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The Conduct of Great Businesses

The Business of a Newspaper

THE executive heads of some two-score of the great newspapers in America, "talking shop" on a railway train last spring, spoke of their properties as factories, and when the editorial department was mentioned discussed "their traffic in news," and likened the management of it to that of a department store. White paper was the raw material which was bought in bulk by the ton to be sold at a profit retail, and the price and quality of the several brands was the favorite topic of conversation. The machinery by which it was prepared for the market was interesting; circulation and advertising were fascinating subjects, too delicate and dangerous, however, for easy chat. Public questions were not once raised, and editorial policies might never have existed. These men were the publishers and business managers and proprietors of newspapers, not editors and writers, but they "ran" their papers; they represented "the press." Journalism today is a business. To write of it as such is to write of it as it is.

This may seem to the "constant reader" a rather brutal conception of the fourth estate, but it is the inside view, and Mr. Leigh, who has taken it for his illustrations, partly accounts for, if he does not wholly justify, it. His pictures of the press, composing, and stereotyping rooms, with their immense, complicated, delicate machinery, look like glimpses of a factory plant. The paper on which the news is printed is the heaviest single item of expense; the manager of a New York newspaper who used 337,558 miles of it last year said his bill was \$617,000. The mechanical apparatus and processes have been as potent a factor in the growth of the newspaper as the enterprise of men or the price of white paper. And in the editorial rooms the comparison with the department store is borne out in principle and method. The managing editor aims to supply all the wants of all sorts of people, and the variety of interests handled there is divided into departments, each with a subeditor: the foreign news, with a cable editor; the national and state news with a telegraph editor; the local news, with a city editor; and so on through the dramatic, the financial, the society, the exchange, the art, the literary, the sporting departments, with their expert managers and corps of assistants.

The man who paid the paper bill of \$617,000 expended altogether that year more than two millions of dollars. He has a morning and an evening paper, and he employs 1,300 men and women every day in the year, besides twice that number who serve him at occasional critical moments. His stock in trade, the news, is collected from all over the world. The course of his business affects and is affected by every interest in the civilized world, and he has connections in two or three, often conflicting, capacities with all the businesses in the community where his paper is published. To conduct such a business requires expert skill. The methodical expenditure of so much money is difficult enough, while to do it and make a profit is a financial operation of the first magnitude. It means that a multitude of complex problems have been solved, that all

sorts of intricate, delicate transactions have been carried through in accordance with a well-studied plan and carefully defined principles. It means brains and character, such as were found in all the other businesses described in this series of articles.

Now this whole article might be written to show this in detail. But the truth of the proposition is quite obvious in this case, and in the course of my preparation of material I came upon something better. I talked with the editors, proprietors, and managers of nearly a hundred newspapers, representative journals of New York, Chicago, Boston, Philadelphia, St. Louis, San Francisco, Richmond, Baltimore, Washington, and of many cities, towns, and villages in between, and while they related their experiences, described their methods, and showed their plants, they disclosed, often unconsciously (which was best), their point of view and the direction they are taking. These bear on the future of journalism.

The magnitude of the financial operations of the newspaper is turning journalism upside down. There are still great editors whose personalities make the success of their organs, but, always few, the number of them has not increased with the multiplication of newspapers, and even where they dominate they have to leave to others the mass of detail that has accumulated under and about the editorial chair. If the editor is the owner and has business capacities, he is attracted downstairs to the counting rooms. If he is deficient in executive ability he has to engage a man who has it, and the requirements are such that the business manager is likely to have a personality of his own so strong, indeed, that he will demand a share in the property and the profits and the policy. Then, too, the old editors die. Their heirs, seldom inheriting the brains with the business, turn it over to a financial manager to maintain it for the income he can produce. If there is no heir and the property is sold, the price is so high that business men who have become capitalists in other businesses, not writers, are best able to acquire control. The most common mode of transition heretofore, however, has been through the news department. The expansion there has been the characteristic development of modern journalism, till now the news service is a tremendous piece of machinery. The managing editor, who engineers it, is a man who seldom puts pen to paper. He may have been a writer; he is always a trained journalist; but he has risen to his place because of his executive ability, not because his style was good. Having to do so much that was business, having cultivated the news instinct, which is merely a sense of a market, it was natural that he should reach out from the principal to the dependent branches of the organization.

Newspaper men see the drift of their profession into commercial hands. I found editors everywhere who deplored it as a fact, and business managers who rejoiced at it as a hope yet to be fully realized. The question that rises in the layman's mind was in theirs: What is the business man going to do with the newspaper?

When a commercial journalist sets out to build up a newspaper, he does not have an ideal before him. He does not say to himself that modern journalism is bad, that there is no paper in the world that is perfect, and that the way it ought to be is thus and so. I met a dozen men who had begun with their papers during the last fifteen years, some who had succeeded within five years, and their stories were all alike in essentials. They had picked up the business in the news or business departments. While they were doing that they were studying the field. Just as a thrifty grocer's clerk goes around, not with ideas of the sweetest butter and the purest sugar in his head, but with savings in his pocket, and a clear notion of the peculiarities of neighborhoods, and picks out a vacant corner in a residence district, so the would-be newspaper publisher seeks a place. If there is a chance to open a store in Fifth Avenue, the young grocer may undertake to stock up with fine goods, otherwise he will be content to supply the Third Avenue trade.

One of the most recent journalistic successes I inquired about closely was a one-cent evening newspaper in Philadelphia which was established by a man who had gone to that city as the head of a subordinate department on a high-priced paper. He spent two or three years surveying the field. There were high-class morning and evening papers, more than enough morning papers to satisfy all tastes, but among all the evening papers there was only one for a penny and that had no news. It had absolutely no telegraph service, and the local matter was cheap gossip. There was a vacant corner, he thought. He analyzed the demand he believed existed, talking with people he met wherever he went and reading the penny papers that were succeeding in other large cities. Then he bought a moribund two-cent evening paper. Feeling his way cautiously, he altered the sheet to conform to his empirical ideas and reduced the price to one cent. From 6,000 a day the circulation increased in a month to 28,000, in a year to over 50,000. In three years his paper was a paying property.

Every city of the first rank has some such example of quick success, and the most recent are evening papers, showing that there has been a movement in that direction. The field has been neglected till the rise of the commercial spirit and the fall of the price of white paper opened it. The old journalist, though he valued his dividend, aimed primarily at power. He strove to make a great organ, so he preferred the daily which has all day and half the night to grow big and complete in, and plenty of time (on comparatively slow presses) to be printed. The old evening paper was high in price, small in size and circulation, and its influence, often very powerful, was not popular. It had no attractions for editors with an ambition for democratic power. It was the commercial journalist who saw the possibility of a popular evening paper. That it had to be cheap meant, as he saw it first, that he could not afford able writers, nor could he print very much news, but both these drawbacks were economies to him. The readers existed. More people have time to read in the evening than in the morning, and, what was still more vital, papers bought on the way home were carried into the family. That insured him advertisers, business. It is not to be wondered at that the evening newspaper field has been oversown with penny papers, or that they are, when successful, the most profitable ventures in journalism.

All the "extras" are not successful, however. To pick an opening is not all that has to be done. The publisher must satisfy the demand he has perceived, which requires that his perceptions shall be definite and numerous, or some more thorough man without his initiative will surpass him in imitation. The executive and organizing faculties must second the powers of observation. The only sound sources of income for a newspaper are from the sales of it and from the letting of space to advertisers. Journals that have special features in the way of news or of judgment (like an expert financial column) sometimes have a revenue from the sale of them to papers in other cities. But this is comparatively small. The circulation is the measure of the earning power ordinarily, for that brings in the wholesale price and is the basis both of the amount and the charge for advertisements. The publisher's most constant care, therefore, is the circulation. The ideal would be universality within the limits of daily delivery. Since no paper in a place of any size has ever approached it, however, the first thing to be defined is the character of the circulation to be sought. If the publisher has an established paper with a field that he proposes merely to extend, the lines along which he can work are laid out for him, and he studies the class of readers he has in order to reach out for more of the same general kind without losing those that he has. This is a very delicate undertaking. For our purpose, however, it will be more satisfactory to follow the man who is founding a paper or turning an old one into a new sphere, his problem being more difficult and more typical.

It is pretty generally recognized now that a newspaper has to print the news. The commercial journalists may not have an editorial page. I have heard them complain of the cost of very cheap ones, and they select reporters with more care than they do editorial writers. But even the old organs of class and political prejudices, which rely for their standing upon their editorial and literary articles, find it necessary to keep up a news service. They did not always do so. Papers with a small clientele could not afford to spend what it cost to get much news till the development of the wholesale news collecting business made a good service comparatively inexpensive. Now the poorest country paper can have all the important news of the world every day in as little or as much space as it cares to order and pay for.

The organization that makes this possible is so commercial in form that it is often called "the newspaper trust." It is the Associated Press, which, to use its own description of itself, "is a mutual organization of newspapers having for its object the collection and distribution of the important news of the world." The origin of this great machine was the combination in the forties of two keen New York newspaper proprietors for the purpose of extending their news service in directions that were very expensive. They could hire one boat instead of two to go out to sea to meet the ships from foreign ports, and sift the news and prepare it for the press by the time they got ashore. But from that it grew along the line of routine news, the papers in the agreement supporting one reporter at a point where intelligence that was best when colorless was constantly forthcoming and where competition was costly and not at all showy. Commercial, law, and shipping news were of this class, and while these arrangements were never altogether satisfactory and were constantly supplemented, as they are even to this day, by individual effort, the combination grew, taking in other papers, breaking up frequently in quarrels, but spreading till now nearly all the newspapers in the country are included in the Associated Press, which, by the failure of a rival, the United Press, is at its strongest.

At the last annual meeting in Chicago, April 21, 1897, there were 684 members, and the number of papers served was about 2,400. Each of these papers is a source of news for all the others, and covering as they do nearly every place that is large enough to support a newspaper, the country is pretty carefully watched and very little that happens escapes the press. To handle this system the central body, an executive committee of five, elected by the members, has divided the United States into four parts, the Eastern, the Central, the Western and the Southern divisions, each with a central office and a division superintendent. When there is an event of more than local interest in a town, the newspaper there notifies the division superintendent, who, after considering the probable value of it for the other members, and the time of day or night, telegraphs back the amount he wants and the moment when the wire will be free for it. As it comes in the superintendent transmits it over all the circuits in his territory and to the other division superintendents, who in turn send it out through their parts of the country. If it was late at night when the news started the first agent will ask for a condensed account so as to get the essential facts into the eastern division before the papers there go to press, and after that is on the wire he will ask for more for the nearer and the western papers. News that is worth a column in the West may be of less value elsewhere, and the superintendent of each division has a staff of condensers who judge of the amount to be forwarded, so that as a piece of news travels it is reduced to a half column in the central division, a paragraph in the east and a line in the south. Similarly the papers that cannot take the "full service" are put in a less expensive class, and have the news condensed for them. All the papers of a class in a division are on what is called a circuit, a wire that is connected with their offices and from which as the news passes they take it

off on a typewriter. The whole system has 6,869 miles of leased wire by day and 16,365 miles by night.

Besides this mutual service, the Associated Press has correspondents to send out to any point where there is news but no newspaper, and agents all over the world. It is connected with the European news associations, has agreements for the news of certain foreign newspapers, like the Times in London, and has a division office in London with a large staff of correspondents. In such out-of-the-way places as Adelaide, N. S. W., Fez, Morocco, Teheran, Persia, there are agents. And recently, by an arrangement with the Navy Department, some officer on every United States war vessel is a correspondent for the Associated Press. Though this system is mutual, and brings the news by free exchange, the newspapers are assessed at regular intervals, the total last year being \$1,700,000.

Serving as it does newspapers of all classes, creeds, and political and sectional opinions and prejudices, it is absolutely necessary that the news sent out by the Associated Press shall be colorless statements of facts, and for that reason the existence of such an organization is a public good. That it furnishes almost all the news that most newspapers print, and is the foundation of the service of nearly every paper in the country, compensates somewhat for the tremendous influence the organization wields against the establishment of any more papers. It is the beginning of a monopoly; under the circumstances, a beneficial rather than a harmful one, for it tends to restrict the "individuality" and the bias of opinion and taste to other than the news pages. And if there were space to go into the organizations that supply in bulk "special" reading matter, anecdotes, descriptive articles, stories and serials, the sameness of third and fourth rate papers everywhere would be accounted for, but the improvement with financial success of the matter distributed would show commercialism bearing another boon to the commonplace man.

That, however, is not the view of the enterprising individual publisher. To him the improving quality of the output of the "literary syndicates" is no inducement to depend upon them, for the equality with other papers is deadly to competition, and the matter-of-fact monotony of the "A. P.," as he calls the Associated Press reports, though indispensable, are only the basis of his news service. His object is not to inform the world. Neither is that what his readers expect of him. The theory which underlies the methods of conducting the business (especially, though not exclusively, at the beginning of an enterprise) is that most people buy a newspaper for a sensation, and the reward for gratifying this demand is advertisement which increases circulation. When a man opens his paper on his way downtown after breakfast, or on his way home after a day's work, he wants a surprise—shocks, laughter, tears. If it were something to think about that he wanted, the best commodity to offer for sale might be editorials, essays, and important facts. But the commercial journalist, after studying and testing his market, is convinced that his customers prefer something to talk about. There are some who do not, but they are quickly disposed of.

"What good does it do me," said a successful manager, "to send a man off in a day dream? I might as well put him to sleep. What I want is the reader who likes to talk, and then I want to set him talking; to make him turn to the next man and ask him if he has read something in my paper. That advertises the paper and sells it, which is the thing I am after. I have no mission, you know."

So the expenditure of a newspaper that is operated on a large scale, was as follows last year: editorial and literary matter, \$220,000; local news, \$290,000; illustrations, \$180,000; correspondents, \$125,060; telegraph, \$65,000; cable, \$27,000; mechanical department, \$410,500; paper, \$617,000; business office, ink, rent, light, etc., \$219,000. This paper has a very

expensive staff of editorial writers, but the \$220,000 is largely for special articles of a very miscellaneous character. Most papers of the same class—the cheap “great daily”—put about two percent of their total expenditure on this item.

And this apportionment and the paper that results from it are not to be attributed to the intellectual makeup of the publisher. In this very case, he intended, when he was looking about for an opening in New York, to establish the highest class newspaper that the city ever had. It was only when he found that field closed to him that he turned, like the Philadelphia man, to the cheap journal. The commercial journalist’s newspaper is very seldom to his taste. He usually reads and would prefer to conduct some other paper than his own. He might not be able to. That the finished product of his efforts is not utterly unsatisfactory to him shows limitations of mind. But the day of the personal organ is waning, and the new journalism is the result of a strictly commercial exploitation of a market.

“Why do you go into crime in this city?” “Because,” answered the Boston newspaper manager, to whom the question was put, “the Boston people like it as well as New Yorkers do.”

“But you seem to avoid scandal?”

“We have to be pretty careful about that, for while it would increase the circulation it would lose me a small class of readers who are worth a good deal to some of our advertisers.”

The only instance encountered (out of Chicago) of moral restraint in a typical newspaper business man, except where the talk was obviously for publication, was in a New York circulation manager. He was lauding sensationalism to an extreme when a protest checked him.

“Of course,” said he, “when I speak of sensationalism I don’t mean extra sensationalism.”

“Extra sensationalism? What do you mean by that?”

“I’ll give you an example. One day as I was looking over the ‘cases’ I saw an article that told how to crack a safe. I kicked to the proprietor about it, and he killed it. That article would have a tendency to teach something immoral, and I call that extra sensationalism.”

From the point of view of science the neglect of the ethics and aesthetics of the business is offset in a measure by the keen regard for psychology. The more intelligent publishers had the relation of effect and means down almost to formal statement, but the plainest and truest expression came from those who acted by intuition; they were never secretive or apologetic when their first suspicions were lulled. They liked the tricks of the trade.

One of the commonest and most offensive of these tricks is the use of the “scare head,” large, heavily inked headlines, that set forth as in bulletins the salient facts of a news article. A business manager who was enlightened enough to admit that this device was in bad taste found psychological justification for it in the profound sensation produced by the simultaneous impression upon the mind of all the striking features. There was art in that, he said. It told the news, moreover, as an excited messenger would who came running breathless from the scene; and that was the way news was brought in ancient times. A franker man in the same town said:

“The beauty of the scare head is that it scares. And, besides, it catches the eye on a newsstand or over the shoulder of the man who has bought the paper.”

It is the managing editor who wields this instrument of the trade, and in his hands it is one of the means by which the paper is colored to reach and hold the kind of readers the publisher conceives to be of his field. If he aims at political partisans the manager sees that the colorless reports of political news that come into the office from the Associated Press are interpreted in the headings. Thus an anti-administration paper in New York printed over a brief, plain statement that a congress under President Cleveland convened that day the sarcastic phrase, “Congress on His Hands,” which determined, no doubt, the mood of the reader throughout the article. If the publisher

is planning simply for the largest possible number of customers, sensationalism is the motive of the headings. Another means of attaining either end is to “edit” the Press dispatches, and the managing editor of a metropolitan journal has a staff of “copy readers” and telegraph editors who do this work, along with the correcting of bad English and the condensing which are absolutely necessary. These skilful men also “cut down” or “spread” a piece of news according to its value for the particular purposes of the paper. A suicide which in a staid paper would be worth no more than three lines on an inside page might occupy a column on the front page of a strictly commercial sheet, while a bit of political news that is unpleasant reading for a Democrat would be short in the paper made up to catch his custom, and for the opposite reason expanded by the Republican organ. The facts are rarely twisted. That is utterly unnecessary, and when it is done it is due rather to lack of skill than to dishonesty. The business manager will not readily risk being discredited by his rivals, for that loses him circulation. He has tried it and has found that a “fake” does not pay.

The most approved method of getting news suited to the assumed predilection of the readers is to have it collected by the paper’s own correspondents and reporters, of whom the enterprising publishers have large and expensive staffs. They are men trained in the methods, and sometimes filled with the spirit of their chief, the managing editor, who selects and directs them. They know what facts to take and what to leave or subordinate, so that the accounts of the same event by writers for different papers may both be correct while not at all alike. The managing editor, or, if the subject is local, his lieutenant, the city editor, studies his staff, developing the peculiar faculties — for description, perception, speed, accuracy, shrewd understanding, imagination, humor—of each man, and then, adding men from elsewhere who possess abilities lacking in those at hand, he is in a position to assign without very obvious instruction just the right man to any given piece of work. They do independently many of the subjects “covered” by the “flimsy,” as the press reports are called. Through them also the managing editor reaches out for news that no other paper has, for “beats,” which are believed to be one of the most effective expedients for increasing the circulation and prestige of a newspaper. An exclusive story is supposed to cause talk, to suggest purchasing to the man who has it not, to mix up generally in discussion the paper and its “beat,” and, best of all, perhaps, to instill in the reader interest and pride in “his paper’s” triumph. It is to the new journalism what common opinion was to the old, a good shared by the reader and his paper. A business manager told me that the publication every day of the circulation had the same effect, and he went on to explain that this was natural because it played on the gambling passion, which was stronger than love.

Another device of the managing editor for the advertisement of his paper is “featuring,” which is to distend and print conspicuously under scare heads accounts of any subject that is supposed to be interesting. In a city like New York, for instance, where crimes are committed every day, a managing editor can make an “epidemic of crime” at almost any time by ordering the thefts, burglaries, highway robberies, and murders which would be reported ordinarily in small paragraphs and distributed about in the corners of the paper, to be spread out at length in the writing and then grouped with pictures on one page. Care must be exercised not to overdo one subject, for the theory of sensationalism includes the belief that the average newspaper reader’s mind is as fickle as it is shallow, so the managing editor has to be always on the lookout for fresh material or novel ideas. This is the most difficult duty he has, and the few fertile journalistic minds are very highly prized. An editorial writer in Chicago said that a New York newspaper proprietor had offered him \$10,000 a year to submit each day an “original idea.” But originality is not indispensable. Old schemes that have not been used for a long time are revived. Trust agitation is always effective, but charity is the best; the newspaper finds and describes distress, then tells how

it brought relief to the suffering. The “constant reader” can have a share in this “featuring,” for subscription lists are opened to all, full acknowledgment being made in print. It does not matter much what the paper uses in this way, and sometimes the agitation takes the form of an exposure of some political or other public corruption, when the community is served and the newspaper advertised as well. One business manager said a campaign against such an evil paid best in the end, because it was a practical demonstration of the power of the press.

Not one managing editor in a hundred directs his department to his taste. Besides the limitations set by his own conception of the market, he has to regard the notions others have of it and of the best means of supplying it, for he is a subordinate. He is the agent of some mastermind that may be in any person, on or off the paper. There is one case of a managing editor, acting as the representative of an absentee proprietor, but even this fortunate man is said to hold his position by his delicate sense of the desires of the owner, who keeps him under constant secret supervision by telegraph. Other owners let their business managers represent them to the heads of the other departments, sometimes to the subordinates as well. But there has to be a publisher who is legally responsible, for libel, for instance, and though he may be the editor-in-chief, the business manager, or the managing editor, I have used that title to designate the central power which carries out in all branches of the business of newspaper-making the general policy that gives unity to them all and individuality to their printed product.

While the managing editor, thus controlled, is organizing his various departments, the publisher goes to work upon the business office, beginning by selecting a chief who is to superintend downstairs, just as the managing editor does above. He appoints a business manager, whose duties are not only, as in the old days of journalism, to reap what the editorial staffs have sown, but to push the business of the paper in all directions. The work is divided into departments here also: the composing, press, and stereotyping rooms, with foremen in charge; the delivery department, with a superintendent of delivery and his lieutenant, the superintendent of the mailing room; the counting-room; the advertising department; and the circulation manager. All of these are important and interesting, for they show how necessary is perfect cooperation. The superintendent of delivery has to know exactly when he must have the first papers in order to catch the first mail; the foreman of the pressroom must say how little time he needs to run off the first thousand copies; the foreman of the stereotyping room times his process to a second; and so on back to the news department, which has to be ready for the night editor’s “makeup” in season to “go to press” at the moment determined by the closest reckoning of each chief of staff. And once set, the man who delays is held responsible if a driver misses a train and starts the distant subscribers writing complaints. To go into these departments one by one is impossible in my space, and it will be sufficient, I think, to take up the two, circulation and advertising, which affect more than the others the news and editorial policy of the paper.

The circulation manager of today is so new that not much is known about him, and on some papers he is not distinctly differentiated from the superintendent of delivery, out of whom he evolves. He embodies that phase of the spirit of commercialism that is called “push,” for he came into journalism as the solicitor or drummer did into other businesses. As the manager of a high office building goes forth in search of tenants, and as the bank president, in more dignified mien, invites depositors to patronize his institution, so the circulation man in the newspaper business sends out his agents to “drum up” readers. It is slow business to let the worth of the paper win readers on its merits. The managing editor might put out a sensation a day without many people being aware of it. A modern circulation has to be worked up by artificial means, and so important is this function that the man who does it is paid the salary of an editor, and one

such manager I met had been promoted to his position from the managing editorship. He said his "advancement, though unusual, was natural, for," he explained, "first, you've got to make a paper that will sell, then you've got to sell it, and, to do that, you have to let people know you're alive." In short, he advertises his paper.

When the paper is a new one, his work is general. He placards the town with posters, runs out his brightly painted delivery wagons, and offers premiums to the news dealers to dispose of the paper, even if it has to be given away. Copies are sent free to any address the manager can procure, and sometimes he is able to buy the subscription lists of his rivals. It is not enough, however, to drop free papers at a man's front door. The householder's attention should first be called to it, so a small army of solicitors is dispatched to a neighborhood to go from house to house telling people about the features of the paper, which any shrewd man or woman can see will be attractive to the individual addressed. Then when a promise has been exacted to try the paper, it is delivered by the news dealer at the manager's expense for a week. The results of this method are always satisfactory. Circulars sent by mail are not so good, but they are less expensive, and are by no means useless, especially when they are supported by guessing, luck and lottery schemes, mystery stories, chromos and other such devices, described in the announcements distributed and carried on in the columns of the paper. More enterprising are offerings of trips around the world, and a very telling advertisement is a bicycle parade with prizes for the "best lady's costume," the most comical, the best riders of each sex, etc. It is necessary, as in the news department, that new schemes shall be planned, for the old ones lose their effect by repetition. The "chromo with every number" is one that a circulation manager said had been done till people seemed to have lost the taste for such pictures. The mystery story had failed because it required a discrimination in favor of the intelligent few, to guess how the plot would turn out. The art poster was merely a fad, a manager said who stopped using it as an advertisement, and he preferred something more striking and insistent, like the circus bill. But all these methods are crude, and are resorted to chiefly to start the paper.

The finer work comes with the increase of circulation, when a fair sale is assured and the manager is endeavoring to attract the readers he has missed in the first rush of business. He studies his subscription lists, talks to the delivery superintendent and canvasses among the news-dealers, to find out where his sales are small. If one suburb or neighborhood is behind the others, he reports to the managing editor, who sends there a correspondent to write it up. When a sensational story is secured in the place the circulation manager is notified, and he arranges with the delivery department to have a score of boys go there with great bundles of the paper and cry it about the street, calling especially the "scare heads" of the local piece of news. Before them, if there is time, the solicitors have spread the reports of the "great story," and after them subscriptions are drummed up or the news dealers are induced to make extraordinary efforts to continue the sales. In much the same way the population of a town is analyzed in comparison with the subscription list, to ascertain what classes have been untouched by the general canvass. If the sporting men have not been buying the paper, the sporting department is improved, perhaps reorganized with a new sporting editor taken from the paper that has the most readers of that class, and the circulation manager has to find a way to let the change be known on the racetrack.

The limit to all these expedients of the circulation manager is in the advertising department. A business manager whose circulation man set out to secure for him the readers of sporting news in New York City, gave a page to the subject which had formerly had only half a page. He succeeded. But when he reckoned the gains he found that he had added not more than

10,000 to his circulation, which was not enough to pay for the increase of space. It was out of proportion to the space allotted to "Woman's Realm," for example, and brought in very little revenue from advertisers. The merchants who deal in sporting goods are one in fifty of those who trade with women, and the latter are the most lavish of advertisers. This manager let the sporting men go and cut their department down to the original size. The advertising manager objects also to the use of many of the circulation manager's schemes as bad examples to his clients, who say that if billposters and circulars are good for a newspaper they should be good for soap. The two departments clash sharply on the Sunday paper, which has been a strong factor in increasing the circulation. It became possible to publish an edition of great bulk when the price of white paper declined under improved processes of manufacture and the Sunday paper was developed as a means of advertising the business. The managing editor was able to concentrate upon one day's issue the numerous and various features that he had not time for during the week, and the circulating manager saw in it an opportunity to make an entering wedge for increasing the total number of readers. To him it was a medium of advertisement for the daily. The manager of the advertising department rejoiced at first with the rest, for his clients, the advertising shopkeepers and professions, saw quickly the value of the Sunday paper with its leisurely readers, and their patronage was tremendously profitable. But the circulation grew so far beyond that of the daily, and was so much more effective for business announcements, that the revenue of the daily fell off more in many cases than the Sunday paper had gained. The advertisers concentrated their resources, in disastrous imitation of the news, circulation, and business managers of the papers, and the curtailment of the Sunday edition is a step very seriously considered in all advertising departments. Competition may preserve it from violent, sudden attack, but if the advertising manager makes up his mind that the Sunday paper is a bad thing it will have to go, since his department is the final court for the settlement of all business questions.

No newspaper can survive without the revenue from advertisements. A circulation of 100,000, which in a one cent paper that is sold to dealers at fifty or sixty cents a hundred, brings in \$500 or \$600 a day, pays only for the white paper, the press and composing room expenses, and part of the cost of delivery. All the other charges and the profits have to be earned by space-letting to other businesses. Anything that touches this spot, therefore, reaches the quick. And everything touches it. In commercial journalism it is the very soul of the concern. So well understood is this by laymen and journalists that the degeneration of the profession is ascribed to it, and it is believed to be an insurmountable obstacle to future improvement. I did not find any reason to despair. On the contrary it was when my inquiry took me into this department that I came first upon business considerations that are bound in time to check the excesses of sensationalism. The character of the circulation begins to be looked to there. The space let to advertisers is charged for on the basis of so much a line for a thousand readers. But the papers with the largest circulation do not receive the highest rate per line, because the merchant knows that the readers of sensationalism are not the best class of customers; that is to say, they are not the people who are able to pay the best prices for goods, or to buy the best and most profitable qualities of his stock. The paper with a small circulation may be the most remunerative to the advertising trades. The manager of the advertising department of a newspaper opposes any features that are likely to keep the paper out of homes, unless he has turned deliberately, as some of them do, to a class of advertising as low as the worst journalism.

More significant for the future, however, are the principles that govern advertising in its relation to news space and editorial independence. The advertiser is a shrewd, selfish man, who realizes his power over the press, and he is insatiable in his demands for concessions. When he

comes into a newspaper office he wants to stick the name of his bicycle or his patent medicine into the middle of some important news. If he is not permitted to do that, he would like to have it next to reading matter or at the head of a column. That granted, he asks for the most conspicuous place on the first page, covering preferably two or three columns across the top. Then he wishes to insert a "reading notice," an article printed without any mark to distinguish it from news. When he runs for office he expects to be "puffed." If he were allowed to have his way he would deflect the editorial page and make the news pages of all papers like those of Boston, which are the worst in appearance in the country. They let out half the first page to the highest bidder, keeping for their own scare heads only the part that lies uppermost on the news-stand; they break the news articles for advertisements and make the reader follow a story through three and four disorderly pages over shoes and under toothpowder; they print "reading notices," give "puffs," and permit a firm to make up a page recommending its wares in typographical imitation of the editorial page. It is a curious fact that the other extreme, good taste and high business principles in dealing with advertisers, is in the business offices of the Chicago newspapers.

The temptation to let the advertisers have their way is hard for a business manager to resist, as they are always willing to pay well for an unusual concession. But he does resist it, and the tendency to restrict them is growing with every year of the experience of the business man in journalism, and with every step he takes toward complete control. The progress is more marked in this department than in the others, perhaps because here his experience as the master has been long. He has had time to move past the crudely experimental period in which the circulation manager is struggling. The good has been separated from the bad by the test of profits, and it is acknowledged that the best paying papers are those that are the strictest with their advertisers. The fact that the basis of his right ethical conclusions is commercial is all the better as an assurance of permanency and of their value for the other departments which he will take more and more actively in hand. I met a few business men who were guided in part by other considerations than moneymaking, and I heard of two or three more I did not have a chance to interview. Vanity, love of power, social ambition, religious prejudices often crossed mercenary motives and, at some risk of error, I should say in general that the weaker of these entered more powerfully into the management of the rich purchasers of newspapers than high principles did or do into the policies of most of the great editors who seem to disregard business considerations altogether. Men reared in the business department, recalling times I could not know, and incidents I could not possibly verify, declared that the editors often fell, that their position proved a pose which broke down when confronted with hard facts. And the facts were such that a business man, accustomed to their threatening aspect, was better able to dare and beat them down. It is perfectly true that some business men have risked and stood tremendous losses for principles that to them were purely moral. There is a man in Chicago who has bought, and is conducting personally, an influential newspaper, and he is known to have rejected a sum much greater than his valuation of his organ because he knew the purpose of the bidders was to reverse his editorial policy. Another business man refused, at considerable cost, to make to one of the principal advertising agencies in the country a concession that was technical (in his opinion), harmless to the paper, and of no consequence to its readers, and his reply to an inquiry for his reason indicated that it was pride in business principles and a willful spirit. But the comment with which his contemporaries dismissed my citation of the Chicago man as an example was that his paper did not pay. It is important to know that there are such men and such motives in the business of newspaper-making, but since they are not typical and their example is not influential, except where, as in the case of the man who defied the big advertiser, it happened to pay, I need

not say much more about them than I do about the few editors who conduct newspapers for the ideal satisfaction of seeing them powerful forces for the right. It is a surer ground for optimism regarding the future of journalism that the worst examples of the “new journalism” today are not so fundamentally bad as were the beginnings of some of the papers that are respectable in their later prosperity. The growth of commercialism pure and simple has been toward improvement, and the betterment, though attributed by a most estimable publisher to skill—to the knowledge and use of a greater variety of methods—is instructive to the more unscrupulous and less expert managers or publishers. Success along lines chosen for business reasons appeals to business men. A hustling proprietor who said he had tried all the “Boston methods,” and failed because another fellow came along and started a decent paper which got all the readers away from him, held the attention of his fellow publishers for an hour one night, and when he finished talking they said that he was right, “only just a little ahead of the procession.” This man was understood. His motives are common; his ideas will be pondered, and whatever he does will be watched, with a chance of imitation. Should he succeed, his influence would affect newspapers all over the country.

He maintained that it paid in the long run to conduct every part of the paper for the readers. The advertising columns must be a directory. No announcement should have a “preferred position” of any sort. The dry-goods advertisements should be together by themselves; the boots and shoes should be grouped; and so on with each trade and want. This classified arrangement was right not because it was orderly and a protection of the reading matter from distasteful foreign subjects, but, as this manager said, to make his paper an effective advertising medium, a paper in which a man who sought something could find the address of the shop that sold it. That this was good business he illustrated by recounting how he inserted for a dealer one day a special sale of a particular kind of chair and then on his way home stopped himself to buy one. They were sold out. The announcement had been put simply and briefly in its class, yet 1,700 of the chairs had been bought by readers who had seen that one notice. If he had allowed his advertisers to break up his pages in their eagerness for conspicuousness, more unwilling eyes would have caught sight of the advertisement, but not so many readers would run over his business directory every day. The same principle has been followed by a small one-cent evening newspaper in Chicago which makes a profit of half a million dollars a year, and, though the plant of this paper cost half a million, it was all paid for out of profits; the original investment was only a few hundred dollars. The most profitable newspaper in the country is a three-cent daily that has made itself so effective as an advertising medium that thousands of people who do not read it use no other paper for that purpose.

When a newspaper has reached this point it is past the stage where it is a mere business. It is spoken of as a property by the rivals who are striving to establish themselves on a similarly firm footing, and the word is full of meaning to them and to everybody interested in journalism. It contains the commercial ideal of a newspaper.

The basis of this ideal is, strange to say, the old newspapers built up by the editors of earlier days, who, by their forceful personalities, gained a hold on their readers that death cannot shake off. The children of the readers cling to the paper of the children of the founder. This makes the old organ a property. Its earning power may be comparatively small, but it is sure, the expenses are low, and the “good name” can be sold at a moment’s notice. Many men would bid for the honor of owning it, whereas very few would seek the proprietorship of a sensational newspaper. Few businesses are quite so precarious as journalism, for there is nothing tangible about it. The plant of a newspaper that is earning a good dividend on ten million dollars, is

actually worth not half a million, and its value may be reduced to this by the competition of a younger, more energetic rival.

But what the new journalist covets in this old property is its field, the foundation of an intelligent class of readers upon which to build a still greater newspaper. The old editors neglected the news and the business departments. Their footing was in opinion and prejudice, which, though solid, is not broad enough. The new journalist has no prejudices that interfere with his business ends. The founder of his school was the first man to make an absolutely nonpartisan paper, and the successful men I talked with declared that the best way commercially to make an editorial page was to turn it over to some man with mind and character who would direct its policy independently and in good faith in the interests of the community as a whole, regardless of parties, cliques, advertisers, or any other interests, however powerful. But while this is being done the business man who proposes to conduct the enterprise would have an equally independent news department and, having the most intelligent readers to begin with, he would broaden the news policy from their point of view, spending as much as sensationalism costs for more important, better written news. In short, the commercial ideal contains distinct appreciation of the power of opinion, but it prizes just as highly the value of the authoritative statement of all the news.

“There’s not room for many such newspapers, but that’s the kind that would live and pay forever,” said my new, commercial journalist.