Twenty-eight of these papers were selected randomly from all chains with five or more papers, and then these chain papers were matched with independently owned papers with the same circulation and time-of-day of publication. She then looked at the quantity and type of news in the news section of each paper—local, state, national and international news. She measured the number of stories and the length of stories, noting which stories were staff-written and which were syndicated. The chains were those owned by the New York Times Co., Ogden Newspapers, Ottaway-Dow-Jones, Walls, Stauffer, the Chicago Tribune Co., Scripps League, and Hearst.

She began by looking for what has come to be known as the "Panax Syndrome," which refers to the Panax chain of papers whose owner, John McGoff, fired two editors who refused to run a piece of political propaganda as news on Page One as suggested by the chain and refused to promise to do so when ordered in the future. Keller looked for similarly uniform stories of chain origin in the papers of these-eight randomly selected chains. She found none. This conforms to the impression of most students of the media—the appearance of chain-inspired news stories of a propagandistic kind is infrequent, possibly rare.

But Keller found something else of significance. In every category of serious news the independently owned papers had 16 percent more national news, 35 percent more international news, and 25 percent more local and state news. There were more stories and longer stories and there were more of the most expensive kind of news, staff-written stories as opposed to syndicated news, of particular importance because it implies much more diligent coverage of local news.

This was a quantitative study and did not attempt to judge quality of individual stories. It is significant because there is a limit to quality unless there is enough space and staff to exercise it. In all of these categories the amount of serious news provided by the independently owned papers was significantly greater than in chain papers.

The so-called quality papers that have chains—New York Times, Chicago Tribune and Ottaway-Dow-Jones—in other papers they owned were no better than

other chains and were inferior to independent papers, in the criteria of this particular study. It appears that a community whose local paper is bought by a prestige daily is not necessarily benefited.

I believe that monopoly, whether in chain-owned or independent papers, is almost guaranteed by the proportion of revenues that comes from advertising. Most major advertisers are firms with regional or national markets. So their desire is to get into as many affluent homes as possible and at the lowest possible cost-per-home. So the newspaper that pulls ahead begins to get most of the advertisers because while it can charge higher absolute advertising rates, the rate per home is less, thanks to mass produc-



tion economies. So the winning paper gets more revenues, can afford more vigorous promotions and better advertising rates per consumer, while the trailing paper gets ever less revenue and higher unit costs until it either dies, or with determined, long-term financial backing overtakes the leader.

But in the stockmarket and in conventional business hierarchies, there is no long-term in the sense of prolonged postponement of profits. It took Eugene Meyer a fortune and 20 years to become the leading newspaper publisher in Washington, D.C. and Adolph Ochs similar efforts to do the same with the New York Times. No modern market analyst would stand for that. Ten or 20 years to turn a profit would not attract market investors. They could do better in a savings bank.

The fact that once established as the winner, the paper will be an unassailable maker of fabulous profits does not sound relevant to the investor wanting an immediate return; or to an executive who wants to exercise his or her stock options and to retain personal control.

Today we have a congealing of his-

toric economic forces in the newspaper industry. By now we have monopoly or near-monopoly almost everywhere. The markets are secured for those who inherited this pattern. Because of advertising economics, high entry costs, and because the marketplace will not tolerate losses for five or ten or 20 years to overtake the leader, these large corporations will continue to control their markets and preempt competition.

The newspaper industry is one of the most profitable in the country on every measure of industrial profitability.

Some of these same developments have occurred in other nonauthoritarian countries. But in other developed countries there is a national press, several papers of different political alignment that compete with each other for all the serious news. They do not have local govern-

ment without the growth of subscriber support for newspapers. As long as mass advertising by regional and national firms is the major support of papers, the economies of scale will result in monopoly papers. Until we have papers that are supported mainly by subscribers I see no change in monopoly daily printed news.

There is a simple solution to the concentration of control over existing papers. The large corporations could be required to divest control of papers beyond a certain number or beyond a certain aggregate circulation, or some formula involving those two factors.

If it should be decided, by existing antimonopoly corporate law that no corporation should control more than a certain number of papers or a given aggregate circulation, I see no legal problem. I am not a constitutional lawyer but I think this could be done without infringing on the First Amendment.

Chains and conglomerates do not create, they acquire. Their contribution is not to betterment for the consumer, in the way that traditional economic theory presumes in supply-and-demand, but the opposite. They deal with a commodity central to the survival of democracy and to preservation of the largest possible reservoir of information and ideas available to the public. Yet market strategies of large corporations is to limit these.

So divestiture seems to me to be rational and socially desirable. It will not contravene the First Amendment. If a chain should own more than the maximum number of papers or circulation permitted under divestiture, it would be forced to sell off enough of its properties to reach the legal maximum. But the First Amendment says these corporations, like everyone else, can print what they want where they want without government interference. Divestiture need not prevent.

IF A CHAIN had as its heart's desire to print a paper in a market, it would always be free to do what the founding fathers had in mind—it could start a new paper in that market. If it had to divest an existing paper it could start a new one in the same place. Instead of chains and conglomerates making the marketplace more monopolistic they could use their considerable profits and access to financing to start new papers. They would then be in the business of creating enterprises instead of merely collecting them.

But I am not optimistic that this will ever happen and it will not happen for one of the reasons that should make us all worry. Media power is political power. Politicians are loath to pick a fight with the major channels by which they run for re-election. And the more concentrated the control of these channels the more political leaders desire to avoid a confrontation.

The Gannett chain has newspapers in 60 states and in significant numbers of congressional districts. It does not take an angel from heaven for a politician to know that when he or she is talking to a Gannett executive visiting Washington on strictly non-journalistic, conventional corporate business, the politician is talking to an individual who has influence over the news media affecting a majority of the members of the United States Senate.

Neither does it take prolonged contemplation for a President or member of Congress or a Cabinet officer or agency head to know that when an executive who controls a national network, or a chain of TV and radio stations, or magazines or newspapers, visits and expresses an opinion about corporate legislation, that this executive speaks with more power than the owner of a single newspaper, or broadcasting station, or magazine.

And when we have the same corporations controlling newspapers, broadcast properties and magazines, we know that the reader of one may never know when the selection of news and opinion in one

is influenced by the desire to promote the political and economic goals of a commonly owned but different medium.

For example, the media and business sections of Time and Newsweek are the major channels of information about the press for the American middle-class. Owners of both magazines own newspapers in Washington, D.C., and an assortment of newspapers, other magazines, broadcasting stations and book publishing enterprises. Inevitably, their reports on the media are reports on themselves.

SOME IMMEDIATE STEPS can dilute some of these problems. I believe that news staffs should elect their editors, as is done in some of the more distinguished papers abroad, including Le Monde. It would provide some protection from corporate interference with the news and it would provide the community with some continuity of professional standards. There are a number of papers that in the trading and conglomeration now typical of the newspaper business have had two or three different owners in a year.

I think newspapers should publish and keep available to the public a detailed description of the financial interests and compensation of the officers, directors and major stockholders of each newspaper and broadcasting station, of the kind required by the Securities and Exchange Commission for publicly traded companies. The present requirements of the Post Office are increasingly meaningless.

In a period of interlocking directorates and financial interests that seriously affect political and economic policies, communities should at least know who controls their news and what other interests they have that may be reported or not reported in the news.

It would make sense to stop further acquisitions by large firms but the results of this will be marginal since we already have so few independent papers left.

Newspapers and conglomerates should put public members on their boards of directors. Nonvoting representatives of journalistic staffs should attend board meetings, participating in discussions of the entire enterprise but especially in the budget making for news operations.

LET ME END with a quotation:

"A free press exists only where newspaper readers have access to other newspapers which are competitors and rivals . . ."

The leaders of chains and conglomerates are inclined to characterize critics of their insatiable hunger for acquisitions as either radical or fuzzy-headed meddlers. At other times, in other contexts, they praise the celebrated, established journalists of the past.

That quotation came from the late Walter Lippmann, neither radical nor fuzzy-headed, and he said it not in 1920 or before a political audience but before the American Press Institute, an industry-supported enterprise. He said it in 1965 when only half the papers sold every day were controlled by chains and he could not know that 13 years later, in 1978, three quarters of all papers sold daily would be controlled by chains, the percentage climbing steadily toward 100, and monopoly already an established fact in 97½ percent of all American cities with any daily paper at all.

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This is the conclusion of the text of a paper presented by Bagdikian to a Federal Trade Commission symposium on media concentration held in Washington Dec. 14-15 [Guild Reporter, Dec. 20]. The first part was published in the Jan. 12 Guild Reporter.

A professor in the graduate school of journalism at the University of California at Berkeley, Bagdikian has been a newspaper and magazine reporter, correspondent and editor for nearly two decades. His analyses and critiques of press performance have been widely published for more than a decade. He is a former Providence Guild member and was first president of the Mellett Fund for a Free and Responsible Press.



Cleveland unit protests utilities-beat ban

(Continued from Page 1)
write another word about CEI, Guild leaders reported.

Holden had been writing about utility companies for more than a year and had been working on the MUNY series about ten days. He had not yet started writing it.

The action came seven weeks before a city referendum on allowing CEI to buy MUNY. CEI previously has complained repeatedly about Holden's aggressive reporting. Guild leaders said, and he was told management feared he would be unfair to CEI in the series.

There is "reason to believe that the Plain Dealer management has acquiesced to cynical and self-serving external pressures that would control the news in their own best interest," the Guild unit said.

About 60 members walked an informational picket line in freezing rain Jan. 13 and beginning Jan. 16 about 90 percent of the reporters in the unit began withholding their by-lines.

After an eight-hour meeting between Plain Dealer editors and Guild leaders Jan. 17 the unit voted to call off the by-line action in light of an agreement that called for Holden to continue as a general assignment reporter with no prosecution on stories that could be assigned him. In February he was to sub for the paper's book editor while he was on vacation.

His first assignment was a story on CEI. It ran a day late, however, was severely cut and did not carry Holden's by-line. Guild leaders said. A lone CEI story by Holden was run subsequently, but again without



PLAIN DEALER MEMBERS' INFORMATIONAL PICKET LINE PROTESTS REPORTER'S REMOVAL FROM UTILITY STORIES
Transferred reporter, Robert H. Holden, with umbrella, front; carrying bundle, Susan, his wife; in the bundle, right, daughter, Sarah, 9 months



William F. Miller, Cleveland Guild

carrying the reporter's by-line.

When the Guild unit met Jan. 22, it accused the paper's management of renegeing on its agreement and voted its "censure."

Meanwhile, Sebastian Lupica, executive secretary of the Cleveland AFL-CIO, issued a state-

ment backing the Guild unit's actions and calling Holden's reporting on CEI "accurate."

Noting that the Plain Dealer editorially supports sale of the MUNY plant to CEI, Lupica charged that without Holden reporting on the utilities "the pub-

lic will not get the entire picture" before the referendum because "no reporter, [no matter] how good, can pick up the story in the closing days" of the campaign.

And Cleveland Guild Executive Secretary J. Stephen Hatch

issued a challenge to the Plain Dealer's managing editor, David Hopcraft, to a public debate on "How free is our free press."

Hopcraft told Editor & Publisher magazine he could not comment on the dispute because it was a personnel matter.

IEB calls for new push for U.S. shield legislation

(Continued from page 1)

have ruled in ever-increasing numbers that reporters have no right to withhold either their information or their sources if they have so much as a shadow of relevance to court cases," the IEB said.

"States shield laws have been brushed aside as so many scraps of paper," it added.

Only congressional action can hope to halt "this alarming train of judicial decisions," the board said.

The Supreme Court ruled in 1972 that the First Amendment doesn't provide such protection, the board noted.

It called the conflict between the First and Sixth (fair trial) amendments a false one.

The board also called the Carter Administration's initiative on newsroom searches welcome, but said that it leaves some problems unremedied.

The administration's proposed bill "would undo the damage wrought to the First Amendment by the Supreme Court's incredible

ruling that police can search at will through the nation's newsrooms without either notice or a judicial hearing," the IEB said.

The administration's bill "displays a clear recognition that a press subject to arbitrary search and seizure is a press only half-free," the board said.

But the Carter proposal would not repair the harm done to the Fourth Amendment—which protects all citizens against unreasonable search and seizure, the IEB said.

Several other bills were introduced last year and are expected again which would do so, requiring a subpoena (which can be challenged) unless there is adequate reason to think the search targets are involved in crime under investigation or that the evidence would be destroyed.

Congress was urged by the board to act quickly on the broader bills.

Meanwhile, in Sacramento a state appellate court ruled Jan. 16 that John Hammarley of the Los Angeles Herald Examiner must surrender to a murder trial judge unpublished notes and recordings from an interview he conducted with a prisoner while working for the Sacramento Union.

Hammarley previously had been found in contempt of a Sacramento County Superior Court for refusing to surrender the materials. He could go to jail. The appellate court said that "the constitutional right of de-

pendants which we have here recognized is the right to a trial free of state-imposed impediments to its fair conduct. To that end, the newsman's privilege—a creature of state law—must in the instant circumstances be subordinated."

And in Brooklyn Pamela O'Shaughnessy of the weekly Kings Courier was sentenced to ten days in jail and fined \$250 Jan. 11 for refusing to answer questions in a narcotics trial about a source for a story on drug trafficking.

The sentence was stayed pending appeal.

The sentence was stayed pending appeal.

Proposal to restrict chains' size endorsed

(Continued from Page 1)

Newspaper chains already control 61 percent of all U.S. dailies and 75 percent of their circulation, with 20 corporations controlling 52 percent of the circulation, the board noted.

Of 53 dailies that changed hands in 1978, 47 went to chains, it added.

"The very existence of such concentrated control is a danger. To wait until it is abused is to wait until it is too late," the IEB said.

Noting that one chain executive has raised "the specter" of a giant oil company buying a

giant newspaper chain, the board said that that specter "acquired chilling substance with the American Express Company's move to take over the giant McGraw-Hill publishing company, against the will of McGraw-Hill management."

The idea of limiting the size of media conglomerates is one "whose time has not merely come; it is in serious peril of having passed," the board said, concluding:

"There may be those who say freedom of the press makes such a bill impossible. We say that freedom of the press makes it imperative."



St. Louis is concerned about a merger proposal
St. Louis

Editor:
Because I am very much in favor of merger with the ITU, I am concerned about any proposals that would meet resistance in either or both unions.

One such proposal on which I have heard criticism, and which also concerns me, is the Guild proposal for international councilors that would allow local paid officers to serve.

Obviously, paid officers will have a stronger role in a merged organization than they do now in the Guild. Personally, I have confidence in most of our paid officers but we must keep in mind that the Guild was built on the

By TNG convention action, letters shall be limited to 200 words and shall avoid libel and subjects detrimental to the Guild. Members subjected to personal attack shall be given opportunity to reply in the same issue, but publication of either attack or reply shall not be delayed longer than one issue. Deadline, Friday before publication.

strength of active, devoted lay members. And our future and vitality still rest with such members. I intend to urge my friends in the ITU to support the idea of lay members on an international council position. But, please let's try to make it an all-day body. It will pay off in the long run.

MARTY GOLDMAN
St. Louis Guild

Pact held 'evergreen' despite few meetings

Pontiac, Mich.—A break in negotiations doesn't mean that a contract's duration and renewal clause is extinct, an arbitrator has ruled in a Detroit Guild case against Capital Cities Communications' Oakland Press here.

The company has claimed that a one-day suspension handed an employee couldn't be arbitrated because the suspension occurred after the contract had expired and before negotiations had resumed.

Therefore, it said, there was no contract between the parties.

The contract provided that its terms remained in effect while negotiations proceeded.

There was a six-months break in negotiations, but arbitrator M. David Keefe ruled that the duration and renewal clause was addressed to the occurrence of negotiations, not their pace.

He quoted another arbitrator in an earlier, similar Oakland Press case who said that the company had continued to offer contractual wages and benefits and the employees continued to accept them.

In that case, the earlier arbitrator held, only specific action or notice by either party could end the life of the expired contract's terms.

In the later instance, this finally did happen when the company terminated the expired con-

tract effective Dec. 31, 1977, and the Guild—plus the Pressmen's Union—struck on Dec. 29, 1977.

After ruling that the dispute over the suspension was arbitrable, Keefe went on to knock down the suspension as well.

He did so, however, on very narrow grounds.

The employee had been suspended for leaving the editorial department to get coffee in the composing room.

A series of management rules prohibited employees from going from their departments to others—or even from one subdepartment to another—unless they were on company business.

These rules fell into disuse, but were revived some years later.

When they were revived in the editorial department, management's notice keyed the revival to the installation of a coffee pot in the wire room for use of editorial employees.

Keefe held that the Press was unjustified in suspending the employee for getting coffee from the composing room because on that day the wire room coffee pot wasn't working.

Since the rule on entering the composing room for coffee was linked to an operating wire room coffee pot, the company could discipline the employee only if the editorial pot had been working, Keefe said.

U.S. asks court to order bargaining

Winston-Salem, N.C.—A U.S. District Court judge on Jan. 26 was to consider a move by the National Labor Relations Board to compel the Greensboro News and Record to bargain with the Greensboro Guild at least until a final ruling is made on a refusal-to-bargain complaint against the Landmark-chain papers.

The NLRB's move is a highly unusual one and is taken only in cases its prosecutorial personnel consider blatant and a particular danger to employees' right to organize and bargain, labor-law specialists said.

The action flows from a complaint against the papers issued by the regional director last year on a charge by the Guild. An administrative law judge held a hearing on the matter in December and is considering it.

Heart of the matter is the News and Record having told the Guild it won't bargain until the Greensboro Guild's committee abandons TNG's constitutional requirement for membership ratification and TNG contracts committee clearance of all proposed settlements and the local's by-laws requirement for executive committee approval, as well.

This was despite representatives of the Guild and the papers having met four times last spring and reaching agreement on at least three items, the NLRB

general counsel pointed out in a brief to the administrative law judge.

"The union's ratification procedure here is reasonable and proper," the general counsel said.

"It involves a purely democratic process of protecting workers' wages and working conditions."

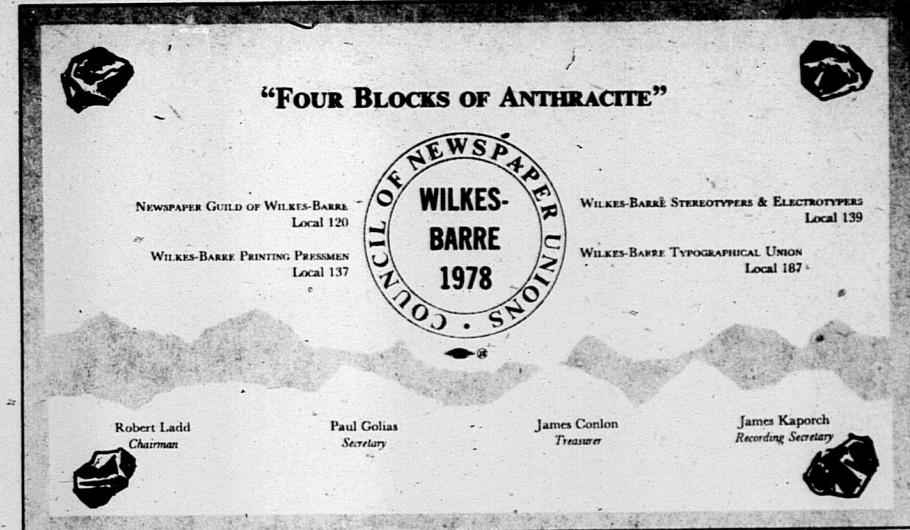
"It prevents so-called 'sweetheart' contracts which erode workers' rights."

"And, furthermore... while the International [TNG] is constitutionally mandated to review a contract, it does not insist on strict adherence to a so-called model" since "many contracts not literally comporting with model contracts are approved by the International."

"What we have here... is an impermissible attempt... to invade and restructure a union's internal affairs," the general counsel told both the law judge and the federal court.

LOCAL ELECTIONS

- Cleveland**
Richard M. Peery, president; John Nussbaum, 1st vice president; Howard Swindell, 2nd vice president; Barbara Weiss, 3rd vice president; James Strang, 4th vice president; Virginia O'Shea, treasurer.
- Eugene**
Steve Smith, president (Smith, 40; Mike Raz, 15); Jacqui Banaszynski, vice president (Banaszynski, 47; Bill Olson, 8); Don Mack, secretary (Mack, 35); Jeff Smith, 13; Keith Smith, 7; Paul Harvey, treasurer (Harvey, 51; Marjory Rubaloff, 5).
- Gary**
John B. Mitchell, president; J. Linn Allen, 1st vice president; Richard Gray, 2nd vice president; Forbes W. Scott, secretary; Larry A. Bretts, treasurer.
- Hazleton**
William Berry, president; Daniel Chyko, vice president; Carl A. Christopher, secretary; William M. Crooks, treasurer.
- Madison**
Diane M. Woodstock, president; Kris Haslanger, 1st vice president; Irv Phillips, 2nd vice president; Ed Bork, secretary; Kathy Foster, treasurer.
- Memphis**
Faye McCracken, president (McCracken, 190; Willie Brwider, 81; Fred Baty, 12); Cliff Huffman, 1st vice president (Huffman, 137; Bill Gibson, 82; Willie
- Pacific Northwest**
Judith Hunt, president; Emmett Murray, vice president (Helmick, 16; Kurt Peters, 6; Steve Newton, 2); Marge Ruschau, secretary; Dwight H. Conrad, treasurer.
- San Francisco-Oakland**
Ellnor Redner, president; Bill Eaton, 1st vice president; Becky Harmon, 2nd vice president; Arno Raessler, 3rd vice president; Helen Palter, recording secretary; Bob Gullis, treasurer; Fred D. Fletcher, executive secretary.
- Terre Haute**
Tom Reck, president; George Wilkinson, vice president; Charles Maloof, secretary-treasurer.
- Washington-Baltimore**
Carlos Sutton, president (Sutton, 656; Martha Hamilton, 428); Eugene Meyer, vice president; Mary Esslinger, secretary; Timothy R. Lowry, treasurer.



JOINT COUNCIL'S LETTERHEAD REFLECTS WILKES-BARRE'S COAL FIELD HISTORY
Chairman is with Typographical Union; secretary, Guild; treasurer and recording secretary, Pressmen

Wilkes-Barre unions tell story of strike to investment firms

Wilkes-Barre, Pa.—Officials of at least three large firms that hold or manage stock in Capital Cities Communications have told the unions striking the chain's Times-Leader here that their firms want to learn more about the 3½-month-old strike.

The messages came in response to mailings by individual members of the four striking unions

and by the Council of Wilkes-Barre Newspaper Unions to firms holding stock in Capital Cities. The council pointed out that the chain's "barbed wire" approach to labor relations in Wilkes-Barre and Pontiac, Mich., "has prompted others to label Capital Cities the J. P. Stevens of the news industry."

Additional information is being sent to all the firms, according to leaders of the unions that struck the Times-Leader on Oct. 6: the Guild, Typographical, Pressmen's and Stereotypers' unions.

Meanwhile, Capital Cities moved Richard L. Connor, editor of the chain's Oakland Press in Pontiac, to Wilkes-Barre to be publisher and editor of the struck paper here. The Pontiac paper has been publishing behind Detroit Guild and Pressmen's Union picket lines since Dec. 29, 1977.

The Times-Leader, also publishing with strikebreakers, many from other Capital Cities papers, has launched an immense campaign to try to recoup the circulation it has lost since the strike started, union leaders reported. It has also begun a major effort to regain advertising lost to the strikers' daily, the Citizens' Voice.

Within days of the announcement of Connor's move here, a

Luzerne County magistrate found two strikers, a strikebreaker, a Guild representative and the publisher of the Pontiac paper guilty of misdemeanors in incidents early in the strike. Fines and court costs were assessed against each.

At the same time on Jan. 16, Magistrate John Bednarz dismissed six other charges from the same period against persons working behind the picket lines and ten other charges against persons prosecuting the strike.

A charge of aggravated assault against TNG Representative James Orcutt was among those dismissed. It was filed after Orcutt wrestled a loaded revolver from a security agent during a picket line incident on Oct. 25 [Guild Reporter, Oct. 27]. A charge of harassment by Orcutt against the armed guard also was dismissed. Orcutt was fined \$100 for an incident involving removal of a microphone from a Times-Leader truck.

Bruce McIntyre, the Oakland Press publisher, was fined \$100 each on two charges, by Orcutt and a striking pressman, that grew out of McIntyre's driving a car that struck Orcutt and Robert McGraw on the picket line Oct. 13.

Last bargaining in Wilkes-Barre was Nov. 1.

The U.S. price elevator

The table below records the ascent of the Urban Wage-Earners' Consumer Price Index in the United States over a 24-month period following a 1.1 point rise in the index in December to 202.9, up 16.8 points from December, 1977. The first column lists the index for each of the last 12 months, the second the percentage increase over the same month of the preceding year and the third the percentage increase over December 1976. Figures for 1978 are from the revised Urban Wage-Earners' and Clerical Workers' index.

	Index*	Percentage over	
		Same month prior year	December 1976†
January, 1978	187.1	6.7	7.3
February	188.4	6.4	8.1
March	189.7	6.5	8.8
April	191.4	6.6	9.8
May	193.3	7.0	10.9
June	195.3	7.4	12.1
July	197.7	7.7	12.9
August	199.1	7.9	13.4
September	200.7	8.2	14.2
October	202.9	8.8	15.2
November	201.8	8.9	15.8
December	202.9	9.0	16.4

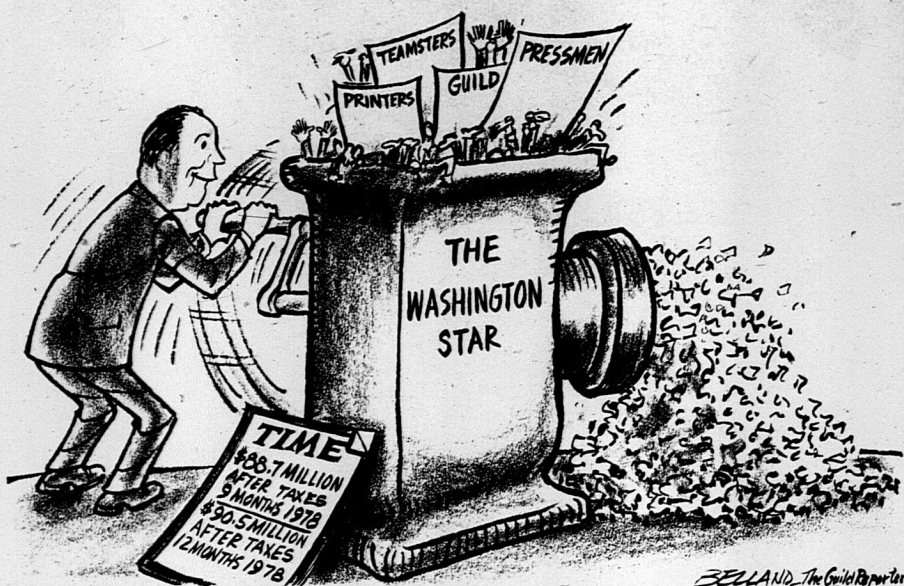
*1967 = 100 †Index = 174.3

Ford's for shield if 'responsible'

Los Angeles — Former U.S. President Gerald R. Ford said he would sign a "responsible" federal law to recognize reporters' right to keep their information and sources confidential.

He also told the third annual awards banquet of this city's Society of Professional Journalists/SDX that he has supported state shield laws and generally favors federal legislation.

Time machine



DATELINE: OTTAWA

Do demands for Mounties' sources foreshadow same for journalists'?

By HUGH WINSOR, Toronto Guild



THERE WAS A PUBLIC uproar when it was first learned that private investigators working for insurance companies were getting access to Canadian claimants' medical records in hospitals and in the files of state health insurance plans.

The condition of one's gall bladder or urinary tract was supposed to be the ultimate in confidential information, known only to a patient and his doctor. From the repercussions of the first revelations, it emerged that not only private insurance investigators were getting the information.

The Royal Canadian Mounted Police Security Service also was using medical data both as a way of tracing "spies" and as a way of disrupting radical groups by confronting members with embarrassing information.

After the Globe & Mail broke a number of particularly tendentious stories, the Ontario provincial government set up the Royal Commission on Confidentiality of Health Records, led by Mr. Justice Horace Krever, a former law professor and libel lawyer.

Royal commissions have wide powers to compel evidence and records to be produced so, not unreasonably, the Krever commission tried to get to the bottom of the health records' tangle by subpoenaing both the Globe & Mail's reporter and the Mounties.

In so doing, the commission

has created a first-class issue of principle since neither the Globe nor the Mounties are prepared to identify their sources. And therein lies a paradox, especially within the journalistic community.

Most people felt the Mounties had overstepped their authority and were pleased that Judge Krever has taken them to court in an attempt to force disclosure.

The Mounties have admitted to Judge Krever, and to other concurrent inquiries into the RCMP, that they have obtained medical records contrary to the legislation protecting them.

They have also admitted that they used medical information, not necessarily from Ontario, in the attempted disruption of Quebec separatist groups. The Mounties tried to discredit certain individuals by revealing they had received psychiatric treatment and to get others into trouble with their wives or girl friends by revealing they had been treated for venereal disease.

BUT THE MOUNTIES won't say who gave them the information, claiming such disclosure would weaken a tradition of privilege for police witnesses. Police have not been required to identify informers in Canadian courts except when the identity was crucial to the defense of someone facing criminal charges.

But Judge Krever does not believe this privilege applies to people who ought not to have been

disclosing this information in the first place. The police argue they will lose their sources if they are forced to divulge names—the same reason traditionally given by journalists.

THE REPORTER is Lawrence Martin, who is now the Globe's correspondent in Washington and out of reach of the inquiry unless he volunteers to return to Toronto to testify. The story has an additional wrinkle because Mr. Martin claims that both the headline writer at the Globe and the commission have misinterpreted his story.

When Mr. Smith pointed out in a letter to Judge Krever that his story did not say specifically that the information the Mounties had used for disruptive purposes had come from Ontario files (the royal commission's focus), the request that he return from Washington to testify was withdrawn. The general information in Mr. Martin's stories has been confirmed by other witnesses.

The legal tussle between Judge Krever and the Mounties is still outstanding. But the parallel between the Mounties' and the journalists' claims to protect their sources are striking.

CAN JOURNALISTS congratulate the royal commission for getting tough with the police without accepting that the royal commission in all likelihood will be equally demanding of them?

Seattle P-I pays transplant leave

Seattle—Under threat of an arbitration by the Pacific Northwest Guild, Hearst's Post-Intelligencer finally has agreed to pay a 33-year employee sick leave for the nine weeks she was off for an aorta transplant.

The switchboard operator's sick leave was cut off just before the operation on grounds she had used too much in recent years [Guild Reporter, Sept. 22].

The aorta is the large artery that carries blood from the heart for distribution to most other parts of the body.



Middle-Atlantic District Council, winter meeting and TNG regional institute, Feb. 3-4, Stadium Hilton Hotel, Philadelphia.

Western District Council, winter meeting, Feb. 3-4, Phoenix.

TNG Special Merger Committee and ITU Merger Negotiating Committee, 6th joint meeting, Feb. 5-9, Washington.

Midwest District Council, winter meeting and TNG regional institute, Feb. 10-11, Quality Inn, Denver.

New England District Council, winter meeting, Feb. 10-11, Hilton Inn, Wakefield, Mass.

Great Lakes District Council, winter meeting and TNG regional institute,

Columbus, Feb. 17-18.

Southern District Council, winter meeting and TNG regional institute, Memphis, Feb. 24-25.

TNG Special Merger Committee and ITU Merger Negotiating Committee, 7th joint meeting, Feb. 26-March 2, Washington.

TNG Special Merger Committee and ITU Merger Negotiating Committee, 8th meeting, March 26-30, Colorado Springs.

International Executive Board, spring meeting, April 23-27, TNG headquarters, Washington.

46th Annual TNG Convention July 2-6, 1979, Biltmore Plaza Hotel, Providence.

Editorial

Of justice and the law

It is an advantage for a newspaper to be owned by a person, family or corporation that also owns other properties, the proposition goes, because that paper's financial base then is broader and more stable and the paper is better able to weather whatever financial storms might come its way.

Perhaps. But the people who do the work that gets the Washington Star published and distributed every day, along with their unions, have just experienced another facet of a paper's being a wholly owned subsidiary of one of the giants among the nation's information-industry conglomerates ["14 new contracts keep Star publishing/Time Inc. gets 'flexibility' in 5-year pacts," Guild Reporter, Jan. 12].

The Star's employees again are getting deserved plaudits for again having made the sacrifices through their unions' bargaining that have kept Washington a two newspaper town. There even are a few respectful pauses at the mention of the 80 ITU printers whose jobs were the price for the last of those contracts and thus the key to Time Inc. committing \$60 million to keeping the Star going and improving its market position over the next five years.

It was "hard-bargaining and hardball-playing" by the Star and Time Inc., as the Washington Post noted editorially, though it declined to be specific "for reasons too numerous (and obvious)."

The stakes were high: continued publication of the Star and the jobs of about 1,200 persons in return for major concessions and "give backs" signed, sealed and delivered by Jan. 1.

The Star took editorial note of the Post's "hardball" characterization of its approach to point out that "the game was not exactly invented on these premises" since "a game answering to that very description" began in October, 1975, "between the Post and its Pressmen, and there is still no contractual resolution."

Too true. But alongside that there now is the spectacle of Star publisher George W. Hoyt's sworn statement, in the face of a court order to keep the paper publishing at least until Jan. 3, that the paper had "insufficient funds to meet payroll" or any other costs beyond Jan. 1 and would have to declare bankruptcy.

That was a wholly owned subsidiary of Time Inc. he was talking about. Time Inc. in 1977 had record after-tax profits of \$90.5 million. And for the first nine months of 1978—the year it bought the Star for about \$20 million—it had record after-tax profits of \$87.3 million—within \$3.2 million of its net for all of 1978. For the second and third quarters—those in which it said the Star was losing \$1 million a month—it also had record after-tax profits: \$33.9 million for the second quarter and \$25.6 million for the third, up 33 and 32 percent respectively.

Hoyt, however, was technically and legally correct. For the bankruptcy laws permit a parent corporation to avoid all financial responsibility for the losses of a subsidiary corporation. At the same time the parent corporation apparently can get any tax benefits that might accrue from that subsidiary's operating losses.

Hoyt and Time Inc. may have been legally correct, just as the millionaires who end up paying little or no income taxes may be legally correct, but morally...? Ask those 80 printers.

The Guild Reporter

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Editor

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