Prices, profits attest to robust industry (2)

This article and accompanying material on Pages 4, 5 and 6 are adapted from the Industry Section of the Officers' Report to TNG's 1986 Convention. The section reviews and analyzes the financial performance of the newspaper and magazine publishing industry in the United States and Canada.

FLUSH WITH proceeds from year-after-year of sustained financial success, the news publishing industry was showing no sign of breaking off the unprecedented round of acquisitions and sales that began more than a year ago.

Newspaper and other publishing companies were continuing to buy and sell properties at a fast pace, in the process often exchanging holdings among themselves for record prices.

Meanwhile, the profits and expenses associated with last year's round of sales were beginning to show up on the companies' financial reports as "extraordinary" items.

Those items, identifying unusual, non-recurring gains or expenses in an accounting period, were becoming so commonplace as to be "ordinary" parts of the financial statements of the publicly traded giants of the industry.

Some of the companies, like the Washington Post Co., explained that profits for 1985 and the first quarter of 1986 would have been higher but for the cost of multi-million dollar acquisitions, while others, like Capital Cities/ABC, attributed huge profit gains to multi-million dollar sales in the past year.

The magnitude and variety of transactions in the industry attest to its health. So, too, do the profits reported in the companies' financial statements.

Consider the amounts of money involved in recent sales and acquisitions among publishing companies:

- **$350 million.** That's the amount the Washington Post agreed to pay Capital Cities for 53 cable television systems.
- **$920 million.** Capital Cities' after-tax proceeds from the sale of broadcast and newspaper properties, including the cable television systems to the Post, to bring the merged Capital Cities/ABC into compliance with FCC regulations. An extraordinary gain of $280 million from those sales in the first quarter of 1986 boosted earnings by 916 percent over Capital Cities' first quarter of 1985.
- **$400 million.** The New York Times Co. paid that amount for the five newspapers and two television stations it acquired in 1985.
- **$176 million.** That's what the Tribune Co. got for the Los Angeles Daily News, in a sale necessitated by FCC cross-ownership rules, after Tribune Co. paid $510 million for Los Angeles television station KTLA earlier in 1985.
- **$717 million.** That's the amount Gannett paid for the Evening News Assn., including its Detroit News, four other daily newspapers and two television stations.
- **$300 million-plus.** Gannett paid that amount for the Louisville Times and

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The GUILD REPORTER

Official publication of The Newspaper Guild (AFL-CIO, CLC)

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Sunpapers latest independents selling to chain

$600 million cash price called 'a pre-emptive bid'

Baltimore's Sun and Evening Sun became the latest independent, locally owned U.S. dailies on their way to becoming links in one of the nation's growing newspaper chains May 28 when top officers of the A. S. Abell Co. of Baltimore and the Times Mirror Co. of Los Angeles announced agreement on a cash price of $600 million.

The announcement came just seven days after the Ingersoll chain announced it is buying the New Haven (Conn.) Register and Journal-Courier, for a reported $170-$200 million, and just nine days after it was announced that the Gannett Co. is buying Louisville's Courier-Journal and Times for $300 million.

The Baltimore announcement also came the day after the Sunpapers became that city's only dailies. The Hearst chain the morning of May 27 announced that the next edition of its money-losing afternoon News-American would be the last for the 213-year-old daily.

Officials of both the Times Mirror and the Sunpapers said the sale/purchase was unrelated to the News-American's closure, that the timing was pure coincidence.

While it was known for several months that the families that controlled the New Haven and Louisville dailies were actively seeking buyers, there had been no public knowledge that the Sun properties might be for sale. (Hearst, which said late last year it was seeking a buyer for the News-American, said it decided to close it after a "buyer of last resort" had withdrawn.)

Reg Murphy, publisher of the Sun and Evening Sun, and other Abell Co. directors said that the privately held company had not been for sale until Times Mirror made an offer that was, in effect, too good to refuse.

Murphy said that he was asked about the papers' availability during a meeting of the American Society of Newspapers Editors in Washington in April but said they were not for sale. Times Mirror made an unsolicited offer in mid-May, however, he said.

That first offer—reportedly $550 million—was turned down, but the next was approved by Abell

(Continued on Page 2)



Baltimore Sun photo by PATRICK SANDOR

BALTIMORE SUN NEWSROOM STAFF HEARS OF SUNPAPERS' SALE TO TIMES MIRROR
Making the announcement is James I. Houck, Sun managing editor, foreground, right.

Spur study of VDTs, pregnancy, unions urge

Washington — Controversy swirled anew in a Congressional hearing June 4 around the federal Office of Management & Budget's having blocked on scientific grounds six months ago a federal study of the possibility of unusual reproductive risks for women who work on VDTs.

On one side were the Communications Workers and TNG who, while expressing outrage at the study's having been disapproved by the OMB in December and concern at the delay in its launching since, called upon the subcommittee to do all in its power to assure approval now of the undertaking in its revised format.

On the other side was BellSouth, the telephone firm whose CWA-represented employees remain the study's proposed subjects. It said it continues to have serious reservations about the study's format, even in its revised form. The OMB's December rejection of the study reflected objections BellSouth and two professors it hired made to the agency while it was reviewing the proposal under the federal Paperwork Reduction Act. [Guild Reporter, Jan. 10.]

In the middle, expressing its continuing desire to conduct the study and telling the subcommittee that it has revised the study's proposed format in response to concerns raised before and since December by BellSouth and the OMB, were representatives of the National Institute for Occupational Safety & Health. NIOSH's revised proposal was submitted for OMB approval on May 22.

NIOSH first announced plans

(Continued on Page 6)

New factor increasing per capita

Washington —The new factor for computing locals' per-capita payments to TNG, approved by members as part of a Guild-wide referendum in March, takes effect July 1. It will raise the per capita locals pay TNG by 34 cents, to $11.33 per member per month.

The new rate will apply beginning with locals' remittances for July, due at TNG headquarters by August 15, TNG Secretary-Treasurer Charles Dale said in a June 5 letter to locals.

The new per-capita factor, 1.939 percent of the average reporter top minimum, replaces a factor of 1.65 percent plus $1.35. Under a constitutional formula for computing locals' per-capita payments, the factor is applied to the average daily newspaper reporter top minimum under Guild contracts in effect each April 1.

That average, $584.11 this April 1, multiplied by 0.01939 (1.939 percent) produces $11.32589, which is rounded to $11.33 under the constitution.

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Milwaukee seeks to aid 'medically indigent' . . . 8

$825, child-care leave at Canadian Press . . . 3

Sunpapers going to Times Mirror

(Continued from page 1)

Co.'s board the morning of the day it was announced. Directors called the $600 million "a pre-emptive offer."

Besides the two dailies, Abell Co. owns television stations in Baltimore and Richmond, Va., and Mid-Atlantic Country and Ski Racing magazines. All are included in the $600 million price.

Various analysts speculated that $450 million is for the two papers, about $135 million for the Baltimore NBC-TV affiliate and $15 million for the independent, UHF station in Richmond.

The Baltimore station will be sold in compliance with Federal Communications Commission rules forbidding purchase of a television station and daily newspaper in the same circulation market. (In an unrelated transaction, Times Mirror is expected to clear some $700 million in the sale of three of the seven TV stations it currently owns. The sale is scheduled to be closed June 19.)

Announcement of the Sunpapers sale/purchase said the Abell Co. had revenues in 1985 of $204.8 million, with $172.5 million coming from publishing. Analysts estimated that the Sunpapers before-tax profits ran 13 to 14 percent, which would be more than $22 million.

Some of those same analysts speculated that Times Mirror, in an effort to improve that profit margin, might look to closing the Evening Sun or combining the separate news staffs of the two papers.

Murphy, however, told Sunpapers' staffers that "there are no plans except to continue to run two separate newspapers," pointing out that orders from old News-American customers were running 6-to-1 for the Evening Sun.

Murphy and David Laventhol, Times Mirror senior vice president, also told Sunpapers staffers that the sale/purchase will have no effect on any of the contracts of the five unions which represent the dailies' 1,630 full-time employees.

"The union contracts will continue as they are," Murphy said, according to a report in the Sun. "We can't interrupt them in the middle."

The Washington-Baltimore Guild has a contract covering some 800 of the papers' employees in the advertising, business-office, inside circulation, editorial, maintenance and other departments. It runs through June 9, 1987.

In another transaction, announced May 23, the Times Mirror Co. has bought the privately held company that owns 80 percent of the National Journal and the other 20 percent of the publication from the Washington Post Co., for a total price estimated at $10 to $15 million.

The National Journal, a weekly magazine published in Washington, covers national politics and government and has a far-reaching reputation for impartial analysis of both.

Its annual subscription price is $546; its circulation, about 5,000.



VINCENTE GRANDE/Puerto Rico Guild

'School days' in Puerto Rico

Rodolfo Alvarez and Victor Garcia, standing, on the faculty of the University of Puerto Rico Labor Institute, open 15-week course in management relations at Puerto Rico Guild headquarters for leaders of the local and its six units. Seated, right, is Jose Feliciano, Puerto Rico Guild president. Classes are being held three Saturday mornings per month through the summer.

'Fact sheets' on asbestos hazards are distributed to all Guild locals

Washington—Advice on identifying and eliminating asbestos from the workplace has been distributed to Guild locals in a pair of new "fact sheets" describing how to minimize employees' exposure to asbestos fibers both in emergency and in controlled situations.

The surest way of averting potential health hazards from asbestos exposure is to identify any sources of asbestos present in the workplace and develop a plan for its removal before emergency conditions arise, TNG Director of Research and Information David J. Eisen said in distributing the data sheets to Guild locals.

The advisories were prepared in consultation with the Workers' Institute for Safety and Health, an organization that has aided several Guild locals that faced asbestos problems in recent months, Eisen noted.

The fact sheet dealing with non-emergency situations recommends that the workplace be surveyed for the possibility of asbestos in such areas as insulation on pipes, sometimes hidden in ceilings, in building materials, such as ceiling and floor tiles and decorative surfaces, and in sprayed-on forms of insulation commonly applied to metal framework and cement flooring in building construction between 1950 and 1973.

The only certain way of confirming the existence of asbestos, however, is by laboratory analysis of suspected materials, the fact sheet advises, recommending that tests be performed on samples of any suspected materials in a friable, or easily crumbled, state, as well as on other suspected materials that have been damaged.

Testing air samples for the presence of asbestos fibers can be misleading, the fact sheet warns, noting that the results of air testing provides no information about the potential for future exposure to asbestos. "Surveys that rely only on air sampling are inadequate," according to the advisory.

A plan for safely removing or containing asbestos before employees are unknowingly exposed to fibers as buildings deteriorate or renovations are performed should be the next step if the presence of asbestos is confirmed.

Outright removal of the asbestos is the most costly alternative for remedying the problem, but only initially, according to the fact sheet.

Other alternatives—encapsulating the asbestos under a thick, paint-like sealing agent or closing off areas where asbestos is present—are only temporary measures. If either method is adopted an on-going asbestos monitoring program should be implemented to ensure that asbestos remains in check, the fact sheet points out.

Asbestos residue from damage or renovation work can create an emergency situation that should be dealt with immediately, a second fact sheet explained.

Employees should be relocated from the area, it says, while cleanup is conducted. It cautions, however, that improper cleanup can aggravate the hazard. Dry sweeping and normal vacuuming will disperse hazardous material into the air.

Small amounts of asbestos can be removed by wet mopping, the advisory says, while explaining that a special vacuum cleaner is needed to remove larger amounts of asbestos residue. Mop heads should be discarded after cleanup, it says.

Additional copies of the fact sheets are available from TNG on request.

Arbiter orders retroactive merit pay

Washington—Job performance must be the "primary consideration" in granting merit pay, an arbitrator has said in ordering the Bureau of National Affairs to implement a merit increase retroactive to the date it was recommended by supervisors.

The grievant, a legal editor on a BNA publication specializing in anti-trust and trade regulations, had consistently received outstanding performance reviews and several merit increases under the Washington-Baltimore Guild's contract with BNA.

That contract requires an annual appraisal and merit review of employees who have reached the top of the salary schedule for their jobs and specifies that merit increases be no less than the difference between progression steps in the minimum schedule.

In January of 1985 the grievant's first and second level supervisors recommended such a merit increase, $30.24 a week, on the basis of her most recent performance review, but higher level management refused to grant it.

While management at all levels appeared in agreement that the grievant's job performance was outstanding, the executive editor explained to arbitrator Ira F. Jaffe that he rejected the recommended increase because the grievant's salary exceeded those of several management employees, including managing editors, and a general increase due under the Guild contract the following month would put her even farther ahead.

In addition, the executive editor said, there is a limit to the salary a job warrants at any given time and the grievant was then the highest paid in the bargaining unit.

In awarding the merit increase retroactive to January 1985, producing a higher salary and more than $2,000 in back pay for the grievant, Jaffe said factors the company relied on did not support its decision to deny the increase.

Granting the merit increase would not substantially alter the relationship of the grievant's salary to salaries of editorial management employees that existed in 1983 when she was last granted a merit increase, Jaffe found after reviewing salary information supplied by the company.

Nor was "the mere fact that the grievant is the highest paid bargaining unit employee . . . shown to be a rational basis for denying her proposed merit pay increase," he said, noting that the annual pay of seven other Guild-covered employees was within $1,000 of her $43,224.46 annual rate as of Jan. 1, 1985.

In addition, the company failed to prove that the grievant was being paid the maximum her job was worth at the time, Jaffe held. "More than a 'gut reaction' must be provided in support of a claim" that an employee's salary has exceeded the maximum that a job is adjudged to be worth, he said.

In finding that job performance must be the "primary consideration" in deciding whether to grant a merit increase under the Guild contract, Jaffe cited a 1982 agreement the parties signed in settling a similar grievance then before an arbitrator. That agreement stated that "an individual employee's performance" would be the "primary consideration" in granting merit increases, while noting that "considerations other than performance may enter into decisions in particular cases."

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The U.S. price elevator

The table below records the ascent of the Consumer Price Index in the United States over a 24-month period following a 1.0-point decrease in the index in April to 320.4, an increase of 3.7 points from April 1985, and 16.3 points from April 1984. The first column lists the index for each of the last 12 months, the second the percentage increase over the same months of the preceding year and the third, the percentage increase over April 1984. The Urban Wage-Earners' and Clerical Workers' Index (CPI-W) is the source.

		Percentage over	
	Index*	Same month prior year	April 1984†
May	317.8	4.1	4.5
June	318.7	4.1	4.8
July	319.1	3.8	4.9
August	319.6	3.0	5.1
September	320.5	2.7	5.4
October	321.3	2.9	5.7
November	322.6	3.4	6.1
December	323.4	3.6	6.3
January, 1986	324.3	3.7	6.6
February	323.2	3.0	6.3
March	321.4	1.9	5.7
April	320.4	1.2	5.4

*1967 = 100 †Index = 304.1

Canadian Press news top is raised to $825

Toronto—The top minimum for reporters, editors and national photographers at Canadian Press is raised by $129.13, to $825.64 a week, and a child-care leave of up to 35 weeks for new parents is added in a new three-year contract between the Canadian Wire Service Guild and the nationwide news service.

The pact was ratified by more than two and a half to one in nationwide ballotting tabulated at the Guild local's office here May 30. Guild and management representatives had reached tentative agreement May 11 after a weekend of informational picketing and late-night bargaining.

The agreement, retroactive to Jan. 1, raises minimums and above-minimum salaries each Jan. 1. The first increase raised the key news top minimum up by $38.31, to $734.82 a week, from Jan. 1, and is followed by increases of $44.09 on Jan. 1, 1987, and $46.73 on Jan. 1, 1988.

The service required for an annual vacation of five weeks is reduced from 15 years, to 14 years in 1986 and to 13 years in 1987. Service for a fourth week of vacation is lowered from six years, to five years in 1988.

A nine-month maternity leave is extended to up to a year's leave for maternity and child care. The child-care portion of the leave, up to 35 weeks, is available to new parents of either sex. Adoptive parents also are eligible for the leaves.

An amended federal labor code that took effect last year requires covered employers, like Canadian Press, to grant at least 17 weeks of maternity leave and 24 weeks of child care leave to the parents of new-born children.

Up to two days of paid paternity leave is added to the contract, while provision for pay for six weeks of maternity leave is continued.

A vision-care plan with premiums paid by the company will take effect in 1988. The company also is to pay the cost of any corrective eyeglasses required for exclusive use on video display terminals or similar equipment.

Also added to the agreement is the company's pledge to make "reasonable attempts" to consult with an employee about substantive changes in copy and before replying to any letter of complaint that mentions an employee's work.

Other increases and resulting new top minimums include:

Salespersons—Up by $89.04, to $569.28 a week, in increments of $26.41, $30.40 and $32.23.

Editorial and **library assistants, stockroom clerks**—Up by $58.90, to $376.61 a week, in increments of $17.47, $20.12 and $21.31.

Accountants—Up by $112.91, to $721.94 a week, in increments of $33.50, $38.55 and $40.86.

Employees paid above the top minimum for their jobs will receive an increase equal to the increase in the top minimum.



Information on CP talks

Patti Tasko and Judy Cross are among Canadian Wire Service Guild members on informational picket lines Guild members mounted at Canadian Press bureaus in Toronto as well as Ottawa, Montreal, Vancouver and other cities across the country three days before Guild and wire service representatives reached a new three-year agreement. Signs spell out one of the major issues in the talks.

Extension okayed with New UPI; end nears in bankruptcy case

New York—Wire Service Guild members at United Press Int'l have ratified the "definitive agreement" between the Guild local and New UPI, Inc., as the company would be known upon completion of a bankruptcy court-supervised sale of the news service to Mexican publisher Mario Vazquez Rana and minority partner Joe E. Russo.

Approval of the Guild-New UPI agreement and settlement of the remaining parts of a damage suit brought by losing bidder Financial News Network appeared to have cleared the way for completion of the $41 million sale and an end to UPI's bankruptcy proceedings by mid-June.

The Guild agreement encompasses, with some modifications, the terms of an agreement in principle with Vazquez Rana announced last fall when his joint bid with Russo for UPI won endorsement of the union, the bankruptcy court-appointed committee of UPI's creditors and current UPI management [Guild Reporter, Nov. 22].

The agreement, extending the Guild's contract through April of 1987, calls for the pay of Guild-covered employees to remain at 105 percent of August 1984 levels throughout the term. Under the agreement outlined last fall pay levels would have been frozen at the then-prevailing 103 percent of the 1984 levels. The additional 2 percent increase took effect Jan. 1, in the last step of an agreement on cost cutting that had reduced pay by 25 percent in the fall of 1984.

Ratified by a margin of more than five to one in nationwide mail balloting among members of the local's UPI unit, the definitive agreement will reduce the new management's weekly obligation to the pension fund by $9.78, to $11.17 a week, for the first 12 months. The new owners have agreed to make back payments to the pension fund, totaling more than $1.2 million, over the next eight years. This clears the way for the lower contribution rate for a year with no reduction in benefits, the local reported.

New UPI pledged to invest not less than $15 million in the news service through the end of 1988, with at least $5 million of that investment to come before the end of 1986.

It is to pay all debts to current and former employees, including past due severance pay and expense payments.

The agreement also calls for a profit-sharing plan for non-management employees to be supported by 7.5 percent of the company's pre-tax operating profits and for seats on its board of directors for two of five candidates nominated by the Guild.

Federal bankruptcy court judge George F. Bason, Jr., could give final approval for sale and reorganization of UPI at a hearing set for June 10. Settlement and an end to the bankruptcy proceedings would follow in about five days.

Unsecured creditors of UPI would receive about 40 cents for each dollar owed them under the UPI reorganization plan filed with the court April 8. Those creditors have until June 9 to vote on the plan.

FNN, the unsuccessful bidder which had asked the court to reopen the bidding process to consider a sweetened offer, was reported to have reached a settlement of conspiracy charges it lodged against Vazquez Rana and Russo, UPI management and Wire Service Guild leaders. News of a tentative settlement of outstanding suits and counter suits was announced to the bankruptcy court May 12, a month after a district court judge dismissed all other charges FNN had raised in a $975 million damage suit.

The settlement calls for New UPI to pay FNN $350,000 toward the cost of legal expenses and to transfer to FNN most of UPI's 45 percent interest in Comtext, an electronic business news service, the New York Times reported May 14, citing sources close to the talks.

In a statement filed with the bankruptcy court and its creditors, UPI reported an operating profit of $1.3 million on revenues of $90 million for 1985, but interest expenses reduced the pre-tax profit to $334,000, it said.

UPI has been operating under the bankruptcy court's protection since shortly after it filed for Chapter 11 protection from its creditors on April 28, 1985.

Hill panel joins protests to Indonesia

Washington—Echoing earlier protests by news-industry groups, including TNG, seven members of a House Foreign Affairs subcommittee have called upon Indonesian President Suharto to issue a visa to New York Times correspondent Barbara Crossette to avoid a repeat of her expulsion from that country in April.

Crossette, based in Bangkok, had traveled to Indonesia to cover President Reagan's visit there, but was detained by government officials and then expelled April 29, the date of Reagan's arrival. At the same time, two Australian journalists with the White House press were removed from the press plane and expelled.

Six Democrats and the ranking Republican on the Asian and Pacific Affairs subcommittee issued the request for a visa for Crossette in a May 23 letter of protest over the incident to Suharto.

The expulsions and banning of other Australian journalists in advance of Reagan's arrival had drawn protests earlier from TNG President Charles A. Perlik, Jr., and Barbara Koeppel, executive director of the Committee to Protect Journalists, among others.

Calling the actions "abhorrent to all principles of free expression," Perlik in a May 1 cable had called on Suharto rescind the orders and halt all forms of censorship.

Distribution of the Int'l Herald Tribune was banned in Indonesia April 30. An article by Crossette in the paper the day before was blacked out by censors.

Perlik also has expressed TNG's outrage at news of a rash of abuses against news personnel in Paraguay. In a May 19 letter to Paraguayan President Alfredo Stroessner, Perlik called for an investigation into an "epidemic of police beatings and jailings" of Paraguayan reporters.

He cited several incidents in which journalists covering opposition demonstrations were attacked and beaten and their equipment seized. In addition, a radio station reportedly was attacked and equipment destroyed by Stroessner supporters April 29.

The government's closure of the daily newspaper ABC Color in 1984 has left press freedoms "in a parlous state," Perlik said. He urged Stroessner to take immediate steps to end the abuses.

The kidnapping and torture of free-lance photographer Al Gutierrez while in Mexico on an assignment for the El Paso Herald-Post has raised concerns about the safety of journalists in Mexico, as well, Perlik said in a May 21 letter to that country's president.

Gutierrez was held captive for 10 hours, tortured and dumped in the desert by captors who sought information about a Herald-Post reporter who had written about drug traffic in Mexico.

In his letter to Mexican President Miguel de la Madrid, Perlik asked that all efforts be exerted to arrest Gutierrez's kidnappers and to protect other journalists.

Guild's life premium holds at 86¢

Washington—The premium Guild locals pay for life insurance for their members through TNG's Group Life Insurance Plan is expected to remain at 86 cents per thousand dollars of coverage for the next year, TNG Secretary-Treasurer announced in a May 19 letter to participating locals.

Although Mutual Benefit Life, underwriter of the plan, is currently charging 87.66 cents per thousand for the coverage, the TNG insurance fund will absorb the difference unless there is a significant rate increase during the fiscal year, Dale said.

An audit of the fund's operations for the year that ended Feb. 28 showed a fund balance of $64,713 at year's end, down from $73,729 at its start.

Expenses for the year totalled $95,314 and income, representing premiums paid by participating locals plus interest, totaled $90,643, producing a deficit in the fund's operation of $4,671.

All Guild locals or units of locals are eligible to participate in the insurance plan. Currently 23 locals or units and TNG members-at-large are covered. Copies of the audit were forwarded to participating locals.

Distributor group votes for Guild

Toronto—Full-time drivers and inserters of Starway Distributors, a distribution company that provides total market coverage to businesses advertising in the Toronto Star, have selected the Southern Ontario Guild to be their bargaining representative.

Eight votes were cast for the Guild and five for "no union" in a June 4 election supervised by the Ontario Labour Relations Board. The Toronto Typographical Union, another option on the ballot, did not campaign and received no votes in the 14-employee unit.

(Continued from Page 1)

Courier-Journal, ending Bingham family ownership.

➶ **$160 million.** Knight-Ridder has agreed to pay that much to Gannett for three television stations.

(In mid-April, two months after Gannett's acquisition of Evening News was completed, Gannett chairman Allen H. Neuharth and Knight-Ridder chairman Alvah H. Chapman announced plans to form a joint operation to publish the companies' competing Detroit dailies—the News and Knight-Ridders' Free Press.)

➶ **$282 million.** The amount Dow Jones & Co. paid for a 52 percent interest in Telerate, a provider of computerized financial databases, while selling its interest in a cable television system for $100 million.

➶ **$181 million.** Three members of the Pulitzer family offered to pay that sum to other family members to buy out their holdings in the company that publishes the St. Louis Post-Dispatch.

➶ **$200 million.** Ingersoll publications paid that much to acquire the family-owned Jackson Newspapers, publisher of the Journal-Courier and the New Haven Register.

Newspaper companies also were buying back their own stock at an unprecedented rate, while two of the major publishers in Canada exchanged substantial portions of their stock.

Officials of Southam Inc. and the Torstar Corp. agreed last summer to an exchange of stock in their respective companies, which resulted in Torstar acquiring a 25 percent interest in the Southam chain and Southam a 30 percent non-voting interest in Torstar.

Southam, in its annual report to stockholders, said that the agreement was prompted by the threat of a hostile takeover of the company.

U.S. newspaper companies that repurchased large blocks of their own stock in the past year include: Knight-Ridder, which bought 9.5 million shares at a cost of $332 million; Times Mirror, which acquired 7.5 million of its own shares or slightly more than 10 percent of its outstanding stock, and the Washington Post, which paid $135 million to buy back 1.2 million shares of its stock.

Affiliated Publications, Inc., publisher of the Boston Globe, reported early in 1986 that it had purchased 807,000 shares of its own stock, including 400,000 shares from Warren Buffett's Berkshire Hathaway Inc. (Berskhire Hathaway is a minor partner in Capital Cities' $3.5 billion acquisition of the American Broadcasting Cos., investing some $517 million in 3 million shares of the merged Capital Cities/ABC's stock.)

Prices, profits attest to robust industry (2)

While 1985 saw some softening of earnings growth among most newspaper companies in the U.S., forecasts for more robust growth in 1986 had taken on a less cautious air as declines in interest rates and oil prices and modest rates of inflation promised a healthy real estate and retail advertising market.

The Newspaper Advertising Bureau was projecting a 10 percent increase in spending for advertising in newspapers in 1986, revising upward an 8-percent-increase forecast early in 1986.

Spending for advertising in U.S. newspapers in 1985 rose by 8.3 percent, to $25.5 billion, the American Newspaper Publishers Assn. reported, citing estimates from the McCann-Erickson advertising agency. Local advertising drew an 8.5 percent increase in expenditures for the year, to $22.2 billion, according to those figures, while spending for national ads rose by 7.1 percent, to $3.3 billion.

Classified advertising, according to the NAB, produced the largest percentage gains among the advertising segments in 1985 for the third year running. (Expenditures for classified advertising are included in the ANPA's figures for local advertising.)

In preliminary estimates of 1985 advertising spending, the NAB reported a 9.4 percent increase in spending for classified advertising to $8.4 billion. National advertising expenditures were up 8.8 percent, to $3.35 billion, while spending for retail advertising—the largest of the three segments—rose just 5.2 percent, to $13.4 billion, the NAB estimated.

In Canada, expenditures for newspaper advertising rose by almost 9 percent, to $1.51 billion. Spending for local advertising was up 9.1 percent to $876 million and national advertising expenditures rose by 9.2 percent, to $298 million. Classified advertising drew $336 million, up 8 percent from 1984, according to data from the MacLean-Hunter Research Bureau and the Canadian Daily Newspaper Publishers Assn.

Industry analyst John Morton of the investment firm of Lynch, Jones & Ryan, meanwhile, sees a new surge in newspaper profitability in the U. S. in 1986 following the year of soft earnings growth, but cautions that the pace may not pick up until very late in the year.

"This year may end with a bang—just as 1985 ended with a whimper," Morton and the research team he heads wrote in the Morton Research Newsletter of Feb. 28. They projected an average 13.7 percent earnings gain for the year among the 14 publicly traded newspaper paper companies whose performance they track.

For 1985 the 14 companies reported earnings gains that averaged 6.9 percent and an average gain of 8 percent in their after-tax profits. Revenues for the year for the companies rose by an average of 8.2 percent.

Analysts cite modest hikes in newspaper advertising rates and the increased competition from direct-mail and other distribution services for the growing preprint market as factors behind a year of single-digit profit growth after four consecutive years of double-digit gains for the U.S. companies.

Double-digit profit growth continued in Canada, however, where five public newspaper companies posted an average 37.7 percent gain in after-tax profits for 1985. Revenues of the three largest of the companies rose by an average of 13.9 percent.

Canadian analysts and newspaper executives are forecasting bright prospects for further growth in the industry in 1986, while many Canadian economists were projecting a resurgence in the nation's economy later in the year after a slowdown in the first quarter. Mortgage interest rates, falling in Canada as in the U.S., had reached their lowest levels in eight years in mid-April, the Toronto Globe and Mail reported.

Despite reports of a quickening in the U. S. economy in the first quarter of the year, corporate profits overall were weaker than anticipated as the decline in oil prices took a toll on companies associated with the oil industry.

Variations among U.S. industry earnings in the first three months of 1986 were wide, however. A New York Times analysis of 288 companies' first quarter financial reports found that 154 had profits higher than the year before, while 96 had lower profits and 38 experienced losses for the quarter.

Business Week magazine's analysis of 900 companies found average profits for the first quarter of 1986 down 3 percent from 1985's first quarter. For 1985 the same companies registered an average profit gain that was 11 percent lower than in 1984.

Publishing and broadcasting companies included in Business Week's analysis were among the 10 industries reporting the "sharpest gains," however. The 26 publishing and broadcasting companies had an 18 percent average increase in first quarter profits.

Canada's daily newspaper circulation rose by slightly more than 1 percent in 1985 to a new high of 5,620,811, while the number of daily newspapers published by year's end had declined by two, to 111, according to data published by the ANPA.

In the U.S., total daily circulation declined by just over half a percent, to 62,723,438, the ANPA reported. Sunday circulation rose by more than 2 percent, to 58,816,734. The number of daily newspapers published in the U.S. at the end of 1985 was 1,674, down 14 from 1984, while the number of Sunday papers rose by 14, to 797.

An analysis of paid circulation of the 100 largest circulation dailies in the U.S. by the Gallagher Report showed a slight two-tenths of a percent increase in the dailies' circulation in the six-month period that ended March 31. Fifty-three of the 100 papers registered an increase in circulation over the period, the survey showed.

Gannett's USA Today, not included on the Gallagher list, reported average paid circulation of 1.4 million as of March 31, up 11 percent from a year earlier and topping the New York News' daily circulation of 1.275 million. Included in USA Today's circulation figures, however, are bulk sales to airports, hotels and other businesses that distribute copies to customers without charge. Bulk sales, accounting for 17.6 percent of the paper's circulation, more than doubled in the last year, while vending machine and newsstand sales declined 6.8 percent.

One factor cited for USA Today's drop in street sales is an increase in the single copy price from 35 cents to 50 cents last August.

Just six daily newspapers have a single copy price of 50 cents, according to the ANPA's annual survey of newspaper prices in the U.S. and Canada and on offshore islands. The most common daily newspaper price was 25 cents—the price charged by 1,269, or 71 percent, of the 1,789 papers included in the survey.

The number charging more than 25 cents increased significantly in 1985, the ANPA said. Nearly 10 percent of the dailies had a newsstand price of 30 cents and more than 11 percent sold for 35 cents a copy. One newspaper in Canada sold for 5 cents a copy and five dailies in as many states in the U.S. sold for 10 cents, the ANPA said.

Advertisers in both the U.S. and Canada continued to spend more money for newspaper advertising in 1985 than for advertising in any other medium. Newspapers in the U. S. claimed 26.8 percent of advertising expenditures for the year, compared to a 21.7 percent share for television and a 6.8 percent share for radio.

In Canada newspapers accounted for 24.7 percent of all advertising expenditures, while television claimed a 17.1 percent share and radio a 9.3 percent share.

About $8 billion was spent on advertising in U.S. magazines in 1985, the Commerce Dept. reported in its annual "Industrial Outlook." Circulation of consumer magazines increased by about 2.7 percent, the federal agency said, and estimated that magazines' circulation receipts for the year were up 8 to 9 percent.

It projected a somewhat faster growth rate for U.S. magazine publishers in 1986, adding that the magazine publishing industry can anticipate an average annual growth rate of 2-to-4 percent after adjusting for inflation over the next five years.

The Commerce Dept. sees greater gains for the newspaper industry in 1986, a well. Newspapers' nearly $28 billion in receipts in 1985 were up 8.4 percent from 1984, according to the Commerce Dept.'s estimates. Adjusting for inflation that represents a 1.8 percent increase in constant dollars, it said.

Citing the drag on newspapers' advertising-revenue growth from the increased volume of preprinted inserts, the federal agency pointed to a potential offset in the growth of telemarketing sales of retail and national advertising space. "Well-organized telemarketing programs can produce a significant sales volume at a much lower cost than in-person sales," the agency said.

It called the growth of telemarketing beyond the circulation and classified departments "one of the fastest growing trends in the newspaper business."



Employment in the newspaper industry in the U.S. reached 453,700 in 1985, according to data from the Labor Dept., up nearly 3 percent from 1984 when it stood at 440,600. The proportion of women employees rose by about 1 percent, to 41 percent.

Available financial-performance reports for U.S. and Canadian publishers for 1985 and 1986's first-quarter follow:

Washington Post Co. reported a 33 percent increase in after-tax profits for 1985, to $114.3, which included a $12.3 million gain from the sale of assets. Profits were tempered, however, by a $7.9 million increase in interest expenses as a result of borrowing to finance the company's stock repurchase and its cable television acquisition.

Revenues for the year were $1.08 billion, up 9.6 percent from 1984, for an after-tax-profit-to-revenue margin of 10.6 percent.

In the first quarter of 1986, the company reported after-tax profits of $12.4 million, down 11 percent from earnings of $13.9 million in the year-earlier period. Excluded from 1985's first quarter profits was an $11 million gain from the sale of assets.

Interest charges of $9.8 million in the first quarter of 1986 were substantially higher than in the prior year, the company noted, also citing a $2.2 million charge in the quarter for refinancing of debt. Revenues for the quarter of $276.8 million were up 13.6 percent. The profit margin for the quarter was 4.5 percent.

Knight-Ridder Newspapers, Inc., also incurred heavy interest charges during 1985, the result of its stock repurchase. The company attributed much of its 5.7 percent drop in after-tax profits for the year, however, to the month-and-a-half-long strike at its Philadelphia newspapers last fall.

The company's revenue for 1985 totaled $1.7 billion, up 3.9 percent from 1984 revenue. After-tax profits for 1985 were $132.7 million, compared to $140.8 million in 1984. The profit margin for the year was 7.7 percent.

In the first quarter of 1986, the company reported after-tax profits of $26.6 million, compared to earnings of $28.9 million in the first quarter of 1985. It attributed the 8 percent drop in first quarter profits to costs associated with its $160 million television acquisition and one-time charges from the termination of its Viewtron videotex service.

The company's revenue in the first quarter was up 6 percent, to $447.3 million. The first-quarter profit margin was 5.9 percent.

Torstar Corp., publisher of the Toronto Star and the Metroland chain of suburban papers, was the strongest gainer among the public publishers for 1985, with after-tax profits of $50.1 million, up 147 percent from 1984 profits of $20.3 million. The company's 1985 revenues of $712.3 million, were up 15 percent. The after-tax profit-to-revenue margin was 7 percent.

The company reported after-tax profits in the first quarter of 1986 of $17.5 million, up 76.6 percent, on revenues of $186.9 million, up 24 percent.

Maclean Hunter Ltd., the company that publishes Canada's weekly news magazine, Maclean's, had after-tax profits for 1985 of $59.4 million, excluding a $5.2 million extraordinary gain, an increase of 20.7 percent. Revenues for the year of $973 million were up 7.8 percent. The profit margin was 6.1 percent.

In the first quarter, the company had after-tax profits of $11.8 million, up 21.6 percent, on revenues of $260.6 million, up 16.1 percent. The profit margin for the quarter was 4.5 percent.

Thomson Newspapers Ltd. reported after-tax profits for the year of $175.6 million, up 14.2 percent. Revenues were up 17.5 percent, to $954.1 million, for a profit margin of 18.4 percent.

In the first quarter, the company reported after-tax profits of $39.96 million, up 13.3 percent, on revenues of $236.5 million, up 10.5 percent. The profit margin was 16.9 percent.

Southam Inc. had revenues for 1985 of $1.2 billion, up 9.2 percent, and an 11.3 percent increase in after-tax profits, to $49.4 million, before an extraordinary charge of $12.1 million that reduced earnings for the year to $37.3 million.

The profit margin was 4.2 percent before the extraordinary charge, which reflected costs associated with investment write-offs, including restructuring of the company's electronic information service—Infomart.

In the first quarter, the company had a 137.1 percent increase in after-tax profits, to $21.5 million, on revenues of $323 million, up 13.7 percent. It reported "solid growth" in national and classified advertising linage and revenue. The profit margin for the quarter was 6.7 percent.

Gannett Co., Inc., had revenues in 1985 of $2.2 billion, up 12.7 percent, and after-tax profits of $253.3 million, up 13.1 percent. The profit margin was 11.5 percent.

The first quarter of 1986, the 74th consecutive quarter in which the company posted earnings gains, brought after-tax profits of $44.8 million, up 8.5 percent, on revenues of $614.7 million, up 27.4 percent. The profit margin for the quarter was 7.3 percent.

The Tribune Co., publisher of the Chicago Tribune where printing unions have been on strike since last summer, and other dailies, including the New York Daily News, reported a 20.2 percent rise in after-tax profits, to $123.8 million. Revenues for 1985 of $1.9 billion were up 8 percent. The profit margin was 6.4 percent.

After-tax profits in the first quarter rose by 10.2 percent, to $18.3 million, excluding an extraordinary gain of $88.6 million from the sale the of Los Angeles Daily News.

The New York Times Co. had after-tax profits of $116.3 million in 1985, up 16.1 percent, on revenues of $1.39 billion, up 13 percent. The profit margin was 8.3 percent.

Revenues in the first quarter of 1986 rose by 14.5 percent, to $375.4 million, while after-tax profits of $33.9 million were up nearly 5 percent. Excluding from year-earlier comparisons an extraordinary $2.8 million gain from the sale of property, profits were up 15 percent in the first quarter of 1986, despite the impact of interest expenses associated with last year's $400 million in acquisitions.

Times Mirror Co., undergoing a restructuring of its operations to concentrate more exclusively on publishing and broadcasting interests and also undertaking a major repurchase of its own stock, reported a 1.9 percent increase in its after-tax profits for 1985, to $237.1 million. Revenues for the year of $2.9 billion rose by 5.5 percent. The profit margin was 8 percent.

Revenues from the company's newspapers were up 10 percent for the year, to $1.6 billion. The papers produced pretax profits of $279 million, up 5.3 percent.

In the first quarter, the company reported after-tax profits of $34.5 million, down 22.1 percent from the first quarter of 1985. Revenues of $693 million dipped three-tenths of a percent. The company attributed the earnings decline to the absence of profits from operations it has shed in its restructuring program, as well as higher interest charges and expenses at its Denver and Dallas dailies.

Dow Jones & Co. reported a 7.3 percent increase in after-tax profits in 1985, to $138.6 million, despite a 9 percent drop off in advertising linage in its Wall Street Journal in the fourth quarter of the year. Revenues for the year of $1.04 billion were up 7.6 percent. The profit margin was 13.3 percent.

In the first quarter, revenues of $259.7 million were up 5.5 percent, while after-tax profits, exclusive of an extraordinary gain, declined by 7 percent from the year earlier quarter, to $30.4 million, for a profit margin of 11.7 percent.

Capital Cities/ABC Inc. reported after-tax profits for 1985 of $142.2 million, up 5.2 percent, from operations other than those of the former American Broadcasting Cos. Revenue of $1.02 billion were up 8.6 percent, for a profit margin of 13.9 percent.

For the first quarter of 1986, the merged company reported after-tax profits of $282 million, including a $280 million extraordinary gain in the quarter from the sale of broadcasting and newspaper properties. Revenues for the quarter were $912.3 million.

A. H. Belo, publisher of the Dallas Morning News, reported after-tax profits for 1985 of $23.8 million, down 16.8 percent from 1984 earnings exclusive of extraordinary gains. Revenues for 1985 were up 8.7 percent, to $385.1 million. The profit margin for 1985 was 6.2 percent.

In the first quarter, revenues were up 5.3 percent, to $90.2 million, while after-tax profits of $1.6 million were 32.8 percent lower than earnings in the first quarter of 1985. The company attributed the decline in earnings to higher costs associated with increased newspaper circulation, television programming and depreciation expenses. The profit margin for the quarter was 1.8 percent.

Affiliated Publications, Inc., which includes the Boston Globe among its holdings, reported a 13.2 percent increase in after-tax profits for 1985, to $30.9 million, on revenue of $367.3 million, up 6.8 percent. The profit margin was 8.4 percent.

After-tax profits in the first quarter of 1986 rose by 14.5 percent, to $6.1 million, on revenues of $94.7 million, up 9.7 percent. The profit margin for the quarter was 6.4 percent. The company reported strong gains in all segments of its business in the first quarter.

Lee Enterprises, Inc., reported revenue for the 12 months ended Dec. 31 of $210.6 million, up 7.5 percent, and after-tax profits of $31.6 million, up 12.3 percent. The profit margin was 15 percent.

Park Communications had an 8.2 percent increase in after-tax profits for 1985, to $15.2 million, on revenue of $113.7 million, up 6.9 percent, for a profit margin of 13.4 percent.

Time Inc. reported $199.8 million in after-tax profits for 1985, down 7.7 percent from 1984 earnings. Revenues for 1985 of $3.4 billion were up 11 percent. The profit margin was 5.9 percent.

For the first quarter, the company reported after-tax profits of $50 million, up 13.6 percent, noting that an accounting change and an extraordinary gain in the quarter contributed to the earnings.

Reuters Holdings PLC, the British news agency, registered a 29.7 percent increase in after-tax profits for 1985, to $79.6 million, on revenues of $629.5 million, up 31.4 percent from 1984.

News Corporation Ltd., Rupert Murdoch's Australian-based international media company which reported sharp gains in both profits and revenues in the last half of 1985, has begun selling its 7.7 percent interest in Reuters publicly traded shares.

Valued at $200 million, the sale of the Reuters holdings is aimed at easing the company's $3-billion debt. In an 18-month period, Murdoch had committed $2.75 billion to U. S. expansion of his global company, including his acquisition of Metromedia and 20th Century Fox.

News Corp., with 93 publishing, broadcasting and other operations, had net July-December profit of $131 million Australian, approximately $91.7 million U.S., compared to $58.4 million Australian, $40.9 million U.S., for the same period in 1984, it reported early in March.

These came on revenues of $1.7 billion Australian, $1.2 billion U.S., this year, and $1.08 billion Australian, $756 million U.S., last year. The company said purchases in the U.S. were largely responsible for the revenue increase.

Earlier, in a filing with the Securities & Exchange Commission at the end of January, News Corp. said its U.S. operating company, News America, had operating losses totaling $17.3 million on revenues of $450.5 million in the 12 months ended June 30, 1985.

Peoria Journal Star Inc., with over a quarter of its outstanding stock held through employees stock ownership plans, reported a 40.5 percent increase in after-tax profits for 1985, to $1.895 million. Revenues for the year were up 6.8 percent, to $53.1 million, for a profit margin of 3.6 percent.

The company, which owns seven radio stations and group of magazines as well as the Peoria Journal Star, reported revenue gains from all segments of its business.

The Journal Star's revenues for 1985 rose by 4.7 percent, to $29.3 million, its pre-tax profits increased 10.2 percent, to $4.2 million.

The public publishers on Fortune's 500 . . . 6

Congress pressed on VDT-birth study

(Continued from Page 1)

for such a study in late 1982 in response to a request by TNG after reports of the first few of several "clusters" of abnormal pregnancies experienced by women who worked on VDTs while pregnant.

Absent from the June 4 hearing—though Rep. Joseph M. Gaydos (D-Pa.), chairperson of the Subcommittee on Health & Safety, said it will be called in, too—was the OMB.

In rejecting the study in December, the OMB alleged that it contained "four major" flaws in its scientific design which could result in its findings being "incorrectly interpreted."

In a statement submitted to the subcommittee, TNG President Charles A. Perlik, Jr., called the OMB's December "intervention in an area totally outside its field of competence . . . a scandal."

In rejecting the study's then-proposed format, he charged, the OMB "chose to accept the opinion of consultants retained by BellSouth" despite the format's having been approved by a panel of "peer reviewers."

The characterization of this action by Dr. Philip Landrigan, former director of the NIOSH division planning the study, as "scientific meddling" and "an unwarranted intrusion into the scientific authority of the agency" is eminently accurate, Perlik said. Landrigan made the statements to another House subcommittee which held hearings on the study's rejection in April.

Now that NIOSH has resubmitted the study for approval after "taking account of OMB's objections" any further delay in the study's approval is unthinkable, Perlik said.

"With close to 10 million VDTs now in U.S. offices and the prospect of many millions more soon to come, their hazard potential cannot continue to go unresolved," Perlik said.

CWA Executive Vice President Barbara J. Easterling told the subcommittee that she is fearful that NIOSH's current study-proposal will fare no better than the first before the OMB since BellSouth remains less than enthusiastic about its format.

Easterling cited a BellSouth letter to the OMB last November in which the company complained that the study would "not achieve NIOSH's principal goal which is to allay public and employee concern over the possible effects of VDTs."

A study is needed, she said, which will "shed light on whether VDTs pose no danger to their operators or whether these efficient machines are incubators for tragedy." It is not the role of the phone company to "proclaim a conclusion and then urge that NIOSH carry out a study that legitimizes a rosy premise."

Hubert F. Owens, of BellSouth's legal staff, meanwhile, told the subcommittee that while the company favors "a scientifically sound and sufficient" study, its earlier concerns with the NIOSH proposal "in large measure remain" with the latest one.

Stating that BellSouth continues to rely on advice from Drs. Brian MacMahon of Harvard and Sally Zierler of Brown University, Owens said that the company continues to be concerned, among other things, that the study involve employees in other VDT-intensive industries, as well as the telephone company.

If it does not, he said, other industries and the public "will not give sufficient credence to the findings, nor deem them applicable to their utilization of VDTs."

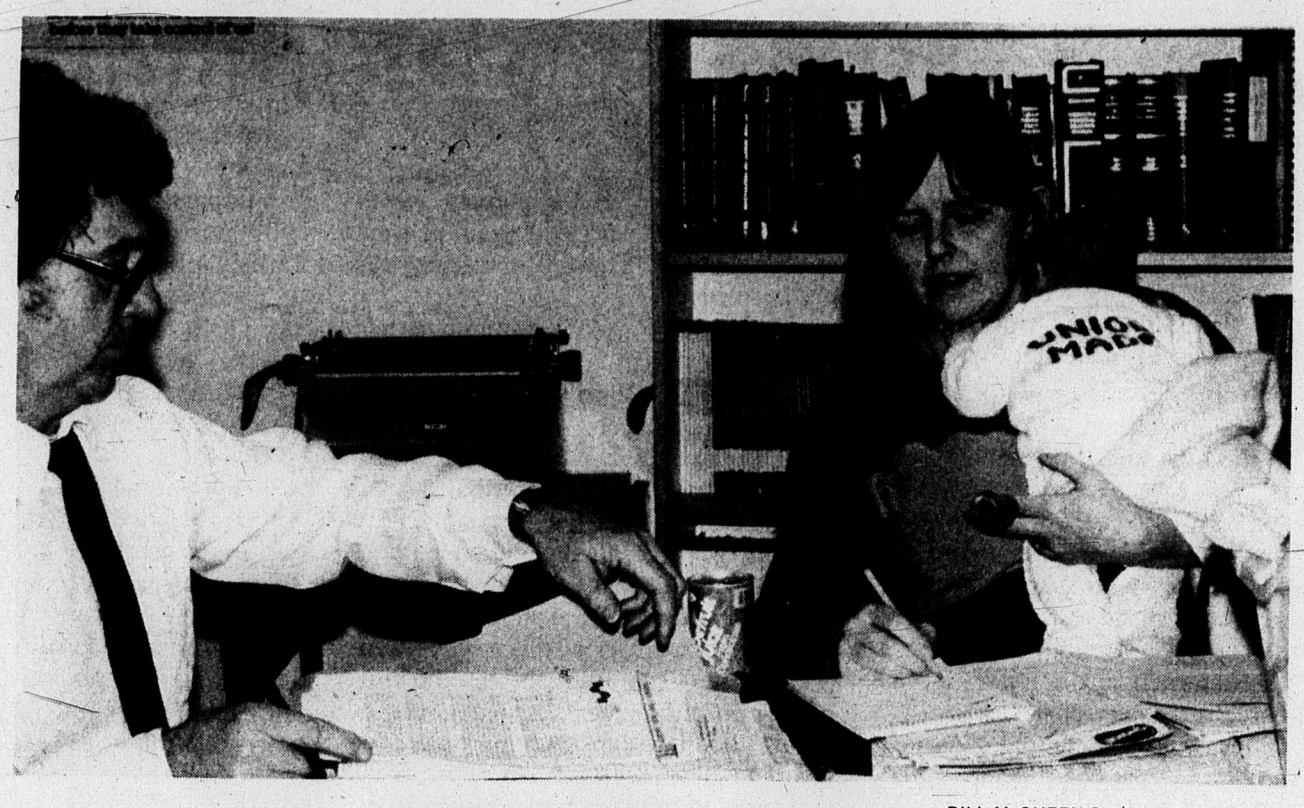
MacMahon and Zierler also remain concerned about retention of parts of the questionnaire they see as "useless to the objectives of the study as stated" and others they see as "unnecessarily intrusive." The pair also are concerned at what they consider to have been inadequate consideration of other study formats, Owens said.

BellSouth believes that "a properly structured and authoritative scientific study can be justified on the basis of allaying user concerns, whether real or imagined, and as a contribution to a more informed utilization of VDTs," he said.

Dr. James M. Melius, director of NIOSH's Division of Surveillance, Hazard Evaluation and Field Studies, told the subcommittee that the proposed study's revised format "responds to many of the concerns raised by BellSouth," that NIOSH believes it is scientifically sound, will be valuable in evaluating an important public health issue and that participants in the peer-review process "concur unanimously that the study should proceed."

He submitted a chronology of the study's development since 1982 showing, among other things, that there had been written and/or oral communication between NIOSH or its Public Health Service superiors and BellSouth on at least eight occasions from Dec. 13 through April 8.

Chairperson Gaydos said that while the conclusions of a 1985 report by the subcommittee staff might be "questionable . . . we are going to continue hearings until we resolve the question." The report had urged further research on low-frequency radiation but said that legislative standards for VDTs were not warranted.



BILL McQUEEN/Southern Ontario Guild

Union child and mom

As the Southern Ontario Guild's publication, S.O.N.G. Sheet, put it in its April issue: "It was obvious at a March executive committee meeting why former local secretary Sue Craig was not running for re-election after 11 years on the executive committee." The child is Deirdre, born to Craig and husband John T. Bryant, left, local executive officer, on Feb. 3. Craig, a reporter and copy editor for the Toronto Star, is in the midst of a maternity leave under the Guild-Star contract.

Per capita raised by factor

(Continued from page 1)

Application of the 1.65-percent-plus-$1.35 factor to the April 1 average had raised the per capita by 42 cents, to the current $10.99 in effect since May 1. That 42-cent increase was the smallest adjustment in the per capita in five years.

The General Fund's portion of the new, $11.33 per capita will be $9.833, up 28.9 cents; the Defense Fund will receive the remaining $1.497, or 5.1 cents of the increase. The allocation between the two funds comes under another constitutional formula that apportions to the Defense Fund 15 percent of each per-capita payment, less $1.35.

The 85-15 percent apportionment will revert next Feb. 1 to an 80-20 percent division, as it was before TNG's 1982 Convention enacted the 85-15 percent division as a temporary step to shore up TNG's General Fund. Last summer's convention extended the measure through January 1987.

The basic 1.65-percent-per-capita factor had been in effect since 1967, three years after the convention had first adopted a constitutional formula tying the per capita to the average reporter top minimum.

A change in the factor to a flat 1.939 percent was recommended by last summer's convention as part of a finance package subject to membership approval.

Other changes approved by members voting in the March 20-25 referendum, also effective July 1, are a change in the constitutional monthly Minimum Dues Schedule to a straight 6 percent of one week's pay, from 5 percent plus $1.50, and a $25 increase in the basic strike-lockout benefit from TNG's Defense Fund, to $125 a week.

The strike benefit will go up by an additional $10 on July 1 of 1987 and 1988 and by $5 on July 1, 1989, to $150 a week, under the plan approved in the referendum.

Publishers' fortunes advance on 500

THE 19 publishing and printing companies included on Fortune magazine's list of the 500 largest public U.S. industrial corporations in 1985 had an average increase in after-tax profits for the year of 11.4 percent.

The publishing and printing industry ranked fifth in profit gains among the 25 industry groups included in the Fortune 500. Twelve of the 25 industry groups registered profit increases for the year, while 13 had declines.

The 19 publishing and printing companies ranked second among the 25 by return to investors and third by return on stockholders' equity.

Publishing and printing showed an average gain of 9.6 percent in sales in 1985, ranking fifth in that category among the industry groups. It ranked third among them by return on sales.

Twelve of the 19 printing and publishing companies are newspaper or magazine publishers. All of the 12 also were on the Fortune list in 1984, and each of them returned to the 1985 list with an improved ranking by sales volume.

The 12 newspaper and/or magazine publishing companies and their 1985 Fortune 500 rankings are listed below:

Publishers' 1985 rankings among the Fortune 500

Company	By Sales Volume 1985	By Sales Volume 1984	By Assets	By-After-Tax Profits	By After-Tax Margin Rank	By After-Tax Margin Margin	By Return On Stockholders' Equity
Time Inc.	114th	132nd	104th	79th	128th	5.9	118th
Times Mirror	135th	139th	118th	70th	65th	8.1	33rd
Gannett	173rd	186th	144th	66th	21st	11.8	62nd
Tribune Co.	187th	209th	131st	125th	110th	6.4	183rd
Knight-Ridder	213th	224th	212th	122nd	72nd	7.7	74th
McGraw-Hill	237th	245th	230th	104th	37th	9.9	77th
New York Times Co.	248th	270th	227th	128th	56th	8.4	64th
Washington Post Co.	296th	304th	284th	129th	30th	10.6	12th
Dow Jones & Co.	303rd	308th	239th	113th	18th	13.3	39th
Capital Cities	306th	313th	168th	109th	14th	13.9	135th
Media General	428th	439th	323rd	285th	141st	5.7	254th
Meredith Corp.	477th	482nd	392nd	249th	47th	9.0	131st

IT SEEMS TO US

Couple sees irony in rights positions

NORFOLK, VA.

Editor:

As members of the Hampton Roads [Norfolk] and Peninsula [Newport News] Newspaper Guilds, we find it ironic that the group we joined because of its dedication to employees' rights in the workplace also lobbies to deny the most basic of human rights—the right to life—to the unborn child.

It seems a bit schizophrenic to be concerned about the effect of VDT radiation on the fetus while supporting a woman's "right" to destroy the same fetus through whatever method of abortion she chooses.

BRADLEY E. LEHMAN
Hampton Roads Guild
GIGI D. LEHMAN
Peninsula Guild

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.

SONG CITES GUILD VIEW

Don't leave loopholes, pay equity panel told

Toronto—A law to guarantee equal pay for women whose work is of equal value to that of higher paid men should be implemented without delay and "without loopholes for the wily employer," a Guild representative told an Ontario government panel eliciting views on how best to structure provincial pay equity legislation.

In a May 14 presentation to the three-member panel on pay equity, Southern Ontario Guild leader Susan R. Craig stressed that a pay equity law should apply in workplaces throughout the province without exceptions for the size or makeup of the workforce, or other factors.

In a submission to the panel the following day, however, representatives of the nation's organized newspaper publishers asserted that the cost of instituting equal pay for work of equal value would total billions of dollars and argued against introduction of pay equity legislation.

The submission of the Canadian Daily Newspaper Publishers Assn. strayed from the terms of reference of the panel, Craig said later, noting that the panel was established and public hearings scheduled to consider what form pay equity legislation should take, not whether there should be such legislation.

Support for pay equity legislation was a key factor in the Liberal Party's securing the necessary support from the New Democratic Party to win power in last May's provincial elections. Ontario Premier David Peterson, a Liberal, is reported to be committed to pay equity legislation in both public-sector and private-sector employment. A public-sector bill has been introduced in the Ontario legislature.

"No reasons exist" to extend pay equity legislation into "settings such as the newspaper industry where the collective bargaining regime establishes compensation levels," the publishers' organization said in its submission to the panel.

In urging the panel not to consider exceptions of any form in shaping pay equity legislation, Craig, however, emphasized that all workers should have the right to "demand that their pay levels be scrutinized for possible sex bias." Whether differences in pay are "legitimately founded in the nature of the job or . . .mostly based on gender discrimination must always be decided on the merits of the individual case," she told the panel.

The idea of exceptions to pay equity legislation "is a little like suggesting Abe Lincoln might have permitted slavery on plantations of less than a certain number of acres," Craig observed.

She testified on behalf of the Southern Ontario local and the Canadian District Council of Guild locals. The district council had endorsed the submission during its spring meeting [Guild Reporter, May 9.]

Reductions in pay should be banned as a means of achieving pay equity, Craig also told the panel, pointing out that without such a safeguard "pay equity could be used to drive in the wedge employers have already inserted between the sexes."

She also urged that inclusion of a basic pay equity program be required in every union contract. The legislation should also require employers and employees to scrutinize their pay classifications for sex bias and adopt a system to ensure equal pay for work of equal value, Craig said. She also urged that employees have the right to appeal to a provincial pay equity commission both individually and collectively.

A commission should be set up to investigate pay equity complaints and should be adequately funded and staffed, she added. Increased tax revenues derived from women workers whose salaries are adjusted under pay equity laws should more than offset the administrative costs, she suggested.

The CDNPA, too, considered how women's potentially higher earnings might be allocated, suggesting that pay equity legislation "may make more money available for child care." It won't make child care "more affordable," however, "if child care worker rates go up significantly," the publishers' group cautioned.

Many jobs in the newspaper industry have been restructured with the advent of new technology in the traditional jurisdiction of newspaper craft unions, the CDNPA submission said, contending that through "strong unionism" the industry has "been forced to pay rates which reflect skill levels which may have once been valid but which now have been substantially reduced."

Clerical jobs may become the next area of "current or future skill decline" with the introduction of microelectronic technology, the CDNPA suggested. It would be not only "economic disaster . . . but a supreme irony" if the newspaper industry were now forced "to dramatically increase its compensation costs in clerical areas . . . as a result of having to compare them with jobs in production areas which remain overvalued," the publishers' representatives said.

"The competition for revenue and the battle for survival is tough enough already," the statement said, adding that pay equity legislation in the private sector would create "unmitigated chaos."



Erie's Irene Reed retires

Irene Reed, center, who served 20-plus years as the Erie Guild's treasurer while working 26 years in the classified ad department of the Erie Times and News, poses with some of the dozens of persons who honored her at a retirement dinner May 28. Gifts from her co-workers included a "door prize"—literally—i.e. the driver's door from the company car she used while selling ads in recent years. With Reed, above, are, from left: William Buchanan, Erie Guild president; Carol Przybyszewski, elected to succeed Reed as Erie Guild treasurer; TNG Secretary-Treasurer Charles Dale; and Sherril Rater, Reed's daughter. Reed started in phone sales.

Key top raised $93, to $725, in Toledo pact

Toledo—Top minimum for employees in key news, outside advertising and circulation jobs is raised by $93.58, to $725.77 a week in the new, three-year contract between the Toledo Guild and Toledo Blade ratified by the local's members at the daily May 22.

Tentative agreement on the terms of the new contract was reached April 29 when more than 200 members of the Toledo Guild and the seven other Toledo newspaper unions attended a joint bargaining session with representatives of the Block paper [Guild Reporter, May 23].

Minimum salaries in the Guild contract, retroactive to March 22, are raised at the beginning of each of its three years.

The $93.58 increase for reporters, photographers, district managers and outside advertising salespersons comes in increments of $26.55, to $658.74 a week, retroactive from March 22; $30.62, to $689.36 a week, next March 22; and $36.41 on March 22, 1988.

An upgrading for inside classified salespersons raises their top minimum by $74.12, to $497.29, over the term. The upgrading, approved by members in allocating a $1.70 "float," raised the top minimum by $28.19 from March 22, to $451.36 a week, and by $20.98 in 1987 and $24.95 in 1988.

The upgrading accounted for 50 cents of the $1.70-per-employee pool. Seventy cents was designated for pension improvements and 50 cents earmarked for the health and welfare fund, if needed, in addition to a $9.33 increase in the publisher's health and welfare payments to maintain benefits.

Members will decide on distribution of additional floats of $8.50 per employee at the start of the contract's second and third years.

Weekly night differential is raised by $4.80, to $12.80 a week.

The service required for a fifth week of vacation is reduced to 20 years, from 25.

Other increases and resulting new top minimums include:

General clerks—Up by $57.74, to $447.86 a week, in increments of $16.38, $18.90 and $22.46.

Programmers—Up by $87.51, to $678.73 a week, in increments of $24.83, $28.64 and $34.04.

Data processing operators and key punch—Up by $74.48, to $577.64 a week, in increments of $21.13, $24.37 and $28.98.

Copy runners, messengers—Up by $44.73, to $346.95, in increments of $12.69, $14.64 and $17.40.

Employees paid over the top minimum receive an increase equal to that in the top minimum for their job.



BRUCE SINNER/Toledo Guild

'One of Toledo's great unions!'

That's the boast of the badges displayed by Toledo Guild members as they gather April 29 to observe bargaining session that produced new contracts for the Guild and seven other unions at the Toledo Blade. From left are Carrie Clark, Cathie Brandman and Carol and Bill Hinsch. Bill designed the badges, which are 3.5 inches in diameter.

NEEDED:

Experienced union administrator

Denver Guild seeks experienced union administrator. Newspaper experience preferred. Must have proven negotiating, organizing and public relations skills.

Salary commensurate with experience. July 15 deadline for receipt of resumes. Send to:

Search Committee
Denver Newspaper Guild
910-15th St. Suite 852
Denver, Colo. 80202



Harrisburg

Thomas A. Dochat, president; **Frank Cozzoli**, 1st vice president; **Mary Klaus**, 2nd vice president; **Andy Isaacs**, Secretary; **Mary O. Bradley**; treasurer.

WANTED:

Local Representative

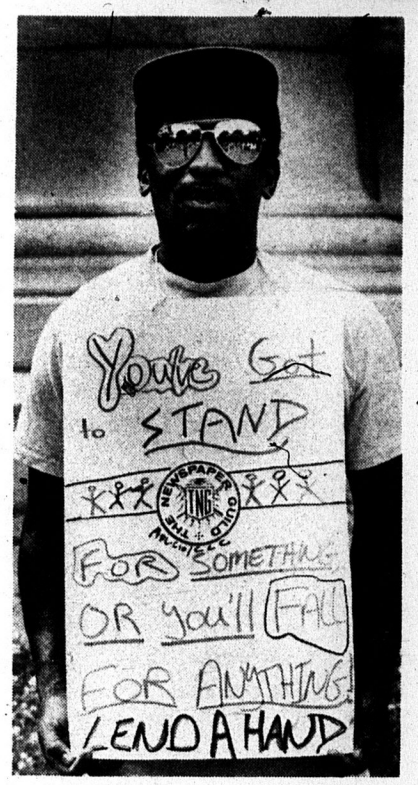
To do servicing, negotiating and organizing for the Guild's premier local. Salary of $713/week with contract raises and full benefits.

All applications must be received by July 1.

Philadelphia Newspaper Guild
511 N. Broad St.—#201
Phil., Pa. 19123

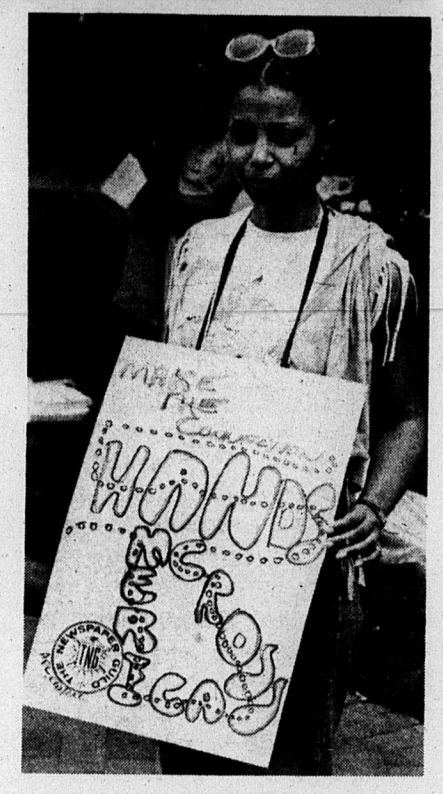


MARIANNE KEFFER-ZWEIG/Washington-Baltimore Guild



Members and locals join 'Hands across America'

Guild members were among the estimated 4.9 million-plus persons who joined the "Hands Across America" line that stretched across 16 states May 25 in an effort to raise $50 million to aid the nation's homeless and hungry. In at least three of the cities on the Hands route—Washington, St. Louis and Baltimore—they did so with the active encouragement of their Guild locals. In Washington, more than 50 members, family and friends gathered under a Guild banner in a corner of Lafayette Park, a block from the White House, where the line of participants wound back and forth along the park's brick-paved pathways (above). Several Guild participants there—like Fred Jack of the Washington local's Post unit (left) and Lois Dickerson of its unit at the Bureau of National Affairs (right)—wore signs prepared by TNG Human Rights Co-ordinator Anna M. Padia. Participation by employees of BNA and of the Baltimore Sunpapers was encouraged by both the Guild and the respective managements. In addition, at least two locals' executive boards voted contributions to the project: St. Louis, $500; and Philadelphia, $50. In St. Louis, several executive committee members and their spouses also participated in the demonstration. Individual Guild-member participation was reported, as well, in Akron, Chicago, Cincinnati, Cleveland, Columbus, Los Angeles, Memphis, New York, Pittsburgh, Toledo and Youngstown.



Milwaukee seeks to aid 'medically indigent' member

Milwaukee—Taking its cue from Milwaukee Journal and Sentinel exposés of the crushing financial and other risks which confront the medically uninsured, the Milwaukee Guild has launched a public fund drive to aid one of its members, a part-time employee, faced by medical and associated costs totaling an estimated $3,000.

At the same time, the local is making paid sick leave and medical insurance coverage for part-time employees a priority in just-opened talks for its second contract with the commonly owned and published dailies.

The part-timers, who comprise 20 percent of the Guild-covered, editorial unit of 320 at the papers, currently receive neither, said Milwaukee Guild President Jack Norman.

The Guild kicked-off the twin efforts by distributing handbills outside the papers' plant to arriving and departing employees and passers-by on May 21.

The Journal and the Sentinel ran a major series early in May titled "The Have-Nots of Health Care" and the "Medically Indigent" and the Journal said editorially that the situation of the medically uninsured is "a problem that cries out for action by the public and private sectors," the handbills pointed out, continuing:

"As those stories were running, Carol Wahlen, a 10-year veteran reporter for the Milwaukee Journal was having gall bladder surgery in a Veterans Administration hospital. As a part-time employee working 32 hours a week, Carol receives no health insurance from the Journal Company. She does not even receive any paid sick leave."

A single parent of 16-year-old twin daughters, Wahlen was fortunate that the VA covered the surgical cost and a private major medical policy, after a large deductible, covered her hospital stay, the local reported.

However, she has $881 in unpaid medical bills from an earlier diagnosis and, with no sick leave, she estimates that the total of her medical costs and lost income will come to approximately $3,000, the Guild said.

Local radio and television stations covered the Guild handbilling and interviewed Wahlen at her home, where she was recuperating, Norman said.

Management, which wouldn't comment to broadcast reporters, told Guild bargainers at the opening of contract talks the day after the leafleting and in a written report to employees that it was "disappointed" in the Guild's leaders. The Guild didn't tell the public that Wahlen has a worker's compensation claim pending—on an earlier diagnosis of a stress-induced malady—and the Guild should not bargain through the media.

The Guild assured management it is not planning to bargain in public, but it won't hesitate to inform the public if necessary to obtain decent health care for those it represents, Norman said.

"It's a scandal if a 10-year employee, the head of a family and a military veteran is denied adequate health benefits just because she works four days a week instead of five," he added.

The Journal editorial called for public and private action to meet the medical needs of the uninsured, asserting that "the human cost of doing otherwise is clearly unacceptable," the Guild's handbill pointed out, adding: "We agree."

Wahlen is a member of the local's executive board but had no part in the conception or execution of the actions the Guild is taking on her behalf, Norman said.

Contribution receptacles on Guild stewards' desks in the newsrooms netted $663 in three days, Norman reported. Any funds collected in excess of the amount needed to aid Wahlen, will be used to assist other uninsured Journal Co. employees.

The local is accepting contributions via mail, as well, to:

The Wahlen Benefit Fund, Milwaukee Newspaper Guild, 3650 S. 89th St., Milwaukee, Wis. 53228.

NEW ADDRESS?

Please use this form so the Guild Reporter will move with you.

Type or print name, new address, and name of your Guild local in space provided below.

Mail to: Guild Reporter, circulation, 1125 15th St. N.W., #550, Washington, D.C. 20005.

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Zip/Postal Code Guild-Local

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DAY BOOK

Knight-Ridder Council, June 20-22 (tentative), Philadelphia Centre Hotel, Philadelphia.
Union Council of Ingersoll Publications, June 20-22, Philadelphia Centre Hotel, Philadelphia.
Int'l Executive Board, pre-convention meeting, June 20-21, Philadelphia Centre Hotel, Philadelphia.
Conference of District Councils, annual meeting, noon, June 22, Philadelphia Centre Hotel, Philadelphia.
53rd Annual Convention, June 23-27, Philadelphia Centre Hotel, Philadelphia.
Int'l Executive Board, post-convention meeting, June 27, Philadelphia Centre Hotel, Philadelphia.
Intl Executive Board, fall meeting, Oct. 19-22, Vancouver.
Canadian District Council, fall meeting, Oct. 25-26, Montreal.
Great Lakes District Council, fall meeting, Nov. 1-2 (tentative), Cincinnati.
Western District Council, fall meeting, Oct. 25-26, San Jose.
54th Annual Convention, June 22-26, 1987, Hyatt Islandia Hotel, San Diego.
55th Annual Convention, June 27-July 1, 1988, Hotel Vancouver, Vancouver, B.C.

Next GR set for June 20

The second June issue of the Guild Reporter will be published on June 20, the third Friday of the month, rather than the customary fourth Friday. All deadlines are adjusted accordingly.

The schedule change will permit the paper's staff to cover TNG's 1986 Convention, in Philadelphia June 23-27.

A single issue of the Guild Reporter will be published in July, on the 18th. News deadline is July 14; features and letters deadline is July 11.

The Guild Reporter

CALM ACPS

JAMES M. CESNIK, Editor
BARBARA E. NELSON, Assistant Editor

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POSTMASTER!—'Notice to Publisher Form 3579' should be sent The Guild Reporter, 1125 15th St., N.W., #55(Washington, D.C. 20005. Publication #23158(

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