ANALYSIS OF THE FRONT PAGE OF THE HOUSTON POST AND HOUSTON CHRONICLE BEFORE AND AFTER THE PURCHASE OF THE HOUSTON POST BY TORONTO SUN PUBLISHING CO.

Ву

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PREFACE

This is a content analysis of the front page news content of the Houston Post and the Houston Chronicle before and after the <u>Post</u> was bought by Toronto Sun Publishing Co. The study sought to determine if the change in ownership of the <u>Post</u> affected the newspaper's content, and if the news content of the <u>Chronicle</u> also had been affected, producing competition between two traditionally noncompetitive newspapers.

Many persons made significant contributions to this paper. I would like to express special thanks to my thesis adviser, Dr. Walter J. Ward, director of graduate studies in mass communication at Oklahoma State University.

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I am also thankful for the encouragement of my family and the financial support from my grandfather; I hope he knows how much he has done for me. And for all his help and support through all this, I dedicate this project to my fiance, John.

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CHAPTER I

INTRODUCTION

Background

The approaching end of the independent daily is not the result of a conspiracy among media barons. It is a largely impersonal process, operating in harmony with the rest of the American economy. In that sense, newspaper companies are no different from concerns that deal in oil, automobiles, pharmaceuticals, or underarm deodorants. The product happens to be different, for it conditions daily the national political and social consciousness. But the organizations that provide the product operate with the same corporate motives as shoe factories.¹

In this case, the end came for the independently-owned <u>Houston Post</u> when it was purchased in the fall of 1983 by the Toronto Sun Publishing Corp. Sun Publishing owned three Canadian dailies, one weekly, operated a commercial printing division, a feature sale syndicate and a wire service and is about 49 percent owned by Maclean Hunter, Ltd.²

Lieutant Governor William P. Hobby, president of the <u>Post</u> and its parent company, H&C Communications, Inc., announced in July of 1983 that the Houston Post Co., of which it is the sole owner, was for sale because of "tax considerations and the changing interests of shareholders."³ H&C Communications is owned by the Hobby and Catto families of

Houston, Texas and McLean, Virginia. The families continue to own and operate television stations in Houston, Nashville, Tucson, and Meridian, Mississippi, and a radio station in Houston.⁴

The sale excluded certain <u>Post</u> assets, including its downtown printing plant and a part of its headquarters building. The cost of the <u>Post</u>: \$100 million plus the value of the working capital. The family-owned newspaper had working capital of some \$30 million, putting the value of the transaction at about \$130 million.⁵ An unnamed source at the <u>Post</u> said, "Considering that we're the second largest newspaper in the market and that we've been losing money for years, it's a stunning price we got."⁶ Douglas Creighton, publisher of the <u>Toronto Sun</u> at that time, seemed equally pleased. "I'm not trying to sound like a cheerleader, but I think it's the best deal we've ever done."⁷

Jessica Hobby Catto, daughter of Will and Oveta Hobby and now publisher of the <u>Washington Journalism Review</u>, said there just wasn't anyone in the next generation "who was the right one at the right time" to take over. So the family decided to concentrate on the broadcasting business.⁸ Under the ownership of the Hobby family since 1939, the <u>Post</u>, which was founded in 1885, had "enjoyed a reputation for balanced and, by low-key Houston standards, diligent local coverage; it won a Pulitzer Prize for investigative reporting in 1965."⁹

And despite the bipartisan political involvement of

family members, the paper rarely crusaded. The paper's last chairman, William Hobby, was the Democratic governor of Texas from 1917 to 1921, and his widow and successor, Oveta Culp Hobby, was, under President Eisenhower, the first Secretary of Health, Education and Welfare.¹⁰ For four days after the <u>New York Times</u> published the classified Pentagon Papers in 1971, the <u>Post</u> did not even mention the disclosures. The first reaction of the younger William Hobby, then executive editor, was, "Aw, that's no story!" When Hobby ran for Lieutenant Governor in 1972, the <u>Post</u> published four one-page editorials supporting him during the Democratic primary, yet never mentioned his connection with the paper.¹¹

As the 17th largest newspaper in the United States at the time of the purchase, the Post operated in what has been one of the U.S.'s least competitive two-newspaper cities.¹² The morning newspaper, the Post, had had less impact in Houston than its all-day competitor, the Houston Chronicle, which was established in 1901.¹³ As Peter Applebome, media writer and associate editor of the general interest magazine Texas Monthly, said, "The Chronicle has always played the power broker role in Houston, always tied itself to the donwntown business establishment. The Post, however, has always been seen as the paper with more of a heart."¹⁴ When the Hobbys bought the Post from Jesse Jones, who, at the time, also owned the Chronicle, the two families were friends and leading citizens of the community. They ran their newspapers in a "gentlemanly" fashion and the noncompetitive legacy first

began to erode only in 1979 when the <u>Chronicle</u> started publishing a morning edition to compete directly with the <u>Post</u>. And the Chronicle is now owned by the nonprofit Houston Endowment and the paper must be sold by 1989, unless the laws change that now force its sale.¹⁵

Since the Canada-based company has moved in on the scene, some believe a war between the two papers is possible and could be ugly. "The Chronicle could not restrain its glee that its new competition would come from foreign purveyors of the nouvelle penny press."¹⁶ They sent a reporter to Toronto and the story ran on page one, beating out the Post on its own story. As Gregory Curtis of Texas Monthly said, "What followed was a glib and entertaining piece that in its emphasis on titillation, its one-sidedness, its self-serving purpose, and its utter delight in mocking a rival, was not unlike many stories in the Sun itself."¹⁷ Peter O'Sullivan, British-born editor-in-chief of the reborn Post, denounced the Chronicle report about the Toronto Sun as "the sleaziest journalism I have seen in a long time."¹⁸ However, the Chronicle's executive managing editor for news, Dan Cobb, said, "Im pretty well impressed with the content of the new Post. It's not nearly what I thought it would be. Competition may sharpen their paper, and ours, too."¹⁹ O'Sullivan said, "The Houston papers before seemed to have sort of a mutual nonaggression pact. But if we are even moderately successful, the Chronicle will have to react. I think it is going to be fun."²⁰

The decision to buy the Postwas part of the Toronto Sun Publishing's plan to expand into the U.S. market. "When we started out, we said, 'Let's expand if it works.' Starting a new paper in a new place is fun."²¹ The company considered the Washington, D.C. market after the Washington Star folded in 1981.²² Sun Publishing looked at about "a half dozen" newspapers in the U.S., besides the Chicago Sun-Times at which it took a close look. At one time, it was considering making an offer for both the Post and the Chicago Sun-Times.²³ At that time, the Sun-Times had a daily circulation of 670,000 and Sunday circulation of 700,000. And some industry sources suggested that Toronto Sun's interest may be heightened since it publishes tabloids at the <u>Sun-Times</u> is a tabloid.²⁴ Donald Hunt, Toronto Sun Publishing vice president and general manager, said that when the Toronto Sun was started in 1971 after the Toronto Telegram folded that year, the company copied ideas from the Sun-Times.²⁵ His company started the Edmonton Sun in 1978 and acquired a Calgary newspaper in 1980 and renamed it the Calgary Sun. The three Canadian newspapers have a combined circulation of about 400,000 daily and 650,000 Sunday.²⁶ The Canada-based company finally said that if it didn't buy in Chicago or Houston, it probably wouldn't consider another newspaper acquisition until next year. 27

The purchase in 1982 of a 49 percent share in Toronto Sun Publishing by Maclean Hunter, Ltd., a Toronto-based communications concern, gave the publisher "the financial muscle to move into the U.S. market.²⁸ Hunter, 95 years old, has radio

and cable TV interests plus 120 magazines, including <u>Maclean's</u> magazine. The treasury-share enchange was highly complicated and Hunter laid out \$54 million for the deal.²⁹ For Hunter, the deal meant instant acquisition of thundering newspaper success, its first daily paper. And the <u>Toronto Sun</u> gained access to Hunter's huge holdings (net worth at the end of 1981: \$105 million).

Hunter announced that Sun Publishing probably would offer cash for the <u>Sun-Times</u>, but never estimated the asking price. He said the company wouldn't get into a bidding battle if another company made an offer for the paper.³⁰ And Toronto Sun Publishing finally dropped from contention after deciding it would cost at least \$50 million to modernize and relocate the paper's aging presses.³¹ The end result was Rupert Murdoch acquiring the <u>Sun-Times</u> for \$90 million and the <u>Post</u> being bought by Toronto Sun Publishing.

While the deal had to be approved by Sun Publishing's 49.7 percent owner, Hunter, its chairman, Donald Campbell, said that his firm would neither interefere with the <u>Post</u>'s operations nor provide any of the funding for the deal.³² "Instead, the <u>Sun</u>, which boasted earnings of \$1.9 million in the first quarter of its fiscal year (1983) intends to borrow the purchase price through U.S. money markets."³³ The purchase meant a big jump in the company's debt from the current \$21.6 million (Canadian), and the purchase price will probably be twice the company's equity.³⁴ That debt put an end to any speculation which was made about Sun Publishing purchasing

the Sun-Times also.

Sun Publishing said from the beginning that it would model any newspaper in the style of its tabloids in Canada.³⁵ However, publisher Creighton said after the purchase that he didn't intend to convert the <u>Post</u> to a tabloid and didn't plan any immediate changes. "We're not the Lone Ranger and Tonto dashing in there."³⁶ But he did acknowledge he's like to bring some of the <u>Sun</u>'s features to the <u>Post</u>. "The Sun has a personality," said Roy Megarry, publisher of the <u>Toronto Globe & Mail</u>, a rival that has a more business-oriented readership. "It's a cheeky, irreverent, spstart--and I don't use those adjectives in a derogatory way. They set to produce a breezy, irreverent tabloid, and they did it beautifully,"³⁷ The <u>Sun</u> papers are known for full-color covers, snappy headlines, short stories, lots of pictures and columnists and a scantilly-dressed "Sunshine Girl" on pahe three.³⁸

The <u>Toronto Sun</u> appeals to younger readers and bluecollar workers. Its tabloid size makes it a regular sight on Toronto buses and subways. Costs are kept low because the paper offers home delivery only on Sundays and never had a union.³⁹ The paper encourages readers to identify with it by soliciting their views and sponsoring a series of wacky contests. For example, thousands of people sent in photos of their legs for a mid-winter contest to find the city's best legs. "The <u>Sun</u>'s preoccupation with contests always reaches new levels of idiocy," said current editor Barbara Amiel.⁴⁰ Since she was appointed editor, her duties have included riding an elephant and kissing a gorilla.

The sub's serious side is its editorial page. Amiel describes the <u>Sun</u>'s editorial line as "staunchly anti-communist, staunchly free enterprise, and it emphasizes the little guy."⁴¹ The paper also was "the most fervent foe" of Prime Minister Pierre Trudeau's government, she said.

The reputation of the Sun took a dive in the summer of 1981 when a front-page accusation that Indian and Northern Affairs Minister John Munro may have used his cabinet position to profit in the stock market during Petro-Canada's takeover of Petrofina Canada turned out to be false.⁴² Promptly sued by Munro for \$750,000, the paper could not provide a shred of evidence to buttress the tale. In an editorial, the paper apologized to Munro and three others. The paper admitted, "When the Prime Minister described the Sun's Petrofina story as 'garbage' it appears ... that he was not far from the truth. We are very sorry." ⁴³ But the paper failed to deter Munro's suit or to detail to its readers the extent of its internal failures in handling the story. In the Sun newsroom, they now call their drama "Donny's World." Like Janet Cooke, the author of the Washington Post's similar fictitious story, "Jimmy's World," Domald Ramsay craved success.⁴⁴ His detailed account of names, dates and places was accepted by everyone. Ramsay later admitted that he had misled the paper. He was fired on the spot and Managing Editor Ed Monteith and his assistant, Peter O'Sullivan, currently editor in chief of the Houston Post, tendered their resignations, but they were not

accepted.45

Some people at the <u>Sun</u> and elsewhere worry that the <u>Sun</u>'s brand of journalism could be tricky to install elsewhere. Said the <u>Globe</u>'s Megarry, "The paper has a personality, and that's got to be because of a few people, a very few people."⁴⁶ Amiel agreed: "The <u>Sun</u> could do very well in the U.S., but only if they use <u>Sun</u> people, real <u>Sun</u> people."⁴⁷ Creighton said there would be changes among some of the top people at the <u>Post</u>, yet at the time he had not talked to any editors yet.

The changes in the <u>Post</u> took effect about a month after the first issue came out under the new owner on December 5, 1983. Some considered the changes dramatic.

Visually, the revamped paper is a kaleidoscope of brightly inked boxes, out-size color photos and bold black headlines and, editorially, it is terse and feisty, especially in its newly argumentative opinion pages ... The new paper is a tabloid in spirit, though not in actual size. It emphasizes crime, sex, sports and weather, and devotes about half of each front page to local news. Combat in the Middle East got prominent play last week, but the paper was almost devoid of serious stories about politics or government in Washington ... The business section depends heavily on wire-service copy and emphasizes consumers rather than industry and finance; the feature section resembles a traditional women's page, with stories about office parties, bargain clothes and Christmas gofts to hairdressers, rather than to the issue-oriented, lifestyle articles that appear in many big-city papers. 48

Some described the <u>Post</u> as an imitator of the Gannett Co.'s national daily, <u>USA Today</u>. In its emphasis on crime and catastrophe, the Post also resembles the popular British dailies on which the Toronto Sun was modeled.⁴⁹ Predictably, the staff was divided abou the new look. Complained one <u>Post</u> veteran, "It looks like a newspaper in a clown suit."⁵⁰ Others shared the view of the reporter who said, "It is like having somebody let frash air into a stale room--which needed it, but some people find it a little cold."⁵¹

Advertisers, too were hesitant. David Huskey, senior vice president of marketing and sales promotion at Joske's, a department store chain, said, " I do noy buy advertising based on graphics and color. We are going to have to wait a few months to see how the changes have affected circulation and demographics."⁵²

Soon after the purchase, Creighton said his aim was to make the <u>Post</u> houston's No. 1 paper, passing the <u>Chronicle</u>. Both papers were family-oriented publications that used a lot of wire-service stories and emphasized light features.⁵³ He also said management intended to reverse the Post's losses within the first year, and reduce debt at the same time.⁵⁴ For what became known only simce the newspaper's sale was its weak financial condition in recent years.⁵⁵ When the Hobby family put the paper up for sale last June, published reports said the <u>Post</u> was making about \$9 million a year. In fact, Creighton said the paper had lost money for the past four years. The annual losses ranged from \$2 million to a little more than \$5 million.⁵⁶

Editor-in-Chief O'Sullivan said the <u>Houston</u> Post is a different kind of paper than the Toronto Sun, "and we do not

want to alienate the circulation we paid for."⁵⁷ Still, the paper will be raffish: the owners seek not so much to cut into the <u>Chronicle</u>'s circulation as to catch the eyes of people who do not now read a daily newspaper."⁵⁸ Said Director of Marketing Marvin Naftolin: "We are looking for the young adult. The papers here have not been exciting or interesting enough to attract them."⁵⁹

The pransplanted Canadians conceded they had to learn the local mentality. A restyled regional weather map, for example, had to be scrapped quickly in favor of a national one. Explains O'Sullivan: "One of the attractions of living here is gloating about how all your friends up North are freezing."⁶⁰

And to help ease the transition, the new owners promoted columnist Lynn Ashby, who is probably Houston's best-known newspaperman, to the new post of editor, overseeing the opinion pages. Ashby said, "THe city has badly needed a public discussion of issues. I do not ask people to agree with us, but I want us to be the first thing they pick up in the morning."⁶¹ In his program, he expanded cpolitical coverage, offered more guest-column slots for ordinary citizens, and he took some of the "cynicism and acidity" out of the staff-written replies to letters to the editor.

Since the change in ownership, the <u>Post</u> has been hurt by <u>Chronicle</u> raids on its newsroom, particularly the loss of columnist Leon Hale. Hale, a Houston institution, is famous for "his down-home style stories that can range from odes to Texas chili to a report on the conversation in a prairie tavern one Saturday night."⁶² The <u>Chronicle</u> also took from the <u>Post</u> the <u>Post Parade</u> magazine, while the <u>Chronicle</u> continues to publish its own Sunday magazine, <u>Texas</u>. And it bought the <u>Post</u>'s downtown printing plant, becoming the new owner's landlord. However, the <u>Post</u> is expanding its production facilities with the purchase of 19 new Metroliner units. The new presses will allow the paper to be printed on a total of 45 units in its Southwest Freeway location, so the <u>Post</u> will be able to stop paying rent to the <u>Chronicle</u> for its downtown printing plant.⁶³

<u>Chronicle</u> executives insist they have not changed their paper to react to the <u>Post</u>.⁶⁴ The <u>Chronicle</u>'s use of color has increased since the new owner arrived, but <u>Chronicle</u> President Richard Johnson said it was only part of a plan formulated long the <u>Post</u>'s sale. And whether by accident or design, the paper has concentrated editorial expansion on many of the same areas as the <u>Post</u>.⁶⁵ For example, it added three pages of news from the <u>Financial Times</u> of London to its already highly respected business pages. Sports pages also have been added, a development Johnson attributes to the growth of major league sports in the city. The <u>Chronicle</u>, in addition, made plans to hire more staff members for a newsroom which already numbers about 250.

As <u>Post</u> executives expected, the paper lost money in its first quarter, but Creighton said that should be the extent of its losses. "We are budgeted to make a fair amount of

money."⁶⁶ Post circulation fell after the purchase, and Creighton said in some cases the drop was deliberate. "We cut back on the highly unprofitable distant out-of-state circulation; that accounted for about 10,000 to 12,000. And there was some fallout from readers who don't like the color. I'd say 10,000 to 15,000 there," he said.⁶⁷

And keeping the <u>Sun</u> tradition, the new owners began a run on contests. The contests going on at one time were "Guess the results of the Astros (baseball team) home stand" and "Guess the results of the Oscars."

The <u>Post</u> also advertised heabily on radio and television after the transition. And the city became "dotted" with the Post's distinctive bright red billboards.⁶⁹ Creighton said one <u>Post</u> strategy is to penetrate markets no one has explored yet, such as the city's growing Hispanic population. There will be greater emphasis on local news, and more out-of-town travel has been budgeted.

Since Toronto Sun Publishing bought the <u>Houston Post</u>, the <u>Sun</u> made a surprising appointment during the last week in June of 1984. Metropolitan Toronto Chairman Paul Godfrey, "possibly the city's best-known municipal politician, but by his own admission, a newspaper neophyte," replaced Creighton as publisher of the <u>Toronto Sun</u> as of September.⁶⁹ Creighton had held the position since the <u>Sun</u>'s founding in 1971 and will remain as president of the paper's holding company. The appointment came at a time of heated press wars in Toronto between the Globe (Circ. 330,000), the Toronto Star (circ. 490,000) and the Toronto Sun (circ. 253,000).

In October 1984, Peter Worthington, <u>Sun</u> columnist and former editor-in-chief and co-founder of the <u>Toronto Sun</u>, was fired for making anti-<u>Sun</u> remarks in Edmontom while promoting his new book, <u>Looking for Trouble</u>.⁷⁰ "Since its birth in 1971, the <u>Toronto Sun</u> repeatedly has broken journalistic traditions and basked in its reputation as an antiestablishment upstart. Editors of the racy tabloid have encouraged columnists to criticize editorials and allowed cartoonists and writers the freedom to document such daring subjects as the martini-drinking habuts of the newspaper's president Creighton. But ... Worthington evidently overstepped the bounds of that freedom."⁷¹

The veteran journalist publicly commented that the <u>Suns</u> in Toronto, Edmonton and Calgary do not pretend to be newspapers of record. He told a reporter from the <u>Edmonton Jour-</u><u>nal</u> that the Sun and its sister papers do not inform readers as well as their competitors do. After his dismissal became public, he told <u>MacLean's</u>: "You need to have your head examined if you buy the <u>Sun</u> for news. People buy it for its opinions. I have been saying this and Creighton has been saying it--everyone has been saying it since the <u>Sun</u> began."⁷² Worthington denied his firing was connected with media conglomerate MacLean Hunter Ltd.'s 1982 takeover of the <u>Suns</u> or the recent appointment of Godfrey as publisher. But he admitted the move indicated "a change of attitude" at the paper.⁷³ Others, too, have noted the change. Said one senior

reporter: "They seem to be taking what appears to be a more moderate or middle-of-the-road approach to many things."⁷⁴ Said Creighton: "I would hope we are on the road to more respectability if indeed we need to travel that road."⁷⁵ Worthington since has agreed to write columns for two of the <u>Toronto Sun</u>'s rivals, the <u>Calgary Herald</u> and the <u>Edmonton</u> <u>Journal</u>.

One of the next big steps which the <u>Sun</u> took was to sell its wire service, <u>United Press Canada</u>. <u>UPC</u>, formed in 1979, was a private venture that was 80 percent owned by Toronto Sun Publishing and 20 percent owned by <u>United Press International</u>.⁷⁶ Creighton said <u>UPC</u> had been losing money since its inception and that the loss of two major newspaper clients, <u>Montreal Gazette</u> and <u>Toronto Star</u>, was a main reason for the decision to sell to the <u>Canadian Press</u>.⁷⁷ <u>UPC</u> and <u>CP</u> are Canada's two nationwide news services. <u>UPC</u> had 90 clients, including Canadian newspapers and radio and television stations. <u>CP</u> serves 102 newspapers and 450 radio and television stations across Canada.⁷⁸ The transaction closed on January 31, 1985. Creighton said the sale of <u>UPC</u> would have "no negative effect on the <u>Sun's</u> bottom line."⁷⁹

Toronto Sun Publishing Corp. reported net profits \$14.3 million in 1984, compared to \$9.4 million in 1983. Revenues for the year were \$332.1 million, up from \$135.8 million. The "dramatic" increase was the result of a full year's ownership of the <u>Houston Post</u>, which Sun Publishing said was profitable.⁸⁰ Yet, circulation of the <u>Post</u> has been dropping

since the purchase, and the <u>Houston Chronicle</u> has a much greater circulation over the Post.

TABLE I

AUDIT BUREAU OF CIRCULATION'S FAS-FAX TOTALS FOR THE HOUSTON POST AND HOUSTON CHRONICLE

	Houston	Houston Post		hronicle
	Daily	Sunday	Daily	Sunday
Sept. 1982	376,455	436,659	419,869	502,654
March 1983	395,786	456,355	438,760	528,831
Sept. 1983	402,181	463,264	459,225	543,405
March 1984	* * *	367,623	* * *	505,613
Sept. 1984	326,556	376,015	441,557	538,232
March 1985	310,110	366,818	433,380	536,585
Sept. 1985	305,375	365.303	439,044	518,679

*** Figures were not available at publishing time.

The Growing Concentration and Ownership

Among Newspapers

"In an age of big media conglomerates, papers and small

chains controlled by families with deep roots in a community are are increasingly rare."⁸¹ According to statistics compiled by Lynch, Jones & Ryan, a New York-based stock brokerage firm, of some 1,700 daily newspapers in the nation, only 530 are owned by individuals or small newspaper chains.⁸² Comparatively, in 1976 there were 1,762 newspapers, 725 of them independently owned. In the past few years, several major dailies have moved from family hands to ownership by corporations. John Morton, employed by Lynch, Jones & Ryan, observes that, "by the third or fourth generation, company shares usually are dispersed widely among cousins, in-laws and shirttail relatives, many of whom have little sense of allegiance to the family business."⁸³

An excess of heirs has always created problems for familyowned newspapers, as it did in the case of George Booth, who married the daughter of a Detroit newspaper publisher in 1887.⁸⁴ George and his brother, Ralph, took over the family business, then known as <u>The Detroit Evening News</u>. And by 1976 the heirs of George and Ralph were doing very well. The eight papers, owned by Booth Newspapers, Inc., were monopolies in sizable cities outside Detroit, covering almost 40 percent of the entire Michigan newspaper audience. At that time, there were 125 descendants and in-laws of the brothers taking money out of the corporation, and together these shareholding relatives controlled about 40 percent of the newspaper chain. A few of the heirs were active in the business and drawing salaries. But most of them merely collected dividends.

It is situations like this that people like Samuel Newhouse, one of the country's most aggressive buyers of newspapers, keep an eye on, waiting for a little unrest among the family shareholders. As one author puts it, he is "a man extraordinarily sensitive to newspapers' family squabbles ... He has consistent advice for estranged family members: sell. He always has generous amounts of money for relieving siblings of burdensome stock."⁸⁵ It has been with such counsel and cash he acquired, for example, the Bowles family's Springfield, Massachusetts, newspapers. And when dissident relatives of the late George Booth threatened to liquidate the newspaper to make a profit, management turned to possible buyers, and Newhouse was waiting.

And why not? American daily newspapers are one of the most profitable of all major industries in the United States.⁸⁶ With the prosperity of newspapers comes the assumption by some that high profits would be plowed back into a paper to make it better. However, for more and more papers, high profits have come to mean something quite different: the end of independent newspapers. "With the growth of chains, high profits quickly depart the originating oaoer and are used to produce a favorable stock market position so that the parent company can acquire properties elsewhere."⁸⁷ What used to guarantee a locally owned press has now become a chief instrument for ending it.

Most U.S. publishers, for several years, have been basking in the flow of record-making profits, which have led, in

turn, to the fabulous sums being offered by chain owners for newspapers, especially those in strong monopoly situations. For example, the Thomson organization of England and Canada in December 1967 paid \$72 million for a group of 12 small Ohio dailies. This was the largest financial deal in U.S. newspaper history.⁸⁸ Newspaper chains are growing because individual newspapers and newspaper chains are making so much money that it is profitable to pay even exorbitant prices to buy up the few remaining independent dailies.

"Now that practically all the financially attractive individual newspapers have been bought by groups, the process of concentration is taking the form of chains buying other chains."⁸⁹ In 1976, four big chains bought six smaller chains, the two most notable cases being Newhouse's purchase of Booth, and Gannett's of Speidel's 13 dailies.⁹⁰ And among chains, the big are getting bigger. Gannett, the U.S.'s most acquisitive newspaper chain, began in 1976 with 50 dailies; by early 1985 it had 85 daily newspapers.⁹¹ And while fewer owners control more newspapers, almost all newspapers are now monopolies in their own communities. Of course, this is not the case of the Houston Post and its rival, the Chronicle. However, of the 1,500 cities with daily newspapers, 97 percent enjoy a local "monopoly," and nearly half are owned by some group or national chain.⁹² In 1920, there were 700 United States cities with competing papers; today there are fewer than 50.93

Gone are the days when practically countless numbers of

little printers and editors had more or less equal shares in the market of public opinion.⁹⁴ However, ownership concentration is not a new phenomenon in U.S. journalism. "Even Benjamin Franklin, who financed printers in going out to start newspapers, had a "chain" of sorts in colonial days. A merger of two local papers took place as early as 1741, and the 1880 census revealed the first known case of a morning and an evening paper under single ownership. It also was in 1880 that Edward Scripps laid the foundation for the first modern chain, the forerunner of the present Scripps-Howard group."⁹⁵

The number of general dailies reached its all-time peak of 2.202 in 1909-1910, then declined for 35 years to a low of 1,744 in 1945. Since that time, it has varied only a little.⁹⁶ There have been no successful new general dailies started in any nonsuburban city of more than 200,000 population since 1941.⁹⁷ And even that paper, the <u>Chicago Sun</u>, with a millionaire department store owner backing it up, had to merge with another daily into the present <u>Sun-Times</u> before it became commercially profitable. Many of the attempted dailes were weeklies which tried daily publication for a short time, then reverted to a weekly basis, merged with another daily, or suspended altogether.

A hundred years ago, in the age of personal journalism, it took little to start a newspaper and little readership to keep it alive. What it did take was a strong, articulate editor who had a distinct point of view.⁹⁸ As industrial-

ization developed, education broadened, and means of communication improved, the limited audience to whom the editors of the 19th century were addressing their message changed. The mass audience was interested in a wider spectrum of news and information than had been the norm. The old-style, highly competitive personal journalism began to give way to the journal of information and toward a kind of standardization.⁹⁹ They also became Big Business.

Size and profitability, by themselves, are not necessarily contrary to good journalism. But the present concentration of power over the news reduces the diversity of voices in the marketplace of information and ideas.¹⁰⁰ Said Ben Bagdikian, a national correspondent of <u>Columbia Journalism</u> <u>Review</u>, "One need not romanticize the independent paper in order to regret its disappearance. Most independent papers are mediocre or worse, just as most chain papers are. Few are operated on standards of quality that good journalists accept. But if one has to choose between a mediocre independent paper and a mediocre chain paper, the local independent has advantages. For one thing, it has more potential for diversity. And it is more likely to have a local owner with a stake in the community."¹⁰¹

John Oakes, former editorial page editor of the <u>New</u> <u>York Times</u>, believes that "what essentially worries critics of the growing concentration of power in the news industry in the hands of relatively few communications companies-publicly and privately held--is that the more concentrated

power becomes, the more likely it is to move the focus of print journalism away from its original goals and purposes into becoming a mere money-machine, as has happened in the television industry."¹⁰²

According to the latest Communications Industry Report from Veronis, Suhler & Associates, "Newspaper publishing consistently ranks in the top half of the communications industry overall in growth and performance, with particularly impressive profitability growth and performance."¹⁰³ The newspaper industry's operating income "surged" 32.5 percent in 1983 to \$1.79 billion, its best performance in the fiveyear period dating from 1979. The <u>Toronto Sun</u> had the highest increase in assets in 1983, according to the report, with a 123.8 percent gain as a result of its purchase of the Houston Post.

Attempts to Curb Declining Readership

Newspaper publisher must keep on their toes to stop a decline in readership and attract that group of people that has concerned publishers for years--the Yuppies. Almost every evening newspaper in America is in trouble because, when people go home at night, they don't read the paper. They watch television, according to Robert Bock, a science writer for the Johns Hopkins Medical Institutions.¹⁰⁴ In 1984 most major morning newspapers were in good financial health and, for the first time in years, non closed. "This success may have been due, in part, to publishers' efforts

to make their papers more attractive to readers. Throughout the nation, newspaper management has followed the example of <u>USA Today</u>, dressing up their front pages with attractive headlines, easy-to-read typefaces, appealing color photographs and amusing human interest stories," Bock said.¹⁰⁵ He stressed that visual changes, although important, would not be enough. "A flat, motionless page, no matter how attractive, cannot compete with television's creaseless flow of image and sound."

Newspaper executives are becoming increasingly concerned with the fact that adults under 35 years of age do not read newspapers as frequently or as thoroughly as those over 35.¹⁰⁶ Americans 18 to 24 years old have almost always been poor newspaper readers. Yet today's 25- to 34-year-olds, the heart of the affluent, educated baby boom generation pursued so avidly by advertisers, have failed to develop consistent newspaper reading habits. "A natural marketing response would be to publish a newspaper specifically designed for active, rootless, seccess-minded young adults who have little time to read and a tast efor news with pizzazz," said James Lessersohn, corporate planning manager of Affiliated Publications, Inc., parent company of the Boston Globe.¹⁰⁷ "A second marketing approach for selling newspapers to young adults would rely on promotion to convince the baby boomers that the local newspaper does address their needs. Research shows that readers under 35 go to the sports section, the entertainment news, the comics, and the help wanted advertising more frequently than older readers."¹⁰⁸

The <u>Houston Chronicle</u> enjoys about average readership levels with the 18-34-year-old market and is "perhaps most representative of what newspapers around the country are doing in appealing to this market."¹⁰⁹ The paper has developed "spin-off" promotions from broader, mass-audience campaigns to target the 25-34-year-olds market, among others. Paige Haines, promotion manager of the <u>Chronicle</u>, explains, "We create a base level of awareness with broadcast which is supported by coordinated circulation sales programs aiimed at specific demographic groups."¹¹⁰ Haines said that in a recent promotion campaign, the paper was positioned as Houston's Information Source," with a direct mail piece aimed at apartment dwellers to reach many in this target merket.

In 1973, some 63.1 million Americans bought a newspaper every day. By 1977, two and a half million fewer Americans were making the daily paper a part of their lives.¹¹¹ The need, therefore, is to create newspapers that more people will read. However, as Fergus Bordewich observed, "Editors are not talking about attracting and educating readers with more investigative reporting, more correspondents in Washington, Latin America or the Far East, more incisive and indepth coverage of local politics, more specialists to write the education, science, or economic news. Editors are not talking about better-written news, they are talking about "breezier" news. Many papers are becoming so breezy you can hear the whistling through the holes where the news might have been."¹¹²

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CHAPTER II

REVIEW OF LITERATURE

Related News Stories

The trend toward concentration of ownership has been well documented. The controversy has included three major arguments: 1) that the public suffers from increasing concentration of ownership; 2) that concentration has had no major effects on the public; and 3) that the public benefits from such concentration.¹ One basic implication is that home-owned, nonchain papers show a greater interest in local affairs of public interest than chain papers whose owners live hundred of miles away. Yet chain papers, because of their reputedly greater financial strength, are thought to show greater forthrightness, greater tendencies to speak frankly, regardless of consequence, on local questions.²

Martin D. Sommerness of Michigan State University, in 1979, examined the news, entertainment, and opinion content of the Traverse City <u>Record-Eagle</u> before and after its purchase by Ottaway Newspapers, Inc.³ The study dealt with the sale of the newspaper by the family which had owned it for more than 55 years to Ottaway Newspapers, Inc., a wholly-owned subsidiary of Dow Jones and Company, Inc.

The theory behind the study was that chain or group ownership of newspapers can be "a boon, not a bane" to newspaper journalism.⁴ The results of a content analysis were contrasted with the results of a readership survey conducted by a research company. The results of the study indicated that the <u>Record-Eagle</u> had become a better newspaper: its total content had increased, it publishes more local information, it provided a greater variety of opinion and entertainment matter, and it had become much more aggressive in its editorials.⁵ It had also become more of a local newspaper under absentee ownership. Ottaway managers at the <u>Record-Eagle</u> have substantially increased local hard news and supplementary stories, local enterprise stories, locally produced columns, local interpretive stories, and local opinion material.⁶

The study showed that while under family ownership, the paper took care to print little that would raise any controversy, thus disturbing the community. And although the results of the research indicated the <u>Record-Eagle</u> has become a quality newspaper under Ottaway ownership, significant improvements in form and substance are still needed, according to Sommerness.⁷ Interviews cited some areas which needed improvement, including sensationalism, lack of organization, bias, and inaccurate erporting.⁸ During the course of the study, some workers expressed dissatisfaction about the professionalism, news judgment, and management abilities of certain editors. The results of the readership survey indicated that people

are generally satisfied with the overall newspaper product. However, dissatisfaction over the new ownership still exists.

One area that needed work, Sommerness discovered, was that of reaching the youth market, that segment of the population that exhibits a low readership of daily newspapers.⁹ The new owners began publishing a Rolling Stone column, which was brought to lure young readers. However, the readership survey revealed that more than half the respondents in the 18 to 25 age bracket said they never read the column.

In conclusion, Sommerness said his study showed that chain ownership has not had a harmful impact on the <u>Record-</u> <u>Eagle</u>; in fact, it showed that absentee ownership of the newspaper had made it a better publication.

This study has shown that a chain-owned newspaper not only has the potential to serve the readers better than its independent predecessor, but in at least one case, did and continues to provide its readers vastly improved daily accounts of the world in which they live.¹⁰

The study cited above is, of course, different in some ways from the situation of the <u>Houston Post</u>. For one thing, the <u>Post</u> is in a competitive market with the <u>Houston Chroni-</u> <u>cle</u>. Critics fear that the newspaper monopoly reduces both the quality and diversity of information and opinion available to the public. However, according to John Schweitzer and Elain Goldman, research has generally not supported the critics.¹¹ Their study tried to determine readers' reactions to competition. They researched during and after periods of

competition and found little change in content. Readers reported little difference in the amount of local news. Their study confirmed the results of earlier studies in which it was found that the content of competitive newspapers is much the same.

Schweitzer and Goldman said,

The hodge-podge of local, state, national and international news, entertainment, and feature articles, opinion material, photographs, and columns in the <u>Record-Eagle</u> points to what John C. Merrill has said is the failure of many newspapers in the United States to become quality publications--the desire to provide something for everybody. According to Merrill, most American newspapers are 'unfocused, undisciplined in basic journalistic philosophy, offering up all types of disorganized bits and snippets of entertainment, comics, puzzles fiction, columns, and sensational or conflictoriented news, and fair portions of undigested (and usually bland) local editorial opinion or comment.'14

According to David Weaver and L.E. Mullins, who did a study on the content and format characteristics of competing daily newspapers, the bulk of the research on newspaper competition has arisen out of a concern that quality and diversity in the daily newspaper would suffer in the absence of competition.¹⁵ Their study tried to anser the question, "Are there systematic format and content differences which distinguishes the winner from the loser in a competitive newspaper situation?"¹⁶ First, they define a competitive situation as "one in which two or more daily newspapers, separately owned and piblihsed, were located in the same city."¹⁷ Then they studied 46 competing daily newspapers in 23 U.S. cities, including the two Houston papers. They found few significant content differences between the higher and lower circulation papers in each city.

The most notable differences were in the categories of home news, human interest news and sports. The "leading" papers had higher average percentages in all of these categories, suggesting a possible correlation between emphasis on them and higher circulation. With regard to format, there was a tendency for the "trailing" papers to use more modern formats (no column rules, fewer number of stories on the front page, color photographs, large photographs, smaller headlines, six-column layout).¹⁸ According to Weaver and Mullins, afternoon papers lead morning papers in 15 of 19 competitive situations and more of the "older" papers were losing the circulation battle than were the "younger" ones. And the "leading" papers have more wire services. The overall findings of few content and relatively few format differences suggest that perhaps editors and publishers should put more emphasis on the availability of their product. This supports another study my McCombs, Mullins and Weaver which found that subscribers seem to be generally satisfied with newspaper content, but that they stopped taking the paper mainly because of unsatisfactpry delivery service, high cost, and lack of time to read. 19

Raymond Nixon and Robert Jones found that of approximately 20 categories of content, none showed significant differences in space allotment by cometitive and noncompetitive

papers.²⁰ The proportion of "soft" news and nonnews features in both groups was almost identical and, with the exception of a slightly smaller percentage of foreign news, competitive papers printed about the same proportion of "hard" news as noncompetitive papers. In the proportion of front-page space devoted to headlines, teh noncompetitive dailies actually exceeded their counterparts.

Guido Stempel reasoned, in opposition to the rest, that monopoly stemming from cross-media ownership would more vividly demonstrate the dangers of monopoly than simple newspaper monopoly.²¹ Indeed, his study revealed that a community served by a complete media monopoly used the media less and were less informed. Stanley Bigman found only trivial differences in the content of two Pennsylvania competing dailies.²² Gerald Borstel studied 20 small dailies in competitive situations and found no consistent differences.²³ And Wesley Willoughby studied two competing dailies in Indiana and found little competition for ideas and viewpoints despite different ownershi ;.24 ships.²⁴ Willoughby's data showed little evidence that the competitive paper situation he studied provided competition of ideas or expression of opposing viewpoints. The papers resembled one another in typography, make up and style, and in content.

Galen Rarick and Barrie Hartman studied a Washington daily under three sets of competition circumstances: no competition, moderate competition and intense competition.²³ In their study, two hypotheses were investigated. The first

said that a daily newspaper will devote a larger proportion of its nonadvertising space to local content under conditions of intense competition than it will when it has no competition or when it clearly has the dominant competitive position.²⁶ The second hypothesis stated that the daily newspaper will devote a larger proportion of its news and feature space to sensational and human interest stories under intense competition than it will under no competition or when it clearly has the dominant competitive position.²⁷ They found that when the paper had intense competition, it gave a larger proportion of its nonadvertising space to local news than when it had no competition or moderate competition; also, it used more ... sensational and human interest content.²⁶

Edwin Walston, who did a comparative content analysis on two jointly owned newspapers, has stated that previous research indicated that few significant differences and source areas should be expected between joint printing newspapers and between competitive and noncompetitive newspapers. The lone exception to this was that a significant difference in local content could be expected when comparing papers under intense competition pressures.²⁹

Hypotheses

To achieve the purpose of this study, the following problem statement is presented:

Since the <u>Houston</u> <u>Post</u> was purchased by Toronto Sun Publishing, has the news content of the front page of the

newspaper changed, with particular emphasis on crime, disaster and human interest stories? And are there more local stories on he front page of the <u>Post</u> before or after its sale, compared to wire stories?

In view of the previously cited studies concerning competing daily newspapers and the effects on news content, another problem statement arises:

Has the news content of the <u>Houston Chronicle</u> been affected as a result of the entrance of Toronto Sun Publishing, producing a more competitive market between two traditionally noncompetitive newspapers? Are there more local stories on the front page of the <u>Chronicle</u> compared with wire stories since the purchase?

The following hypotheses are presented in view of the problem statements:

 After the <u>Houston</u> <u>Post</u> was purchased by Toronto Sun Publishing, the news content on the front page of the newspaper changed, with particular emphasis on crime, di saster and human interest stories.

2. Since the sale of the <u>Post</u>, more local stories appear on the front page of the newspaper.

3. Since the <u>Houston Post</u> was purchased by Toronto Sun Publishing, the <u>Houston Chronicle</u> has changed the news content on the front page, since the market has become more competitive.

4. After the <u>Post</u> was sold, more local stories appeared on the front page of the <u>Chronicle</u>.

5. The attention scores of sensational news stories for

the post-purchase period of the <u>Houston Post</u> will be significantly higher than that of the prepurchase period. The attention scores of sensational news stories for the postpurchase period of the <u>Houston Chronicle</u> will be significantly higher than that of the prepurchase period.

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CHAPTER III

METHODOLOGY

Selection and Sample of Newspapers

Although the <u>Houston Post</u> was bought by Toronto Sun Publishing in October of 1983, it was not until December 5, 1983 that the first edition of the <u>Post</u> came out under the new owners. Therefore, in analyzing the before and after content of the <u>Post</u>, two time periods were studied. The first was the period two years prior to the first issue under the new publishers, or the prepurchase period. The second time period was the two years after the first issue came out, or the post-purchase period. Specifically, the pre purchase period covered December 5, 1981 through December 4, 1983. The post-purchased period covered December 5, 1983 through December 4, 1985.

Now the question arises: What is a useful sample size for the classification of subject matter published in a newspaper? Guido Stempel did a study devoted to investigating the question, "Is there any difference in results from samples of various sizes, and , if so, is there a breaking point at which increasing the sample size fails to increase accuracy?"¹ He found only slight differences among samples of sizes larger than 12.

However, to ensure a good sample, two issues per month were used so that 24 issues per year were studied. One issue was chosen randomly from the first 15 days of the month and the other issue was selected randomly from the remainder of the month. Since four years were analyzed, two years before and two years after the purchase, 96 issues of the <u>Post</u> were studied. The same 96 sample issues used to analyze the <u>Post</u> were also used to study the Houston Chronicle.

Content Analysis

One of the research tools used in this study was content analysis. As Fred Kerlinger stated, "Content analysis is a method of studying and analyzing communications in a systematic, objective and quantitative manner to measure variables."² It is frequently used to determine the relative emphasis or frequency of various communication phenomena, including changes in content.

Instead of observing people's behavior directly, or asking them to respond to scales, or interviewing them, the investigator takes the communication that people have produced and asks questions about the communications.³

News Categories and Definitions

Charles Swanson found in his study, "What They Read in 130 Daily Newspapers," that the news content on page one of a typical newspaper received more attention than any other section of the paper, except picture pages and the comics

pages.⁴ In this study, instead of doing an intensive analysis of a much smaller sample of papers, only the front pages were studied from a large sample, since page one receives much attention, not only from readers, but editors as well.

First, the news items on the front page were categorized into wire and local stories. A study by Norman Luttbeg revealed that actual distances to each day's events play little role in editors' rapidly reached judgment as to which stories to include in their paper.⁵ But is that true in this situation?

The American Newspaper Publishers Association conducted a survey in 1973 which determined that the most widely read types of stories were: accidents and disasters, by 39 percent of the readers; letters to the editors, by 35 percent; crime, by 33 percent; general, nonlocal human interest, by 33 percent; and advice columns, by 32 percent.⁶ However, it was determined that these stories made up only a small fraction of the average newspaper's total editorial content. Accidents and disasters accounted for only 2.4 percent of total editorial copy; letters to the editor, for 0.6 percent; crime, for 3.9 percent; nonlocal human interest pieces, for 1.2 percent; and advice columns, for 3.1 percent. Local, state and national political news absorbed 19.6 percent of editorial copy, but was read only by 26 to 30 percent of readers. International political news took up 10.2 percent of the average newspaper, but only 22 percent of the paper's buyers bothered to read it.

Research, as well as declining readership, is pushing editors to reduce emphasis on the news that is least widely read and to increase the news that more people seem to like to read. Not atypically, the <u>Detroit News</u>, which lost more than 65,000 readers in two years, called for more 'fine examples' of rapes, robberies, and auto accidents on page one, according to a widely leaked in-house memo. Expanded crime and disaster coverage, advice columns, personalized feature copy and the like, as well as increased entertainment, home and garden material that attracts specialized trade advertisers, nibble at the news that makes the world nearer and care.⁷

The news stories studied in this paper were categorized under these fove topics: crime and disaster, business, government and politics, international news, and other news. The first category, which also included human interest stories, was chosen because it contained those stories which could be considered sensational. There needed to be some kind of measurement of sensationalism for this study. An adequate definition for sensationalism was found in Percy Tannenbaum and Mervin Lynch;s study on "Sensationalism: The Concept and Its Measurement."

Many definitions discuss the 'emotion arousing' aspects of sensationalism. It provides thrills. It is fascinating in a morbid way. It is shocking to our moral or aesthetic sensibilities. It creates suspense. It arouses 'unwholesome emotional responses.' It appeals to man's 'insatiable appetite' to hear of horors, crimes, disaster, sex scandals, etc.⁸

The second category, business, included those stories which dealt with finance, the economy and employment. The third category of government and politics covered those stories dealing with government agencies, the national budget,

taxes and other related areas. Fourthly, the category of international news covered most of the stories which came from outside the United States. The majority of these stories were those of terrorism and warfare.

The last category included all the stories which did not fit in the first four categories. For example, stories which were concerned with weather, education, sports, entertainment and health were considered part of the the "other' category.

Attention Scores

After each story was divided into either wire or local categories, and further categorized into one of the five types of news categories, an "attention score" was assigned to it. The attention score is a content analysis tool devised in 1964 by Richard Budd for his analysis of the daily press of Australia and New Zealand.⁹ The attention score attempts to measure the variety of factors which Budd considers to be important to "news play." These facets are headline size, preferential position on the page, the page on which the story was published, the use of accompanying photographs and, of course, the length of the story.¹⁰

Budd's breakdown of the scoring criteria for attention scores is as follows:

1. One point is assigned to any article with a headline two columns or more in width.

2. An article carrying a headline that occupies horizon-

ally more than half the number of columns of the page is assigned two points.

3. One point is a-signed to any story appearing above the fold or above the measured center of any page.

4. One point is assigned to any article occupying three-fourths of a column or more. Pictures accompanying articles are measured as part of the overall length of the story.

5. One point is assigned to any article appearing on page one, the editorial page, or any other identifiable departmental pages.¹¹

The only problem with using Budd's scores was with the point assigned to any story appearing on the front page. All the stories in this test appeared on the front page. The remedy for this was that all stories in this study were automoatically given one point. And by using attention scores, the task of counting column inches was avoided in this study.

Budd found the attention score valuable for comparing news category coverage.

Accordingly, the attention score devised for this investigation showed results highly consistent with those obtained from the measurement of column inches or the counting of items, not only in subject-matter categories, but in direction categories as well. The writer feels that perhaps the attention score, because of the greater number of variables covered by the measure, was more discriminating than the sole measure of column inches or item count.¹²

He further concluded that by dividing total attention scores by the number of items in each category, an average item score can be determined on a scale from 0 to 5. This score would enable one to reveal consistently strong play of a subject-matter category.¹³

Testing of Hypotheses

Hypotheses 1, 2, 3 and 4 were tested with Chi squares, a statistical tool developed to ascertain relationships between frequencies with those theoretically expected to determine any differences. One can assume, under the null hypothesis, the differences between observed and expected frequencies not to be statistically significant. If the differences did not occur by chance, one would reject the "no difference assumption," and draw the appropriate conclusions. For this study, a "no difference assumption" was rejected if the observed frequencies occurred by chance less than five times out of 100, the .05 significance level.¹⁴ A Chi square test determines the probability that differences between two groups, for example, prepurchase and post-purchase, could have occurred by chance. The test tries to discover if the results differ significantly from chance expectation.

Hypotheses 5 and 6 were tested with analysis of variance and a Spearman rho. Analysis of variance is what its name implies, it is a method of identifying, breaking down, and testing for statistical significance variances that come from different sources of variation. That is, a dependent variable has a total amount of variance, some of which is due to the experimental treatment, some to error, and some to other causes. The job of the analysis of variance is to work with these different variances and sources of variance.¹⁵

And, as in Budd's research, the Spearman rank-order correlation coefficient was computed for each of the newspapers in the study. The five categories were ranked on the basis of the attention score assigned to each and on the basis of the number of items placed in each. The correlation coefficients between attention scores and items was computed for each paper, prepurchase <u>Post</u>, post- purchase <u>Post</u>, prepurchase Chronicle, and post-purchase Chronicle.

ENDNOTES

¹Guido Stempel, "Sample Size for Classifying Subject Matter in Dailies," <u>Journalism</u> <u>Quarterly</u>, Summer 1952, p. 333.

²Fred Kerlinger, Foundations of Behavioral Research (New York: Holt, Rinehart and Winston, 1964), p. 525.

³Ibid.

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⁴Charles Swanson, "What They Read in 130 Daily Newspapers," <u>Journalism</u> <u>Quarterly</u>, Fall 1955, p. 411.

⁵Norman Luttberg, "Proximity Does Not Assure Newsworthiness," Journalism Quarterly, Winter 1983, p. 731.

⁶Fergus Bordewich, "Supermarketing the Newspaper," <u>Columbia Journalism Review</u>, September/October 1977, p. 23.

⁷Ibid.

⁸Percy Tannenbaum and Mervin Lynch, "Sensationalism: The Concept and its Measurement," <u>Journalism Quarterly</u>, Summer 1960, p. 381.

⁹Richard Budd, "Attention Score: A Device for Measuring News 'Play', "<u>Journalism Quarterly</u>, Spring 1964, p. 259.

10 Ibid., p. 260.
11 Ibid.
12 Ibid.
13 Ibid.
14

¹⁴Gary Loeffler, "A Comparison of Environmental News Content Between The Daily Oklahoman and The Tulsa World," (Unpub. M.S. thesis, Oklahoma State University, 19), p. 26.

¹⁵Kerlinger, p. 147.

CHAPTER IV

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FINDINGS

Frequency Analysis

Of the 192 newspapers analyzed, the front pages produced 1,097 stories for analysis. Table II shows the breakdown of stories per category in each period.

TABLE II

FRONT-PAGE STORY FREQUENCIES BY CATEGORIES OF NEWS: HOUSTON POST AND HOUSTON CHRONICLE BEFORE AND AFTER PURCHASE

.

	<u>Houston</u> Pre- Purchase	Post Post- Purchase	Houston Pre- Purchase	Chronicle Post- Purchase	Totals
Government	87	76	51	76	290
Internat'l	53	42	59	47	201
Sensational	L 53	59	54	36	202
Business	19	9	14	7	49
Other	75	94	93	93	355
TOTALS	287	280	271	259	1097

Each category seemed to be fairly well distributed, except business. Only four percent of the total stories was in this category. Because of this, the category was not used in the analysis of variance so as not to introduce undue error. The probability that the differences between the preand post-purchase number of stories in each category could have occurred by chance is indicated by Chi square values in Table III.

TABLE III

CHI SQUARE VALUES FOR DIFFERENCES IN NUMBER OF HOUSTON POST AND HOUSTON CHRONICLE FRONT-PAGE STORIES BEFORE AND AFTER PURCHASE: BY FIVE NEWS CATEGORIES

News Categories	Post	Chronicle
Government and Politics	. 74	4.92
International	1.27	1.36
Sensational	. 32	3.60
Business	3.57	2.33
Other	2.14	0.00

Apparently, the difference in story frequency in each news category was not significant, since no computed Chi square

value equalled or exceeded the critical Chi square for df = 3 at the .05 level of probability. An observed Chi square larger than 7.82 would occur by chance less than five times in 100. In other words, the number of news stories in each category was not related to the change in ownership of the <u>Post</u>. The papers presented a similar number of stories in each category before and after purchase of the Post.

It is this significant difference that leads to rejection of Hypotheses 1 and 3--"the news content on the front pages of the <u>Post</u> and the <u>Chronicle</u> will be significantly different after the purchase, with a particular emphasis on crime, disaster and human interest stories."

A breakdown of the wire vs. local stories which appeared in each period is shown on Table IV.

TABLE IV

FREQUENCIES OF FRONT-PAGE WIRE AND LOCAL STORIES: HOUSTON POST AND HOUSTON CHRONICLE BEFORE AND AFTER PURCHASE

	Houston Pre- Purchase	Post* Post- Purchase	Totals	Houston Pre- Purchase	Chronicle Post- Purchase	Totals
Wire	169	144	313	172	149	321
Local	115	136	251	101	111	212
TOTALS	284	280	564	273	260	533
	3.73 p 1.80 p	.05 at df .05 at df	= 3 = 3	<u></u>	<u> </u>	

Once again, no significant differences in story frequencies between periods were found. Ownership of the <u>Post</u> was not significantly related to the number of front-page local and wire stories in either paper. The Chi square values of 3.73 and 1.80 did not equal or exceed the critical value for df = 3 at the .05 level of probability.

Again, with this insignificant difference, one can assume the observed differences between local and wire stories were not related to purchase of the <u>Post</u>. However, a general overview of Table V shows a tendency of both papers to run more wire stories before the transition and more local stories afterwards. This is what was expected, even though probability of these differences occurring by chance is great. Therefore Hypothesis 2 and 4 could not be rejected--even though, after sale of the <u>Post</u>, there was a tendency local stories appeared on the front pages of both newspapers.

The coefficients of contingencies run on the Chi square values, 3.73 and 1.80, were weak. A coefficient of .08 indicated a very weak relationship between the pre- and postpurchase periods of the <u>Post</u> and local and wire stories. And a contingency coefficient of .06 also suggested a weak relationship between the pre- and post-purchase periods of the Chronicle and local and wire stories.

Attention Score Analysis

As previously stated, each story was assigned an attention score based on Budd's statistical study.¹ Table V shows

TABLE V

Category	Houston Pre- Purchase	Post Post- Purchase	Houston <u>C</u> Pre- Purchase	hronicle Post- Purchase	Mean Totals
Government	3.16	2.72	2.55	2.56	2.75
Sensational	2.37	2.81	2.41	2.56	2.54
Internat'l	2.74	2.57	2.64	2.74	2.67
Business	2.21	1.67	2.86	2.71	2.36
Other	2.45	2.40	2.61	2.19	2.41

MEAN ATTENTION SCORES: NEWSPAPER-BY-CATEGORY-BY-PERIOD

NOTE: In order to take into account the variety of factors which Budd felt was important to "news play," these attention scores were developed based on the five elements discussed earlier.

the average attention scores assigned to each category broken down into periods.

Each news story automatically was assigned one point for front-page play. The range of attention scores was 1-5. One could expect an average attention score in each category to be about 3.0. A general overview did not indicate that any category received significantly consistent strong play over the others. Government stories appeared to have received the most news play, while business news received the least.

Budd's analysis called for ranking the five subject-

matter categories on the basis of the attention score assigned to each and the number of items placed in each.² The Spearman rank-order correlation coefficient between attention scores and number of items ranged from rho = .975 for the pre-purchase period of the <u>Post</u>, to rho = 1.00 for the post-purchase period of the <u>Post</u>, as shown in Table VI.

TABLE VI

SPEARMAN RANK-ORDER CORRELATION COEFFICIENT BETWEEN ATTENTION SCORES AND ITEMS IN FIVE SUBJECT-MATTER CATEGORIES

Pre-Purchase Post	.975		
Post-Purchase Post	1.000	р	.05
Pre-Purchase <u>Chronicle</u>	.975		
Post-Purchase Chronicle	1.000	p	.05

NOTE: The magnitude of the rank-order correlation indicates the degree of relationship between the two variables, attention scores and number of items. The correlation fluctuates between -.100 and +1.00. Thus, the value of rho when the two sets of ranks are identical is equal to +1.00.

A three-factor analysis of variance was used to determine any significant mean attention differences among categories of front-page news in the two newspapers before and after purchase of the <u>Houston Post</u>. This analysis also determined any significant interactions of these variables on attention scores. Scores of 1,057 front-page stories were analyzed. From this, 290 stories were categorized as Government, 200 International, 212 Sensational, and 355 fell into the "Other" category. Appendix A shows the complete breakdown of the analysis of variance performed on the compiled attention scores.

Main-Effect Differences in Attention Scores

Disregarding which newspaper was analyzed and whether it was before or after purchase, significant differences in front-page play were given to stories in some of the news categories (F = 5.09, df 3/1041, p .01). However, if one disregards the categories of news, the papers gave "equal" attention to the 1.057 front-page stories. Also, "equal" attention was given the stories bith before and after the <u>Houston Post</u> purchase, if categories were disregarded (See Table VIII.

TABLE VIII

MEAN ATTENTION GIVEN TO FRONT-PAGE STORIES IN FOUR NEWS CATEGORIES BY BOTH NEWSPAPERS COMBINED: BEFORE AND AFTER PURCHASE OF THE HOUSTON POST

Period of Appearance	Government	News Categories International	Sensational	Other
Pre-Purchase	2.68	2.69	2.41	2.54
Post-Purchase	2.64	2.66	2.72	2.30
MEAN TOTALS	2.66a	2.68a	2.54ab	2.41b

NOTE: Mean attention scores with identical subscripts on "Mean Totals" show only chance differences (p .05). Different subscripts connote p. .05.

Table VIII shows that stories in the "Other" news category were allotted the lowest front-page play with a mean attention score of 2.41. However, this was not significantly lower than the attention given to sensational stories (2.56).

Government and International stories were given "equal" front-page play by the two newspapers (2.66 and 2.68). These were significantly higher displays than that given to stories in the "Other" category. Government and International stories also tended to be displayed higher than was Sensational news, but not enough to say that this was true in 95 out of 100 cases. In essence, one may say that Government and International news was given better front-page position than was Sensational and "Other" news during the entire period studied. But their higher play over the Sensational news stories is viewed with caution. These main effects of news categories tell only the over-all story, since the picture is altered when another factor is taken into account, as discussed below:

But first, the reader is reminded that pre- and postpurchase attention scores in Table VIII apply to the <u>Houston</u> <u>Post and Houston Chronicle</u> combined. For example, the mean attention of 2.69 given to International news during the prepurchase period of study represents the average of 2.74 and 2.64 given by the <u>Post</u> and <u>Chronicle</u>, respectively, but not shown in the table. The following discussion will cite several of these "unseen" attention scores in order to show the influence of the <u>Post</u> v. the <u>Chronicle</u> on the combined scores.

Interaction of Pre- and Post-Purchase

Periods on Relative Display of

News Categories

Though Government and International stories tended to get similar play regardless of the period, display of Sensational news stories was related to the pre- and post-purchase periods (Interaction F = 3.95, df 3/1041, p. .01). Referring back to Table VIII, <u>before</u> purchase, both the <u>Post</u> and the <u>Chronicle</u>, combined, gave Sensational news a mean attention of 2.39, but Sensational news commanded significantly

more front-page play <u>after</u> the purchase (2.72, critical difference .20, p. .05). The <u>Houston Post</u> contributed substantially more to this higher play of Sensational news <u>after</u> purchase (mean attention of 2.81 v. <u>Chronicle</u>'s 2.56). The lower attention given Sensational news <u>before</u> purchase was equally evidenced on the front pages of both newspapers.

These findings are not surprising, since it was hypothesized that the mean attention scores for Sensational news in the <u>Post</u> would be higher after the purchase of the <u>Post</u>. It was believed that the new owners of the <u>Post</u> would put a greater emphasis on this type of news, since their Canadian papers had such an emphasis on their tabloids.

The papers tended to play "Other" news higher <u>before</u> than <u>after</u> purchase (2.54 v. 2.30). This was due mostly to the <u>Chronicle's lower play of "Other" news after the purchase</u> (2.19 v. 2.40 by the <u>Houston Post</u>). One could suggest, then, that the <u>Chronicle</u> contributed <u>less</u> to the higher play of Sensational news <u>after</u> purchase, but figured more into the lower display of "Other" news after purchase.

Though the two papers, combined, gave similar front-page attention to Government news <u>before</u> and <u>after</u> purchase, the <u>Houston Post</u> played Government news higher than did the <u>Chronicle</u> during both periods. This was not expected, since the Chronicle was supposed to be the more conservative-type paper that one would have thought to emphasize Government news.

Similar attention was given to front-page International news <u>before</u> and <u>after</u> purchase by the two newspapers combined

(2.69 and 2.66), as shown in Table VIII.

ENDNOTES

¹Richard Budd, "Attention Score: A Device for Measuring News Play," <u>Journalism Quarterly</u>, Spring 1964, p. 259.

²Ibid.

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CHAPTER V

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Summary

This study presented six hypotheses in order to determine if the content of the <u>Houston Post</u> and <u>Houston Chronicle</u> has changed significantly since Toronto Sun Publishing bought the <u>Post</u> in 1983.

a) Did the news content of the front page of the <u>Post</u> change, with particular emphasis on sensational news stories, after transition?

The answer is "no." The findings reveal that number of news stories in each category did not deviate significantly after purchase. There were more Sensational news stories after the purchase, but only six more, an insignificant increase. Eleven fewer Govenment stories and 11 fewer International stories were recorded after new owners began publishing the <u>Post</u>. And there were 10 fewer Business stories recorded. The largest growth in stories was in the "Other" category, where 19 more stories were published in the post-purchase period. It was in this category that variation in story frequency came the closest to being significant.

b) Since the sale of the <u>Post</u>, have more local stories appeared on the front page of the newspaper, as compared with wire stories?

After the purchase, the <u>Post</u> ran 21 more local stories and 25 fewer wire stories, but these differences were not significant. Of the 564 stories studied in the <u>Post</u>, 55 percent were wire and 45 percent were local.

c) Did the news content of the front page of the <u>Chronicle</u> change after purchase, with particular emphasis on sensational stories?

Once again, the answer is "no." After purchase, the number of Sensational stories on the <u>Chronicle</u>'s front pages dropped by 18. The number of International and Business stories decreased by 12 and 7, respectively. The number of "Other" stories remained the same. The only increase in the number of stories for the post-purchase period occurred in Government stories. There were 24 more Government afterpurchase stories.

d) Have more local stories appeared on the front page of the <u>Chronicle</u> since the sale of the <u>Post</u>?

As with the <u>Post</u>, there was a growth in local stories during the post-purchase period of the <u>Chronicle</u> and a decrease in wire stories, which was predicted. However, results were shown to be insignificant. There were 23 fewer wire and 10 more local stories recorded after sale of the <u>Post</u>. Of the 533 total stories, 60 percent were wire and 40 percent local. e) Were the attention scores of Sensational news stories for the post-purchase period of the <u>Post</u> significantly higher than that of the prepurchase period?

The <u>Post</u>'s mean attention scores grew in the Sensarional category after the sale and, in fact, that was the only area which did increase. Mean attention given to Government and "Other" news remained similar, while International news tended to get lower play in the Post after purchase.

f) Were the attention scores of Sensational news stories significantly higher in the <u>Chronicle</u> after the purchase of the Post?

The mean attention scores for Sensational news grew slightly in the post-purchase period of the <u>Chronicle</u>, which would indicate that Sensational stories were given more news play in the <u>Chronicle</u> after sale of the <u>Post</u>. And <u>International</u> news also was given slightly more news play after the transition. Government mean attention scores hardly changed from one period to the other. And stories in the Business and "Other" category were given less news play in the postpurchase period.

The Spearman rank-order correlation coefficient indicated there was a correlation with mean attention scores and the number of items in each category.

Conclusions

Like most of the previous research regarding media competition, entrance of a competitive situation between two otherwise noncompetitive newspapers did not seem to have major side effects on either paper. However, there were some significant changes in content seen between the pre- and postpurchase periods. So, it appears that concentration of ownership which took place when the independent <u>Post</u> was bought by the Canadian chain did have some consequences on the <u>Post</u> and the Chronicle.

This study supports others which have looked at before and after periods of competition and found significant change in content. This raises the question: "Even though both papers denied being competitive before the purchase of the <u>Post</u>, were they in an actual competitive situation before the purchase?" If this were the case, one would not have expected a significant change in content.

The results of this study also would lead one to believe a one-paper market is not really at a greater disadvantage than a two-paper market where one would expect to get a greater diversity of ideas. The frequency of news stories in each category, except Sensational news, was similar for all periods. There was heavier emphasis on Sensational news stories for both the <u>Post</u> and the <u>Chronicle</u> after the purchase. However, there were fewer Sensational stories in the <u>Chronicle</u> after sale of the <u>Post</u>. Does this indicate that the <u>Chronicle</u> is trying to maintain a responsible image against their competitor which has a reputation of being a breezy, irreverent tabloid-like newspaper?

New owners of the Post cannot be accused of having a

heavy emphasis on crime and disaster stories, while being devoid of serious stories dealing with Government and International news. Although the number of Government and International news stories in the <u>Post</u> decreased after the transition was not a significant amount.

It also was assumed the <u>Post</u> would put a greater emphasis on local stories after the new owners came upon the scene. In fact, this was the case, with the <u>Post</u> publishing about 45 percent and the <u>Chronicle</u> publishing about 40 percent local stories overall. But apparently, purchase of the <u>Post</u> had little, if any, effect on change in the number of wire and local stories published in each paper, since no significant differences were found.

Results of this study raise the question about newspapers designed to appeal to such a wide audience that little room is left for change in content. Perhaps because a newspaper is afraid to lose subscribers, publishers find it hard to change content too much. It may be "safer" to maintain a more conservative amount of "serious" stories with a little "breezy" news thrown in to attract as many subscribers as possible without overemphasizing any one area of content.

It was predicted that Sun Publishing would try to turn the <u>Post</u> into one of its Canadian tabloids, but it seems they have not made significant changes. Maybe the "drastic" changes they had been accused of making reflect merely the people's perceptions of what they think <u>should</u> be seen on the "new" Post than what actually is seen.

Recommendations

This study's findings have pointed to a few areas of journalism for future researchers to consider and possibly investigate. For one, what does the public actually perceive when they compare the "old" <u>Post</u> to the "new" <u>Post</u>? It would be interesting to know if the public was "brainwashed" after hearing about the sensationalistic new owners coming to town to take over the otherwise conservative paper. Possibly, they perceive greater changes in the <u>Post</u> than are there. A readership survey would give an idea of what the public thinks about the transition and the effects it has had on both papers. This possibly would give some explanation for the drop in <u>Post</u> circulation and the relatively little change in the Chronicle's circulation.

Also, has editorial content of either paper changed drastically since the change in ownership? A content analysis of the editorial pages of each paper during the periods examined in this project would give some indication of this. One would expect the editorial content to have changec with the Post at least.

Most importantly, this study does not answer the queation: "Is the public being served and informed to the best of their papers' ability in Houston?

It has been deduced there was little content change in the periods studied. However, this does not give any real indication as to how both papers are serving the growing population in one of the largest cities in the United States. Would one paper sufficiently serve this community, or does the public need a choice, whether or not that choice offers any alternatives?

A study to provide evidence of shortcomings between these these two papers would be of great benefit to the Houston population that depends heavily on its daily paper.

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APPENDIX A

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TABLE VII

ANALYSIS OF VARIANCE TABLE--ATTENTION SCORE COMPARISON OF CATEGORY-BY-PERIOD FOR THE HOUSTON POST AND THE HOUSTON CHRONICLE

Source	df	SS	ms	F	p
TOTAL	1056	944.45			
Between Categories	3	13.35	4.45	5.09	p .01
Between Papers	1	2.04	2.04	2.33	n.s.
Between Pre-Post	1	.45	.45		
Interaction:					
Categories x Papers	3	1.42	.47		
Interaction:					
Categories x Pre-Post	3	10.37	3.46	3.95	p .01
Interaction:					
Papers x Pre-Post	1	.85	.85		
Interaction:					
Papers x Pre-Post		4.16			
x Categories	3		1.39	1.59	n.s.
Error	1041	911.81	.875		

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VITA

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Candidate for the Degree of

Master of Science

Thesis: AN ANALYSIS OF THE FRONT PAGE NEWS CONTENT OF THE HOUSTON POST AND HOUSTON CHRONICLE BEFORE AND AFTER THE PURCHASE OF THE HOUSTON POST BY TORONTO SUN PUBLISHING CO.

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