



Published: March 08, 2009

The truth about newspapers

Community papers feel recession's effects but remain strong

By Misty Poe

Times West Virginian

FAIRMONT — Much has been said about the state of newspapers lately.

From the *Rocky Mountain News* to *The Daily News* in Philadelphia, newspapers that have served generation after generation of readers have closed their doors. And just Friday, it was reported that almost half of the *San Francisco Chronicle's* staff would lose their jobs. The news has left many to speculate about Hearst Corp.'s plans to shutter their print editions and go completely online – similar to a plan that the *Detroit Free Press* started early this year.

One group has formed to fight against the misconception that newspapers are a dying industry. The Newspaper Project was formed by Randy Siegel, president and publisher of Parade Publications; Donna Barrett, president and CEO of Community Newspaper Holdings, Inc. (the parent company of the *Times West Virginian*) and president of Southern Newspaper Publishers Association (SNPA); Brian Tierney, CEO and publisher of Philadelphia Media Holdings; and Jay Smith, former president of Cox Newspapers and past chairman of the Newspaper Association of America.

And many leaders within the industry have taken this opportunity to speak out about the future of newspapers – both in print and online.

The following is a transcript of an interview with *Times West Virginian* publisher Andy Kniceley and Kennie Bass, news anchor/reporter for WCHS-TV and WVAH-TV in Charleston. Bass is currently airing an eight-part series titled “Problems In Print,” for which Kniceley was interviewed in his capacity as a board member for the West Virginia Press Association.

But what Bass' series fails to do, based on both the title “Problems In Print” and the soundbites from the broadcasts, is look at the whole spectrum of media. While newspaper circulation has declined by 15 percent over the last 10 years, as Kniceley points out, the average major network primetime audience fell by 46 percent over the same time period.

In fact, the sudden increase in newspaper closings has little to do with falling circulation and more to do with, like many other industries, financial decisions made before the nation's economy fell into recession.

Bass: Did you see about the Philadelphia newspapers?

Kniceley: Yeah.

*Bass: **The Inquirer** and **The Daily News** declared bankruptcy. Debt restructuring.*

Kniceley: You know, metros are facing a crisis. Community newspapers are not.

*Bass: When we get started, not as the **Times West Virginian**, but as a representative of the press association, how are we doing ... generally speaking. We have a lot of newspapers across the state. How many dailies do we have, off the top of your head?*

Kniceley: I think there are 13 dailies.

Bass: With a population of 1.8 million, for as small as we are, I would say that's very significant. I mean, I don't know much about the newspaper business. Let me ask you about the state of newspapers. Give me a state of the industry ... a state of the business for West Virginia.

Kniceley: I think newspapers in West Virginia, like all media, are suffering somewhat from the recession. Our businesses are driven by the local economy and we reflect it. It's not unique to newspapers. TV, radio, all advertising-supported industries are taking a hit at this time.

Bass: That being said, if you take the recession out of the equation, newspaper readership in general and circulation, how are newspapers doing in West Virginia.

Kniceley: The trend is that circulation is declining, but it's declining at a rate that is actually not as rapid as other media. Here are some numbers here that show over a 10-year period, the average major network TV station, they're down 46 percent. The top 25 magazine circulations are down 23 percent. Newspapers over that same time are down 15 percent. That's just the print side. When you look at the Internet side, our audience is actually growing. Our total audience is growing.

Bass: We talked about content is the be all and end all. The Internet is great, like I said, for disseminating information, but not particularly great at gathering it and doing the reporting. So is that where newspapers will find their niche ... always being the collector and provider of that information?

Kniceley: Kennie, as a journalist, you know the franchise is in news. Whether it's print, broadcast or online. The Internet is just another platform to deliver that information. And the Internet doesn't have a means to gather that information; that's up to journalists like you, journalists who work for me and work for other newspapers. The truth of the matter is that the majority of news that is on the Internet originated at a newspaper source. The Internet is a great tool, it's a delivery system, and fortunately, it is one that most newspapers have embraced.

Bass: I talked to Charlie Ryan about it, who has worked forever down in Charleston in media, that's going to be the model. Paper may be gone, 20, 30 years, whenever, but that the information gathering and dissemination side will remain, but the delivery model is going to change. Do you agree with that?

Kniceley: I can't say for sure what the platforms are going to be like in the future. We are positioning ourselves to deliver our news and information on multiple platforms. We already exist with that. Obviously, print is our primary vehicle, but we also have embraced the Internet. We have two different Web sites. One is a free site, with limited local news and sports on it, and the other one is an e-edition, which is a digital exact replication of the newspaper that you can hold in your hand. It's really neat stuff. We were the first newspaper to do that in the state, and we've been doing it for five years.

Bass: Williamson started doing that. I was talking to Perry Gaither in Williamson and they actually started doing that last week. They're going to keep their Website, where you can get the headlines and such, but you can subscribe to the e-edition. So that's the same model. They're following the model that you guys started.

Kniceley: I'm not going to say that we started that model, but we were the first one in the state of West Virginia to do an e-edition. We have a dual track on the Internet, both the free site and the full-access e-edition for the last five years.

Bass: Is that the challenge? Finding a way to make money on the Internet? I mean, so many people give news away. You Google anything and it shows up on the Internet ... you know, FOX news, CNN ... but you may not be getting Fairmont news on that.

Kniceley: That's the key. There's where community newspapers are in a little different situation than the *Detroit News* or the *Philadelphia Enquirer*. Those metro papers have relied on state, nation and world news, which has become a commodity on the Internet. My news, my local news, my Marion County franchise is not a commodity. We control how we disseminate that news. We make sure the decisions we make, what we put on our free site, what we put on our e-edition are two different things.

Bass: Is that true, do you think, for most newspapers in West Virginia?

Kniceley: No, not currently. But I think more newspapers are moving in that direction.

Bass: Because the news they are covering is a local commodity rather than a national commodity?

Kniceley: Other than the *Charleston Gazette*, I would categorize every other newspaper in West Virginia as community journalism. *The Gazette* has a little bit more of a metro flavor because they are more broad-based, more regional, more statewide.

Bass: Are you confident about the future of the business?

Kniceley: Absolutely. You know, Kennie, I've been in this business since I was 21 or 22 years old. I became a newspaper publisher at age 31. I'm 46 years old today, and I'll tell you, I expect at age 70 to retire as a newspaper publisher.

Bass: With the future down the road, one part of this series is that we talked to students in South Charleston and we're going to Marshall and talking to print majors who are getting into it and getting their thoughts and feelings about newspapers. Is that part of the equation, making sure you are engaging a younger audience who might not have the same background as you and I growing up reading the paper?

Kniceley: You know Kennie, it's important for all media to engage a younger audience. Certainly it's a challenge for all of us. We've all faced declines in reaching young audiences — the Internet being the prime cause of that. But when it comes to the source of local news, that's where I'm going to hook 'em. That's where we get them as a reader. And when that becomes important to them, first job, first house, first car, kids are going to school, they become newspaper readers. Now, the format when today's generation reaches that age may be more digital than it is today, but as fast as things move in our world, it's hard to predict when you make that changeover.

Bass: Charlie Ryan showed me the Kendle. I had heard of it and it's a pretty amazing toy. Whatever the platform is going to be, the technology is going to exist at some point that's going to be able to deliver it.

Kniceley: Our system, and we're installing a new editorial front-end system as we speak, but the last time we installed one was nine years ago, and at that point, everything was Web-ready on that system. We're ready for the digital age. We're involved in the digital age right now, and so we're ready to be able to put things out on multiple platforms today.

Bass: Without giving me things that are proprietary, you know, business numbers, how is your e-edition doing? Have you seen it grow over the last five years? Is it self-supporting? How does it rank with the print edition?

Kniceley: Actually, because the Internet is kind of an insulated product, it is very profitable. The cost structure is absorbed with the print edition, so the additional cost to go on the digital side of things is minimal in comparison. So it is very profitable as an add-on. Could you do it as a stand-alone at this time? No. When you look at those things together, I want to say this. We've taken the strategy that everybody who subscribes to the *Times West Virginian* not only gets the print edition, but they get a free password to the e-edition. So we think we're trying to position ourselves to no matter what platform they want, if they are a subscriber to us they have access to whatever we do.

Bass: Are you training them up? Is that smart to prepare them for the possible eventuality of that's where you're going to get your news 20 or 30 years down the road?

Kniceley: You know, even with an older population, they want to stay connected. There's a story in our paper today about a group in Florida who gets together every year and does "West Virginia Day." You know, all of those people read the *Times West Virginian* online. A vast majority of those people subscribe to the e-edition because they want to read the whole package. They want to read all the local news. That's the franchise. That's the future. As long as I hold onto that, we have a successful business.

Bass: We're talking about newspapers here, you're a newspaper man. Give me a national newspaper. We know what happened in Detroit. Philadelphia, they say its not about operations, but about debt restructuring for bankruptcy. We know what the metros, well, at least you see what the metros are going through. Is content the same, or is it a different animal because they are not like you?

Kniceley: Keep in mind that in the Greater Detroit suburbs, in the Greater Philadelphia suburbs, there are chains of suburban community newspapers who will benefit because of the changes that are taking place in Detroit and Philadelphia. You know the cost structures at metros are enormous. We're all facing challenges because of the increased cost of newsprint, the rising cost of distribution. The postal service is talking about cutting back days? We drive by every house 7 days a week. We have the rising cost of employee benefits. But despite all that, despite all that Kennie, our newspaper is very strong. 2008, despite a recession, was our third-best profit year ever.