Chapter 5
Newspapers

This chapter will prepare students to:

- describe the challenges newspapers face in today’s digital age
- recognize the conditions that had to exist before a mass press could come into existence
- understand the significance of the penny press
- explain the features that define both online and print versions of newspapers
- recognize the convergence of online and print newspapers
- understand the function of the Audit Bureau of Circulations (ABC)
- identify the various methods newspapers are using to stay in business

Chapter main points:

1. Newspapers in colonial America were published with permission of the local government. A free press did not appear until after the Revolution.

2. The mass newspaper arrived in the 1830s with the publication of Benjamin Day’s *New York Sun*, the first of the penny-press papers.

3. The era of yellow journalism featured sensationalism, crusades, and human-interest reporting and introduced more attractive newspaper designs.

4. Many newspapers were merged or folded during the early 1900s, as tabloid papers became popular. The trend toward consolidation would continue into the years following World War II.

5. The newspaper industry is currently in a crisis as declining circulation and advertising revenue have made it difficult for many papers to stay in business.

6. There are four types of daily papers: national newspapers, large metro dailies, midsize dailies, and small-town dailies. Other major types of papers are weeklies, special-service newspapers, and minority newspapers.

7. All papers now have online versions and many have apps for mobile media.

8. The trend toward consolidation in the newspaper industry has ended.

9. Newspapers are reexamining their business model and converging their print and online operations.
10. Newspaper audiences are measured by the Audit Bureau of Circulations. Newspaper readership has declined for the past several decades, but online readership is growing.

### A BRIEF HISTORY OF NEWSPAPERS

#### Journalism in Early America

Some of the general features of newspapers in early America include the following:

- few newspapers existed
- most publishers were printers and postmasters
- news was not very timely
- colonial governments didn’t support the “free press” concept

Below are some of the noteworthy colonial newspapers:

*Publick Occurrences both Foreign and Domestick*, first American newspaper, Boston, 1690, Benjamin Harris, printer and publisher
  - upset local Puritan officials with scandalous French political story
  - published without authority
  - shut down after only one issue

*Boston News Letter*, Boston, 1704, John Campbell, postmaster and publisher
  - published with royal permission; eventually 300 subscribers
  - bland, “safe” stories, which were blamed for poor acceptance and lack of profits

*New England Courant*, James Franklin, publisher
  - pioneered idea that papers don’t need prior local government approval
  - James jailed for publishing without government permission; continued
  - paper anyway by appointing brother Ben as publisher

*Pennsylvania Gazette*, Ben Franklin, publisher
  - improved readability with better type, headlines, and cleaner layout

Ben Franklin retired from a successful publishing career at the age of 42. During his career he started several papers, published America’s first magazine, ran the first editorial cartoon, proved that advertising copy could sell merchandise, and demonstrated that journalism could be an honorable profession.

#### The Beginnings of Revolution

The number of newspapers grew during the Revolutionary War, with the partisan or political press, which refers to newspapers that openly support a particular party, faction, or cause.
Mary Katherine Goddard’s *Maryland Journal* was one of the leading Colonial papers during the war. She published the Declaration of Independence in 1777 with the signers’ names, and was one of 30 women printers and publishers of colonial newspapers.

**The Political Press: 1790-1833**

- Federalists and anti-Federalists debated the rightful role and powers of federal government.
- The **First Amendment** was ratified in 1791 and guarantees press freedom.
- Papers grew rapidly; most cities had dailies and towns had weeklies. They were read mostly by the upper socioeconomic class. Papers cost six cents (by comparison, a pint of whiskey cost five cents). Most news centered on business, political debates, speeches, new laws, and official messages.
- *Freedom’s Journal* was the first of over 40 black papers published before 1860. It was founded by the Rev. Samuel Cornish and John Russwurm in the late 1820s.
- The *Cherokee Phoenix* and the *Cherokee Advocate* were written in both Cherokee and English.

**Birth of the Mass Newspaper**

Prerequisites for a mass press included the development of quick, cost-efficient printing presses, a critical mass of literate people, and the presence of a mass audience.

**The Penny Press**

**Benjamin Day**, 22, launched the **penny press** with the publication of the *New York Sun* in 1833. He lowered the newspaper price from six cents to one penny. News centered on sex, crime, and human interest.

**James Gordon Bennett** started the *New York Herald*. In 1835. He introduced financial and sports pages, and had an aggressive editorial policy emphasizing political reform.

**Horace Greeley** started the *New York Tribune* in 1841. He appealed to reader intellect rather than emotion. News and editorials centered on crusades and causes. He favored women's rights.

**Henry Raymond** started the *New York Times* in 1851. He introduced objective and reasoned journalism.

**The significance of the Penny Press.** The Penny Press was significant because it changed:

- the basis of a newspaper’s economic support (from affluent subscribers to advertising aimed at a mass audience)
- the pattern of distribution (from mail subscriptions to direct street sales)
- the definition of what constituted news (from the affairs of the commercial elite to the social life of the rising middle class)
• the way news was collected (news became a commodity and anything that could get the news out faster was tried. Fresh news was better than stale news)

**Newspapers as Big Business**

The Civil War and telegraphic dispatches brought changes to the way newspaper stories were written. Most notably was the introduction of the inverted pyramid story format.

U.S. population doubled between 1870-1900; urban population tripled; the number of dailies quadrupled; circulations showed fivefold increases.

**Joseph Pulitzer** published the *St. Louis Post Dispatch* and the *New York World*. He aimed the *World* at the large NYC population, particularly new immigrants, stressing simple writing and many illustrations. He emphasized reporting accuracy and introduced investigative reporting and social advocacy.

**E.W. Scripps** published newspapers in Cleveland and Cincinnati aimed at the working class. He promoted concisely edited news, mostly for blue collar workers, and highlighted human interest stories. He practiced editorial independence and frequently crusaded for the working class. He pioneered the concept of chain newspapers.

**William Randolph Hearst** published the *San Francisco Examiner* and *New York Journal*, and was the real-life basis for Orson Welles’ famous film, *Citizen Kane*. Hearst relied heavily on sensationalized stories dealing with death, dishonor, and disaster to boost circulation, and promoted stories that appealed to reader emotion.

**Yellow Journalism**

Circulation battles led to increased use of sex, murder, self-promotion, and human-interest stories. Whatever its faults, this style of journalism, known as yellow journalism, appealed to readers and sold papers. Though not the proudest moment in American journalism, yellow journalism did have some positive results:

• brought enthusiasm, energy, and verve into American journalism
• professional writing
• aggressive reporting, and investigative journalism
• pioneered layout and display elements that characterize modern journalism

**The Early Twentieth Century**

From 1900 to 1920, consolidation characterized the newspaper business. Although circulation and profits increased, the number of daily papers and number of cities with competing papers declined. This was due in part to the following factors:

• costs of equipment and supplies increased dramatically
• advertisers showed preference for big circulation newspapers
• consolidation increased, chain newspapers grew

Appearing with the consolidation trend was **jazz journalism**, with a short but lively reign during the Roaring Twenties. Jazz journalism's best examples were in New York, and were **tabloid** sized and made lavish use of photographs.

**The Impact of the Great Depression**

The Depression had a great social and economic impact on both newspapers and magazines. Bleak economic conditions forced many dailies out of business, and radio emerged as a serious competitor for national advertising dollars.

**Postwar Newspapers**

After WWII, economic forces continued to shape the American newspaper:

• more consolidation
• growth of chain newspapers
• cities with competing newspapers fell to about two percent by 1970
• consolidation continued as media conglomerates controlled newspapers, magazines, radio and television stations.
• television emerged as yet another serious competitor for advertising revenue

The biggest development of the 1980s was the birth of **USA Today**, which influenced other papers, especially in terms of:

• splashy graphics and colors
• short, easy-to-read stories
• lots of graphs, charts, and tables
• factoids

**Contemporary Newspapers: Struggling to Survive**

Newspaper industry problems became apparent in the 1990s and continue today. Problems include:

• decreasing readership
• increasing competition from the Web
• rapid shifts in social and market conditions
• increasing debt
• bad management decisions cutting into the bottom line
Although the newspaper industry is still losing readers and revenue, it’s not losing them as badly as before.

**NEWSPAPERS IN THE DIGITAL AGE**

Newspapers are cutting costs and trying to increase revenue in order to survive. Techniques include:

- sharing stories with former competitors
- laying off employees
- reducing delivery areas or frequency
- moving completely online
- exploring new ways to charge online readers

**Online Newspapers**

Online newspapers have some advantages over traditional newspapers:

- they are not limited by the size of the *newshole*
- they can be updated continuously
- they are interactive and searchable
- they can provide video and audio
- they can feature user-generated content

**Mobile Media**

Mobile media allow newspapers to be delivered to a person, via a cell phone or laptop, rather than to a place, like a home or newsstand.

The newspaper industry believes it can recoup some of the financial losses caused by offering free online content, by charging for subscriptions for content on e-readers. Many newspapers have developed apps for mobile media that offer advantages over the free Web sites. However, these apps can be expensive for newspapers to develop.

**User-Generated Content**

Newspapers are incorporating user-generated material into the print and digital editions cautiously, since they carry risks (competence, credibility, objectivity).

**Social Media**
Newspapers now realize it is an economic advantage to promote themselves and/or offer content on social media such as Facebook, Twitter, and YouTube.

**DEFINING FEATURES OF NEWSPAPERS**

Both online and print newspapers share some defining features:

- they contain a diverse array of content (news, editorials, features, sports, comics, columns, ads, etc.)
- they are conveniently packaged (organized by content)
- they are local (a medium with the resources to report neighborhood news)
- they serve as major historical records
- they perform a watchdog role for society
- they are timely

**ORGANIZATION OF THE NEWSPAPER INDUSTRY**

Newspapers can be grouped by frequency of publication, market size and appeal to specialized groups.

**Print Dailies**

Dailies are newspapers that appear at least five times a week. Their chief concerns are circulation, the number of copies delivered to newsstands, subscribers and vending machines. National circulation has been declining since the 1960s.

**National Newspapers.** Aimed at national audiences, only three are operating in the United States: *USA Today*, the *Wall Street Journal* and the *New York Times*. Satellites transmit images and information to regional printing and distribution centers. Circulation for this group has not declined quite as much as in other segments.

**Large Metropolitan Dailies.** (population 500,000 or more) Circulation declines continue because of competition from the Internet and a loss of advertising revenue.

**Medium-Sized Dailies** (circulation between 100,000 – 500,000) In most cases, circulation is declining.
**Small Town Dailies** (circulation 100,000 or less) This category is generally not losing audiences as quickly as the medium and large metropolitan dailies, as they have less competition from other media outlets. In fact, some have gained modest circulation.

**Print Weeklies**

The number of weeklies in the U.S. has remained relatively stable (about 6,500) for the last 10 years. However, the circulation totals have increased from 29 million in 1970 to more than 45 million in 2009. However, rising production costs have made weekly publishers more cost-conscious.

**Special-Service and Minority Newspapers**

Special service newspapers are those aimed at well-defined audience segments, such as ethnic groups, foreign languages and college students.

- African-American press reached a circulation peak in 1960 and has since seen a significant decline
- Spanish press has been growing over the last 20 years, but has seen some decline over the last few years, although not as much as English-language papers
- other ethnic newspapers are published, such as those in Chinese and those targeted to Polish-Americans
- there are about 1,800 college newspapers at 4-year institutions, with high readership scores, though many are experiencing revenue loss

**Organization of Online Newspapers**

Three types of online newspaper Web sites are:

- news aggregators
- online Web sites associated with a local or national print newspaper
- online only sites

**News aggregators.** These sites take information from many sources and meld it into a new presentation. One type (e.g. Google News) uses an automatic formula to scan publications; the other type (e.g., Huffington Post) uses humans to select the stories.

**Online Web sites associated with a print newspaper.** Most online papers fit in this model; the most visited newspaper Web sites have a print counterpart. Organizational structures vary: some have a stand-alone online operation while others combine print and online operations.

**Online only sites.** These have proliferated in the last couple of years. Many were started by journalists who were laid off from their print newspaper jobs, others are remnants of a print publication that went out of business, such as Seattlepi.com, the online site of the defunct
Seattle Post-Intelligencer. Most online-only sites focus on local community news. Finding a profitable business model is a challenge for this category.

**NEWSPAPER OWNERSHIP**

For many years the trend was consolidation, with larger companies acquiring smaller ones, and the industry is still dominated by several large groups. However, since newspapers are no longer as profitable as they were before the Internet, the current trend for some of the large companies is to sell off papers that are losing money, and thus the large companies are becoming smaller.

**PRODUCING THE PRINT AND ONLINE NEWSPAPER**

**Departments and Staff**

Structure at a newspaper varies with its size. The three main departments are business, production, and news-editorial.

- the business department sells ads and generates revenue
- the production department gets the news printed on paper
- the news-editorial department is most complex; editorial pages contain opinion while news pages contain objective reporting; news and editorial functions are kept separate

Some newspapers have separate operations for print and online versions, but the current trend is merging the two.

- *A traditional arrangement:*
  
  ⇒ the managing editor oversees and coordinates the day-to-day operations of the department
  ⇒ the city editor supervises local coverage, assigns beats and stories
  ⇒ the wire editor edits international and national news
  ⇒ the editorial staff prepares the editorial pages

- *A newer arrangement:*
  
  ⇒ the newsflow editor manages the story’s progress through the print and online versions
  ⇒ the storybuilder combines print, audio, video elements for a story
  ⇒ the news resourcer provides background and depth to a story
  ⇒ “backpack” journalists conduct interviews, take photographs, record audio/video

- *An alternative new arrangement:*
⇒ less emphasis on print, more on Web and mobile operations
⇒ organization by content teams rather than departments
⇒ the content-creation teams’ stories flow to a production desk where different versions are prepared for print, Web and mobile editions

**Prepublication Routine**

The traditional print newsroom had one deadline when all stories had to be ready. The modern converged newsroom is a 24/7 operation in which news on the paper’s Web site is updated continuously.

The day’s news stems from two major sources: local reporting and wire services.

*In the printed newspaper:*

- space available for stories depends on the newshole, the size of which depends on the ad volume; more ads = more pages, hence more space for news.
- after reporters write and turn in stories, they are edited, pages laid out, graphics added
- the pages are laid out, prepared for printing, printed and delivered

*In the online newspaper:*

- there are no limits on the newshole
- stories are continuously rewritten, updated and posted
- reporters may write blogs, participate in chat rooms, respond to reader e-mail
- in addition to writing, reporters may shoot and edit their own video and audio content
- editors decide on photos, video and audio to accompany stories
- there is no need for a composing room, printing press, paper or delivery truck

**ECONOMICS OF NEWSPAPER PUBLISHING**

The business model of the newspaper industry is changing; the current model is falling apart, as print newspapers derive income from advertising (85 percent) and circulation (15 percent), both which are declining.

**Revenue**

For the print version, advertising revenue comes from four separate sources: local advertising, classified advertising, national advertising and preprinted inserts. The most important are local retail and classified advertising, and these revenue streams have dropped by more than 50 percent over a four-year period.
Expenses

The costs of running a newspaper can be separated by function. Many of these costs vary according to a paper’s size, and represent varying proportions of a paper’s overall budget.

- news and editorial costs: reporters and editors who cover and report the news
- printing costs: such as newsprint and ink, and the costs of running the press
- mechanical costs: including composition and plate production
- circulation and distribution costs: gas, trucks, and delivery people
- general administrative costs: clerical, secretarial, accounting, etc.

Are Online and Apps the Answer?

The bright spots for newspapers in the last few years has been the increasing popularity of newspaper Web sites and mobile apps. However, they are not translating into enough advertising dollars to make up for the print version’s losses. Because online advertising opportunities are abundant, online ads are cheaper, thus the print edition still supplies the most industry revenues. It is yet to be seen whether online subscriptions will be profitable, as there may be competition offering similar news and information for free.

Will Newspapers Survive?

Experts predict that some will and some won’t. Big companies with newspaper holdings may be in the best position as their profits can offset newspaper losses. Newspapers that can find innovative ways to market their mobile products will have an advantage. The newspaper of the future may be a hybrid that appears in print only a few days a week, but with a Web site that is constantly updated and delivered to a number of platforms including cell phones, iPods, iPads and e-book readers.

Global Newspapers

Foreign language or international editions of newspapers fall into two categories: general newspapers and financial newspapers.

FEEDBACK FOR NEWSPAPERS

The Audit Bureau of Circulation (ABC)

The ABC was created in response to inflated circulation rates claimed by papers in early 1900s. It audits some three-fourths of all U.S. and Canadian print media (about 2600 publications) and has implemented several methods to confirm that customers are actually buying the number of copies that a newspaper reports it has sold.
Reports on online audience size are provided by Nielsen/NetRatings. Traffic patterns on any given site can also be tracked by the individual Web site. The ABC reports print and online readership for newspapers.

**Newspaper Audiences**

In the U.S., total national newspaper circulation runs about 45 million copies daily. Circulation totals have been sliding since 1990, even though the population continues to grow. The biggest decline in readers is in the 18-44 age group, in urban audiences, and among people who have not attended college. Reasons given for the decline include competition for other media (especially the Internet), increases in prices, declines in literacy of younger people, increased mobility, and increases in single person households.

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**THE NEWSPAPER INDUSTRY**

The traditional print newspaper is not a great place to look for a job, however the online news area will probably grow in the future. Reporters should be prepared to report for a variety of platforms: audio, video, Web, mobile and print.

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