

Business News Group Will Be Permanent

NORFOLK, Va.

A repeated challenge to add an "extra dimension" to business news reporting and the increased importance of this specialized field were dominant themes during a national Business News Seminar.

The fast-paced three-day session attracted 60 participants from as far away as San Diego.

At the conclusion, the business and financial writers and editors voted to form a national association and named R. K. T. Larson chairman of a temporary organization committee. Mr. Larson, director of Region II, Sigma Delta Chi, and associate editor for public service of the *Virginian-Pilot and Ledger-Star* here, also was the originator of the idea for the seminar.

Seminars Needed

Mr. Larson was enthusiastic about the seminar's success, saying that it "proved the point" that SDX seminars, especially cut and tailored, yet flexible, are needed in many specialized fields.

"It will mean a great deal for the papers of America if other publishers will awake to this fact," he added.

The sessions were under the joint sponsorship of Norfolk and Richmond members of Sigma Delta Chi, and the School of Business, Norfolk College of William and Mary.

Vermont C. Royster, editor of the *Wall Street Journal*, was the first of several speakers to challenge the writers to add an "extra dimension."

Mr. Royster first invited his audience to determine "What is business news and what is the news that affects business?"

He said the more the *Wall Street Journal* deals with the subject "the more confused we get." He cited a number of stories with far-ranging ramifications—some of them unlikely sounding subjects for business stories—yet with a distinct business angle.

However, a basic guideline for business news is just news, Mr. Royster said.

Mr. Royster suggested that some of the distinctions made in the handling of business news are "traps". He spoke specifically towards small and medium size dailies, suggesting that they throw out the business page and the business column as such, as well as stock market quotations and concentrate on good local reporting.

He emphasized the need for a lot of basic information on local



STUDY BUSINESS NEWS—Among those attending a national Business News Seminar in Norfolk were Jesse Glasgow, business editor, *Baltimore (Md.) Sun*; Nate Polowetzky, general business editor, *Associated Press*; Ross Dick, business editor, *Milwaukee (Wis.) Journal*; Fred Spring, business page editor, *Detroit (Mich.) Free Press*; R. K. T. Larson, seminar director.

business, quotes on local stocks and other local stories.

Mr. Royster said he felt it was an "all or nothing" proposition on stock market quotations and added half-humorously that this could be left to the *Wall Street Journal*.

Pollster Dr. George Gallup, echoing some of Mr. Royster's comments dealing with "extra dimension," challenged papers to "develop a practical program of experimentation, taking the best ideas that come from this meeting, try them for a long enough time and then report to this group."

He suggested that a journalism school might participate, playing the same relation as a medical school to a practicing physician.

Dr. Gallup said newspapers should develop a less formal way of presenting news, with more flexibility, greater condensation of routine news and a stronger, more consistent promotion effect.

Regarding business and financial news, he warned against keeping the field too narrow and suggested a people's financial page and the need to educate the public on the simple economic facts of life.

Women in Picture

Two speakers emphasized that women are moving in force into the business news picture. They were Carl J. Nelson, newspaper research executive, and Steve Marks, editor of Fairchild Publications' *Daily News Record*.

"One out of four women read the business page," Mr. Nelson said. One reason, he added, is that women are sick of the Cold War. A recent survey showed five times as much female readership on a business page cost-of-living story as on a page one

growing publications a necessity."

Wants Stock Tables

He departed from his prepared text to voice a mild disagreement with Mr. Royster on the matter of stock tables. Even if tables are incomplete, Mr. Marks said, they will provide guidance to those interested in the stock market.

"To some degree," said Mr. Marks, "I see business news poorly evaluated. It seems to me that it is the editor's function to study and know the size, the type of business, the general range of product and the vitality of the major American business firms."

Two other speakers and active workshop participants were Nate Polowetzky, general business editor of the *Associated Press*, and Jesse C. Bogue, financial editor *United Press International*.

Mr. Polowetzky also saw the need for an extra dimension that could transform a good business story into a page on story. He said there not only has to be a stylistic change, but a conceptual change about what constitutes business news.

Gene Miller, McGraw-Hill executive and *Newsday* business columnist, detailed some of his experiences in writing "purse strings" columns. He said readers want sophisticated advice, but "purse strings" columns are much harder than other business stories because "you can't be neutral."

"It's a readership opportunity that can't be touched," he added.

Guardian of Morality

J. A. Livingston, financial editor of the *Philadelphia (Pa.) Bulletin*, stressed the importance of the business news reporter as the public guardian of morality in big business.

Mr. Livingston detailed examples of the breakdown of personal morality in big corporations, such as the electrical industry's price-fixing scandal earlier this year.

Clark Mollenhoff, investigative reporter for *Cowles Publications*, and Bob Bedingfield, financial writer for the *New York Times*, were among the other speakers.

Mr. Mollenhoff declared that executive privilege has been used to hid dishonesty and inefficiency in government, but is not a matter of partisan poli-

(Continued on page 18)

What Papers Say About 'Going Offset'

A preliminary report of a study detailing newspapers' experiences in conjunction with adopting the offset process was prepared for the Pennsylvania Newspaper Publishers Association convention recently.

Joseph G. Terry, manager of the Newspaper Division of Wolf & Co., gave the report, explaining that about half of the replies were tabulated. Weekly newspapers comprise 90% of the total number participating in the study.

Findings submitted by 80 publishers who produce 123 newspapers in 36 states follow:

The transition period required to change from letterpress to offset was variable—from "a few weeks" to "two years." A few newspapers indicate they tried offset but have already gone back to letterpress. In reply to the question "Would you 'go offset' if you had a second chance?" 51% of the 80 replies said they would still go offset. The same number replied they would not return to letterpress.

In reply to the question "Were there any net savings in the number of employment situations?" 20% state there was a reduction. However, while the number of situations were the same, several reports noted the average cost per employee was less.

Savings in Composition

It was unanimous on the forms that the greatest saving took place in "composition" when switching to offset. 75% of the replies indicate they prefer to train employes in offset procedures rather than hire experienced help. Only 20% of the publishers said they were able to hire trained employes. Trained personnel, if available, would be hired by 37% of the publishers, while only 26% indicate they would probably hire trained employes. These two answers are somewhat contradictory but since it is necessary for publishers to master the art themselves and take time out to train employes, it is natural they would much prefer to become publishers again and assign duties to those who are already trained.

Under the heading of "Public Reaction," 86% state advertisers prefer offset to letterpress; 90% of the readers prefer offset to letterpress.

Production of the newspaper

reveals 52% print tabloid size.

Machines used for straight composition showed 35% prefer the Justewriter; 47% prefer Headliners for heads. Many publishers stated heads produced on Ludlow equipment was much faster and more satisfactory.

The Harris press is used by 45% of the newspapers that replied. However, the trend for larger newspapers is to the web offset press. 71% of the publishers own their press equipment, 54% being web presses. Those who do not own press equipment travel from one-quarter of a mile up to 50 miles to get press work done.

It was noted that 74% of the newspapers who own equipment do work for others.

Plates are made by 75% of the publishers. Of those who do work for others, 90% make the plates; 93% know how much it costs for plate making. Newsprint is furnished by 96% of those doing work for others. A handling charge of about 25% is added over and above the cost of the newsprint.

Inquiring into the cost per page showed that 34% do not know composition cost; 38% do not know plate work costs, the cost of newsprint, or the cost of presswork.

80% of the publishers are developing outside press work and find it to be profitable.

Production speed of offset as compared with letterpress is satisfactory to 80% of the publishers as it pertains to composition, plate making and press work.

The cost of maintaining type-wetting machinery under letterpress was reported greater by 58% as compared with offset.

Cost of Equipment

"Cheap labor" is being used by 66% of the publishers in the composing room. However, the cost of camera work is reported to be a great deal higher and requires more skill.

The average cost of offset equipment was \$36,500. Extremes ran from \$10,000 to \$135,000. Proceeds from the sale of discontinued letterpress units averaged \$8,730. 30% of the publishers report they have considerable letterpress equipment on hand which could not be sold, consisting of typesetting equipment, presses and folders.

Improved working conditions

are claimed by 90% of the publishers. A superior product is produced by offset, according to 92% of the replies. Although offset speed is considered slower by 90% of the publishers, 80% claim an increase in operating profit due chiefly to the savings in composition.

In a study of weekly newspapers who have segregated their departmental expenses, a general average of composing room costs to the total expense is about 22½% of the total. Whatever savings there are would relate principally to this 22½% cost. All other departments are effected very little by the changeover except where editorial and business staff make up their own pages.

Increased profit was reported by 80% of the publishers. Chief saving is the composing room, and is estimated to run up to 51%.

Business News

(Continued from page 17)

tics. He predicted that the first major scandal of the Kennedy administration will break about the middle of next year.

Mr. Bedingfield told the writers of some of his experiences, including a current one—riding boxcars to learn more about railroads.

He said a week of riding the rails has convinced him a "lot of railroad public relations men are doing a great job of telling the public how hard up the railroads are when much of their operations are simply inefficiency."

Early Closing

One study group recommended a 3 p.m. closing time for the New York Stock Exchange as an aid to afternoon papers which carry market quotations. The proposal produced lively debate and although there was no vote taken, proponents of the idea appeared to represent about one-third of those present.

Another group considered various pressures on news gathering. Among their conclusions was the insistence on independence of the news department in news matters. Obtaining management backing on this was urged.

The workshop sessions were under the direction of Dr. E. V. Bowden and Alex Hawryluk of the Norfolk College of William and Mary staff.

In addition to the problem areas, Dr. Bowden had the

seminarians write a statement on the purpose of business and financial reporting at the first meeting. He got a lot of different answers.

By the last session he had crystallized the answers and other comment into what he said the writers had decided. Pointing out that his own college lectures on business writing have emphasized the merits of short sentences, he then read the purpose:

"The purpose of business and financial reporting is to make sure that everyone has all the current and background information, together with the analysis and interpretation necessary, to inform him about and to enable him to make intelligent decisions on all economic matters which affect or concern him and other individuals, his family and other families, his business and other businesses, his community and other communities, his state and other states, his nation and other nations and on economic relationships between and among all these groups."

At the conclusion of the meeting the question of forming an organization of business and financial writers and editors was brought up. Gene Miller, who suggested such an organization during his talk, served as chairman during the discussion.

Webster Gault, financial editor of the *Hartford* (Conn.) *Courant*, appeared to echo a majority sentiment when he said he was in favor but not if the organization would subvert the seminar for its own.

Mr. Larson, who was elected chairman of a temporary committee to plan the organization, announced the following committee:

Fred Spring, business page editor of the *Detroit* (Mich.) *Free Press*; A. Vernon Davis, city editor of the *Hagerstown* (Md.) *Herald*; Don Hill, maritime writer of, the *Virginian-Pilot* (Norfolk); and Mr. Miller, Mr. Gault, Mr. Polowetsky and Mr. Bogue.

An association statement of purpose will be written by Mr. Gault and Mr. Polowetsky will draft a constitution and bylaws.

Chapel Honors Daily

BREMERTON, Wash.

A chapel in the new \$2,500,000 hospital here will be named in honor of the *Bremerton Sun* in tribute to that newspaper's full support of the project. Alex F. Ottevaere, business manager, was co-chairman of the community fund drive. The *Sun* gave \$5,000 and its employes contributed \$6,020.