

(In the following article, the author discusses his views on a basic problem traditionally confronting newspaper and magazine publishers and editors. In keeping with this theme the text is presented in the form of first galley proofs, an early step in an editor's production of a finished article.)

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THE FICTITIOUS FREEDOM OF THE PRESS

by Howard Gossage

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OF ALL THE CONCEPTS on which our Republic rests, I should imagine freedom of the press to be far and away the best known. This is hardly strange, since those who are the most vitally interested in promoting freedom of the press are also those who have all the facilities for doing so, the newspapers themselves.

As a space grabber, any real or fancied violation of freedom of the press has it all over even such favorite contributions to our intellectual well-being as axe murders of teen-age girls, what's new with the Johnsons, or the Academy Awards. If there is one single incident which, from a newspaper's point of view, would make the Greatest Story Ever Told, it would be this: Patty Duke, at the Academy Awards, smashes a newspaper photographer's camera with her Oscar; whereupon McGeorge Bundy, enraged at non-administration news managing, attacks her with an axe, and throws her fully clothed body into a swimming pool.

Despite all the venerable sanctity accorded it, and all the publicity—as witness the 1963 furor over White House censorship—as concepts go, freedom of the press is a pretty new thing and for a pretty good reason: until just yesterday in man's history there was no press to be free or otherwise. Indeed, at the time the Constitution was written there were no newspapers as we know them. Then, they were little better than politically-slanted poop sheets which made small effort to separate editorial views from news matter. It may be argued that the same can be said of Time, which is quite unfair, for everyone knows there were no four-color presses in those days. And of course there was nothing to compare with, say The New York Times, which gives us "all the news that's fit to print." I sometimes wish that more of it was fit to read.

It is doubtful that the founding fathers, for all their wisdom, had the slightest inkling of the extent to which communications media would develop by our time. In spite of this, freedom of the press is still a vital concept today, long after certain other items in the Bill of Rights — such as those protecting citizens from

Bills of Attainder, or from having to quarter troops in private homes — have ceased to be matters of intense concern.

In a way it is too bad that so much is made of our Constitutional guarantee of freedom of the press from government control, for it tends to obscure other incursions on freedom of the press which are just as dangerous, and much more immediate. That these incursions are economic rather than political makes them much harder to recognize. This is because we are admittedly an economic society with a long tradition of protecting our economic interests against political inroads. Economics is a *nice* word, politics is a *bad* word. So we are unlikely to look for invasions of our political freedoms in perfectly legitimate economic practices, or to comprehend their enormous implications, even when we find them staring us straight in the face.

In this century we have seen effective control of our press shift from the public, for whom it presumably exists, to the advertiser, who merely uses it to sell his wares to the public. It has shifted so much that the life or death of a publication no longer depends on whether its readers like it, but on whether advertisers like it.

Within our lifetime, more than half the daily newspapers in this country have folded, most of them with their circulations more or less intact; magazines with circulations into the millions have gone under, not because their readers didn't love them, but because advertisers didn't.

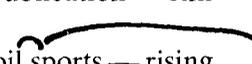
There have, of course, been other factors at work. But I think it is clear that the central fact in this deplorable situation is that our press, by committing the overwhelming portion of its financial well-being to the discretion of advertisers, has done its readers, itself, and even advertising, irremediable harm. If we are to do anything about it, we had better begin by looking into the cause.

Originally, a publication was almost totally dependent upon its readers for financial support, and therefore it charged them accordingly; if a magazine was worth five cents, they paid five cents for it. However, with the growth of advertising, the publication enjoyed more and more income from paid space. Now this was a very pleasant situation indeed: the advertising revenue was, in effect, found money. Moreover, it provided yet another reason for getting new readers: more could be charged for the advertising as more people bought the publication — still at a profitable five cents. My God, how the money rolled in!

But not for long. At some point two opposing economic spoilsports — rising production costs and competition — started to ruin the whole lovely thing. On the one hand it was necessary to raise the reader's price; on the other hand it was desirable to keep the price down so as to attract more circulation and more advertising dollars.

The publication couldn't do both, so it made a decision — a fateful one as it turned out — for it thereby committed itself to an increasingly irreversible course which it still pursues. It probably didn't seem like much of a decision at the time, however. Why antagonize the customers, and help the competition, by raising the price from a nickel to a clumsy figure like six cents? No, what we'll do is give the reader a break so we can keep up the circulation and get more advertising.

Some break! On the day the reader first bought a publication for less than it cost to produce, he lost his economic significance. He became circulation. He traded off his end of freedom of the press. It was a forced sale; the publisher had already traded off the other end. Of course, the editor was still free to write as he wished without government censorship, but there are other freedoms upon which this freedom depends — the freedom to publish, for instance. Is freedom to publish really significant if the power to kill it has been assigned to outsiders?



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It seems to me that any publication represents a contractual agreement between the publisher and the readers. He will undertake to publish something to suit their tastes and they, on their side, will support the publication as long as he does. This is a perfectly just and reasonable arrangement embodying such sturdy traditions as democracy, free enterprise, and freedom of choice. But it becomes meaningless when a third party has the controlling last word.

The sad fact is, that no matter how many readers faithfully renew their subscriptions, no matter how pleased readers are by a publication, they will be deprived of it if sufficient advertising is not forthcoming. Circulation revenue is just not high enough to be of any real significance. In effect, the price the reader pays has been subsidized by advertisers, so that he gets a 25 cent newspaper for a dime, and a 75 cent magazine for a quarter. Actually, he rarely pays anywhere near that much, for publishers, anxious to look good on the Audit Bureau of Circulation (ABC), continually put out special offers that, in some cases, bring the price of a fifty cent magazine down to about 19 cents.

The public has paid dearly for its cheap magazines; and there are fewer and fewer around for them to pick up at bargain rates. Few new magazines are being published, mostly for the reason that the subsidized, artificially low rate structure makes it extraordinarily difficult for any but the richest publishing ventures to get started. Advertisers, who could help—if only to make up for the old corpses they created by starvation—are extremely reluctant to go into new magazines. Advertising agencies are reluctant too, but for an additional reason: there's no money in it. Fifteen per cent of next to nothing is just not worth it.

Although the commission system is obsolete and the advertising agency obsolescent as concepts, they (and the philosophy they represent) continue to dominate and pervert our communications media. This is because they constitute a concentration of power which changes advertising from an added service within a medium to being its central factor. This should not be. While it is a very nice added service to have hot dogs at a football game I don't think they should interrupt the play to sell them. This is precisely what happens on television. Why do we tolerate this outrage on our most powerful communications medium—a medium that demonstrably belongs to us? It is only licensed to the operators. Now, even the Rose Bowl game has time-outs for commercials.

Why would they interrupt a game to hawk razor blades on TV when they wouldn't do it to hawk hot dogs in the stadium? Simply because more money comes from selling razor blades than comes from the viewers, whereas the receipts from hot dog sales are minor compared to those from ticket sales.

Suppose the latter situation was reversed; that the proceeds from hot dog sales were greater than ticket receipts. Moreover, that it was more profitable, hot dog-wise, to have a full stadium, even though the spectators got in free or had greatly reduced special introductory rates, than to have a smaller crowd at the full price. This might affect the constituency of the audience right off the bat, because it's not quite the same thing when you get in free, and many people would rather pay for their pleasures. But, since we are now interested in numbers, things were going along very well; the place was packed and everyone was happy, even though they had been demoted from spectators to potential hot dog consumers.

However, here comes that economic spoiler: Sport again: high football production costs made it necessary to bring in more money. You certainly couldn't expect people to *pay* to see football games when they were used to seeing them for nothing. And you couldn't raise the price of hot dogs beyond a certain reasonable point. The only thing to have done was to try to sell *more* hot dogs. A survey sponsored by the American Association of Hot Dog Vendors showed that

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the peak hot dog consumption period was the half time intermission, which, as with most surveys, everybody knew anyway. (It reminds me of Carl Ally's definition of a consultant: A man who borrows your watch and tells you what time it is.)

The obvious solution, brilliant in its simplicity, was ten minute intermissions between quarters. But, so as not to extend the game so much that it ran over into the game which immediately followed in the same stadium — the late show — five minutes was chopped off of each period.

With the advent of the ten minute quarter the character of the game changed somewhat. Not that it made much difference to the fans, because the fans had changed too. They no longer felt fiercely about football, they just came to watch it with varying degrees of interest. Sometimes they weren't very interested at all and attendance dwindled. However, the top-rated games pulled very well indeed and were much copied for format. It was found, for instance, that the most popular game one season was a 29 to 27 struggle between Duke and Northwestern, decided in the last 12 seconds of play by a field goal kicked by a Duke pom-pom girl. The next year nearly every game got down to the finish line 27 to 26 with an underdog pom-pom girl trying a field goal. Talk about your suspense!

Thus, football ended up a sort of open air television; except that if you wanted to escape the hot dog vendors you had to walk a half mile to the bathroom.

I used this analogy when I was teaching at Penn State in 1962. When I had finished the Saga of the Hot Dog Vendors we got into a discussion of the rights of advertisers versus those of the audience. One girl said she certainly thought that advertisers had the right to control television programming; after all, they paid for it. I asked her if she thought that hot dog vendors had the right to change football games. "Of course," she said, "if they paid my way in." "But what right have they got to pay your way in?" I asked. "Whose football game is it? Whose stadium is it? Whose university is it? It's yours. It doesn't belong to the hot dog vendors, it belongs to you; and so do our communications media."

It's easy to kick the hell out of television, but to my mind the other media are just as culpable. Television's abuses are just more obvious, that's all. If you still doubt that the same destructive forces are at work on magazines, for instance, let us consider how a great magazine dies.

The process works something like this: at a certain point it is noticed that advertising revenue has slumped. Usually the cause for this will have occurred some time in the past — poor management, poor representation, poor whatever-it-is that causes confidence to sag — so it is not always easy to find out where the trouble lies. At any rate, to stem the tide, everybody is exhorted to get out there and sell, and the promotion department turns out a few gross more bar charts showing the magazine's overwhelming superiority in every field from baby pants to nuclear reactors.

They also turn out a brand new audience survey which proves incontrovertibly that their average readers are young marrieds, have 1.5 dogs, 2.5 children, 3.5 cars, own an 8-room house outright, go to Europe 2.3 times a year, drink enormous quantities of every kind of booze you can name, and have a high median income of \$8,743 a year. Every time I see a survey like that I wonder why the internal revenue boys don't subpoena the magazine's circulation lists and swoop down on every one of the subscribers for tax evasion; they each must have about 30 or 40 thousand a year that they're not declaring.

Anyway the advertising revenue keeps on slipping until everyone, from the publisher down to the mail boy, starts getting flop sweat. Flop sweat is a show business term best described as a comic who becomes aware that he is laying an egg; nothing works; the fewer the laughs, the harder he tries; sweat begins to

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stand out on his forehead and he becomes a ghastly sight. He stays on and on because he no longer has strength enough to move; so finally they ring the curtain down on him. It's a terrible thing to see.

Since the advertising side hasn't been able to do anything, they decide that the editorial side must be at fault. So they hire a hot-shot research firm who, after three months and about \$100,000, tells them that they ought to change their format. The editor vigorously protests that to change the format will change the character of the magazine, and that's what the readers buy the book for. However, in desperation, he makes a feverish effort to mold a new team, a more acceptable alternative than involuntary resignation. It doesn't work, he is canned anyway. The new editor comes in, bringing his own boys with him from wherever he came from. This means that the rest of the top editorial staff is canned, too. By now flop sweat is so severe that everybody walks around in mental terry cloth robes.

Eventually, after much in the way of breast-beating announcements in the trade and consumer press, the new look is bestowed on a waiting world, loads of new promotional material are bestowed on waiting "reps," and everybody goes about glowing with false confidence.

Sometimes all of this works, but mostly it doesn't. Maybe it's *never* worked, I can't recall. The chief reason it doesn't work is that, just as the old editor said, this isn't the magazine that the subscribers were subscribing to. So, they begin to drop off, cancel their subscriptions, or simply not renew them.

This drives the circulation department into a frenzy of activity. They come up with trick deals on trick numbers of the months and although they replace the circulation, they only accomplish it by spending more and more money per new subscriber. And each new subscription at the special, introductory, money-losing rate, replaces one old time full-rater. So the circulation revenue starts a downward spiral too. Moreover, some of this circulation activity will be reflected in the ABC, and media buyers will spot this for just what it is, and will chop back insertions even more.

By now the whole operation will have the smell of death about it. The publication is sold as a tax loss. The new owners, after a death rattle of activity, close the magazine down and buy more rock and roll stations.

And so a magazine died. And hundreds of people were forced to look for new jobs in a dwindling industry. More than that, the most important group of all, the readers, millions of them, were robbed of a great magazine. Not that it was great when it folded, because in its flop sweat it had changed from a fine lady to a painted whore. So when she died, nobody really gave a damn, which is a pity — especially since it needn't have happened at all.

Whose fault was it? It wasn't anyone's fault; no one did it on purpose. It's just that the system made it inevitable. The only ones who could have remedied it, the advertisers, strictly speaking had no economic or moral responsibility to do so. The hard fact of the matter is that no publication should be in the position of having to depend all that much on advertising. It is all wrong that agencies should be able to kill off a magazine by simply not placing advertising.

As an advertising man, I find this regrettable since we don't have enough first rate media as it is. As a citizen, as a human being, I find it deplorable, shameful, fantastic, that the readers of a magazine should count for so little in comparison. There is no valid, decent reason why a publication should go down for the lack of support from any group on God's green earth, except its readers. It is all the more shocking when one realizes that the life or death of, say, The Saturday Evening Post, rests not in the hands of its over six million subscribers, but with surely no more than ten top advertising agencies.

FREEDOM OF THE PRESS — AUG. — FIRST PROOF

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Do you know what I'd do if I had a magazine that was in trouble? I think I'd change it back more or less to what it was before it got flop sweat. At least I'd try to give it the same feel. And then I'd let the readers in on the act. I'd write them all letters and explain to them what I was doing and why I was doing it. I think I'd level with them about some of the economic facts involved; of how effective control had slipped from their hands into the hands of advertisers. And that to readjust this imbalance we were going to cancel all trick subscription deals and raise the price from, say, 25 cents, to 40 cents or 50 cents, whatever it took to do it. And I'd tell them that the net result might be that the circulation would go down to perhaps three million, but they'd be three million subscribers who really *wanted* the magazine: it would be *their* magazine, not something put out to cadge advertising revenue. If advertisers liked it, fine, but that was incidental to the purpose of putting out a magazine in the first place.

I have a notion that *that* would work. It's courageous, it's economically sound, and it would certainly build up morale around the old place. Also, it's properly considerate of the reader; I think he'd rally round.

In 1964 The New York Times discontinued its experimental West Coast Edition. I was so interested --- perhaps incensed is a better word --- that I wrote a quarter page ad to appear in the last issue of the paper. As it turned out, they wouldn't accept it in the Western Edition. Perhaps they didn't want anything to rock the coffin. However, they graciously assented to let me buy a quarter page in the New York Edition of The Times.

Sixteen-hundred dollars later the ad, with the headline "What Good Is Freedom Of The Press If There Isn't One?" appeared.

The text suggested that perhaps, before folding the edition for financial reasons, they should have taken the readers into their confidence since the paper was presumably being put out for them. As I recall, the subscription price was \$3.00 a month. I thought they could have pointed out the financial realities of publishing and asked us whether we wanted the paper enough to pay more, and if so, how much more. In other words, what was the paper worth to us?

Well, the ad ran and that was the end of that. Except that I was in New York the next week and Nicholas Samstag, with his beautifully original mind, carried the idea to its logical conclusion, one that had never even occurred to me.

He said, "What this means, and what you are really asking, is 'How much would you pay for the next issue of this publication rather than be deprived of it?'"

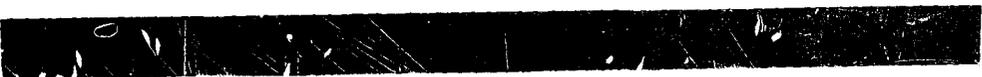
"Look," he continued, "you could ask this question about any publication, regardless of what the price per copy is, and get an accurate idea of what it is really worth to its readers individually and, by taking an average, collectively."

Suppose you were to ask the subscribers of Newsweek, U. S. News and World Report, and Time how much money they would pay rather than be deprived of their next copy, and then put the three figures side by side. I imagine you would get a pretty good idea of subjective worth. That is a comparison I would like to see very much indeed. I can't think of anything more significant than how much a reader wants his magazine --- especially if my ad is part of it.

Approached in this fashion, every publication has some value, even if it is zero. I can think of a couple --- alumni bulletins, for instance --- that may even have a negative value. That is to say I would pay a reasonable fee if I could be absolutely *certain* of being deprived of the next issue.

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HOWARD GOSSAGE, of the advertising firm of Freeman, Gossage & Shea Inc., San Francisco, will soon begin a regular RAMPARTS' column on the communications media.



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