

NEW GIANT IN NEW JERSEY

By WILSON SULLIVAN

THE PHENOMENAL RISE of suburban dailies, as old metropolitan giants waver and fall, is a fact of our time. Given urban cliff dwellers' mass exodus from smog-bound, impersonal cities to the joys of the split-level home and the two-car garage, one publisher's poison has become, most distinctly, another's prime cut of meat.

Harry F. Guggenheim's extraordinary achievement in building Long Island's brisk tabloid *Newsday* from a ground-hugging 22,866 circulation in 1941 to its present 420,000, with a comparable increase in ad lineage in the same period, is scarcely news [see "The Little Giant of Nassau County," SR, Feb. 13, 1965]. It is news, however, that Guggenheim's newspaper, baptized in a converted Hempstead garage, is now going into seven of ten of Long Island's Nassau and Suffolk County homes, which enjoy the highest consumer spendable income in the country (more than \$11,000 per household). *Newsday* is a bright package of news and opinion, tightly edited, and now ranks as the nation's seventh largest evening newspaper.

An urbane philanthropist, President and Editor-in-Chief Guggenheim—now

assisted by former White House Press Secretary Bill D. Moyers in the role of publisher—attributes *Newsday's* success not only to the massive ad revenue of the Island's plush shopping centers and to David George's kinetic promotion, but to the newspaper's commitment to reportorial accuracy. "The press cannot be responsible," Guggenheim insists, "unless it is truly independent, not only in theory but in fact. A press that becomes the perpetual mouthpiece for special groups loses its ability to seek truth and express it freely."

BUT if *Newsday* has blazed the suburban daily trail of success, other hikers are at its heels [see "The Suburban Daily: New Power in Publishing," SR, Jan. 14]. West of *Newsday's* territory, forty-five minutes from Times Square and just off the George Washington Bridge, is New Jersey's burgeoning Bergen County, an exploding complex of affluent suburbs housing almost 1,000,000 people, ranking nineteenth in population among all U.S. counties. Spurred, like Long Island, by its proximity to the big city, Bergen County ranks eleventh in the nation for net cash income over \$15,000, buys more automobiles than fifteen states and the Dis-

trict of Columbia, ranks sixteenth in its metro market for food sales, and twenty-ninth among all U.S. counties in retail sales—concluded increasingly in shopping plazas. Between 1960 and 1965 alone, Bergen's population increased 15 per cent; its effective buying income rose 36 per cent to a total of almost \$3 billion. An integral part of metropolitan New York since the opening of the George Washington Bridge in 1931 and the Lincoln Tunnel in 1937, Bergen typifies, on a less heroic but more representative scale than *Newsday's* area, the suburban commercial ascendancy that is the fundament of the growth of suburban communications media.

Reflecting the growth of the county, and in many ways spearheading it, is *The Record*, Bergen's prime evening newspaper, whose circulation catapulted from 44,756 in 1950 to 146,508 in 1966 and rose 33 per cent between 1960 and 1965 alone. *The Record* is still growing strongly. Its ad lineage, also between 1950 and 1966, soared from 11,629,436 to 25,080,995.

PUBLISHED daily in Hackensack, around-the-clock in seven regional editions—including a special issue for New York State's neighboring Rockland County—*The Record* enjoys natural advantages for which many publishers would give last year's Pulitzer Prize. *The Record* is the *only* daily newspaper in this affluent county, which contains no major city of 50,000 or more. Even sedate old Hackensack, the county seat, which still nurtures maternal old oaks, resists high-rise apartments, and echoes to the march of General Washington's men through New Jersey, numbers only about 38,000 souls. What's more, *The Record* is 86 per cent home-delivered in a friendly, front-door service much appreciated by the county's predominantly single-residence homeowners. As *Newsday*, over 88 per cent home-delivered, will agree, the carrier boy is the real hero of the suburban daily's success.

The Record is already New Jersey's third-largest daily, with the evening Newark *News* and the morning Newark *Star-Ledger* still comfortably ahead. Its 173 editorial staff members belt out news to eighty-six cities and towns. Its 1966 payroll was well over the \$6,000,000 mark. And with the certain increase of high-rise apartments in the county and the arrival of such chic new department stores as Lord & Taylor and B. Altman's in an already distinguished complex of



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shopping plazas, *The Record's* future growth is assured.

The Record is a family newspaper not only in its editorial approach, but in its corporate and administrative structure. It is now being run by the second and third generations of New Jersey's prominent Borg family, respected in the county for its community service and philanthropic activity. Founded in 1895, *The Record* in 1929 passed into the hands of John Borg, father of the newspaper's present editor and publisher, Donald Borg, who sired its entrance into its handsome \$10,600,000 Hackensack plant in 1951. Under Borg's leadership, too, *The Record* in 1964 purchased *The Call* in neighboring Passaic County's Paterson, giving Borg's newspapers a combined circulation of 169,912.

A Phi Beta Kappa graduate of Yale (class of 1928), Donald Borg looks more like a Rhodes Scholar on sabbatical than a newspaper publisher. Nor is the image strained. "How many publishers do you know," said an admiring *Record* staffer, "who could—or would—say of a piece of copy: 'Now that has a nice Pre-Raphaelite shimmer, doesn't it?' Well, Borg did." As much at ease with Dante as he is with deskmen—or with subscribers angered by the placement of a news story or ad—Borg advances a concept of publishing rather rare in these dark and competitive woods. "I see my paper," Borg says, "not as a piece of personal property. I see it, if you will, as a quasi-public utility. I see it as the property of the readers. As such it must serve the readers. If it doesn't, we shouldn't be here."

Borg's twenty-nine-year-old son Malcolm, assistant publisher (B.S., Columbia), puts it this way: "No matter how small the problem is that comes into this office, we give it a personal response. It's good human relations, if you'll let me put it that way, and it also happens to be good business." With his brother Gregory, also an assistant publisher, Malcolm assists his father in general management and policy-making, with Gregory (B. S., Fairleigh Dickinson University) concentrating on *The Call*.

Publishing in a county in which Independents prevail over Republicans 202,000 to 151,000, and Democrats are a minority of 67,000, *The Record* perforce maintains an adroit editorial objectivity, although its editorial position on Vietnam and other critical social issues is notably progressive. This has not always been true. Born and reared in the era of William McKinley, *The Record* until very recent years trod a narrow, arch-Republican path. "The word 'Democrat,'" a brittle New Dealer recalls, "was a form of profanity somewhere between insobriety and original sin." Nor has Bergen County itself, long bossed by GOP precinct hacks not wholly aware of the twentieth century,

The Record

Friend of the People It Serves



The Borgs—Editor-Publisher Donald and sons Malcolm and Gregory—"I see my paper as a quasi-public utility."

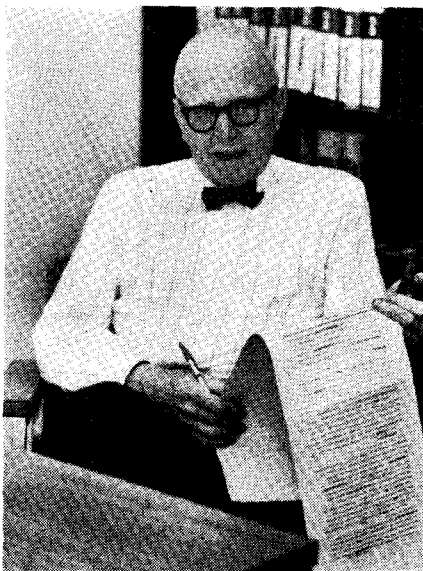
always enjoyed an unsullied political image. Even now it has yet to free itself of the last of its latter-day back-room troglodytes. But as the county's political face has changed and its GOP has become more progressive *The Record* has rolled with the punches and now wears a friendly and moderate face.

The Record, says Publisher Borg, "has no sacred cows or editorial thou-shalt-nots . . . and its cash register shall not dominate its news and editorial columns." Rejecting policies based on political *diktat*, Borg concludes: "This newspaper's editorial function is not necessarily to please the public, but to inform it, to give its readers wholesome food for their thought and reflection, to

arouse them from their civic apathy." Despite this impartial policy which the newspaper, on balance, maintains, *The Record* still gets its editorial kicks and blows. "The Democrats call us Republicans," grumbled an editorial staff member, "and the Republicans call us Democrats. How do you win?"

Reflecting Borg's determination to provide a forum for all viewpoints is *The Record's* catholic range of columnists, from the liberal Marquis Childs to the irreverent Art Buchwald and conservative William F. Buckley, Jr.—the last two acquired after the demise of the *World Journal Tribune*. Herblock and Hesse, liberal and conservative, do the

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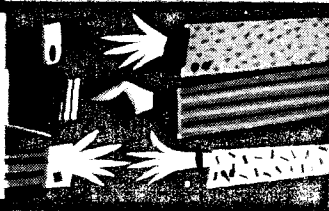


Associate Editor William A. Caldwell—"cheerfully twits the suburban conscience."



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Public Relations



A Gesture of Friendship

EXPANSION of American business abroad is an old story and generally a successful one for both the U.S.-based company and the host country. For the American company the accelerating trend has meant better profits. For the overseas nation American skills and fresh capital have provided new jobs and an enriched standard of living. But in most countries in which American corporations have operations, relatively little has been done to encourage stock ownership by local people.

In the past few years, however, there has been a change; a more intensive attempt has been made to have nationals invest. This heightened American management interest in increasing stock ownership abroad is illustrated by the fact that some of the larger corporations are now publishing their annual reports in languages of the countries in which they do a great deal of business. The trend is likely to increase greatly.

Litton Industries in 1962 began translating its annual report into French, Italian, and German. In 1963, a Spanish edition was added. In addition, in 1963, a Russian edition was started whose purpose was quite different from the others. Propaganda for the American economic system was the objective, not an appeal to the citizens of the Soviet Union to invest in Litton. Seven thousand copies of the Russian edition go to key leaders in Soviet government as well as to scientists, engineers, teachers, and economists.

In 1963, three major American companies began translations for overseas consumption. International Business Machines Corporation was listed that year on the stock exchanges of France, Germany, and Switzerland, and along with the listing were annual reports in French

and German. First National City Bank started including French and Spanish inserts in its English-language report. This year complete four-color editions in these two languages were sent. General Motors's initial effort was a digest of the report in German and French. The following year Spanish and Portuguese editions were added. These four digests plus the full report in English cover the major countries in which GM has operations.

In 1964, Ford Motor Company distributed summaries of its annual report in French, German, and Spanish, with a Portuguese edition added in 1965. Morgan Guaranty Trust Company of New York also began printing its annual report in foreign languages in 1964 with editions in French, German, Italian, Japanese, and Spanish. In addition to the bank's customers and prospective customers, the foreign language editions go to government officials, the press, educators, and, of course, its stockholders.

The Chase Manhattan Bank began in 1965 to translate its annual report into French and Spanish. This year German has been added, and the possibility is that more foreign-language editions will be printed, since Chase Manhattan, like other major banks, is expanding swiftly overseas. The competition is so intense in other fields it is reasonably certain that the number of languages will be increased.

Except for retrenchment reasons, no American corporation has discontinued its foreign-language editions of the annual report. All have found that translations have been wise not only as inducements to invest, but also as tools to help improve the relations of the companies with the governments of the host nations.

Standard Oil Company (New Jersey) has made a survey of the value of translation of its annual report, but has not yet made up its mind to go ahead. E. I. du Pont de Nemours & Company is now in the early stages of a study of Du Pont's annual report to stockholders, and one of the questions being considered is the desirability of using translations abroad. General Electric Company has made a careful study of the value of translating its annual report into foreign languages and has decided against doing so, for the present at least.

It is a good guess that the cost of translating annual stockholder reports into foreign languages is not justified by the number of foreign stockholders. It can be argued that since the language of business throughout the world is English and leading foreign businessmen speak English, the money for translation and printing is not being effectively spent. But there are additional considerations. Speaking the language of the host country to a government official, a university president, an editor, a businessman is a courtesy that is not often enough extended. American businessmen are notoriously poor linguists. Translating the annual report into the language of the man with whom business is being done is a compensation.

EVERY effort of American business to show foreign nations that it is not oblivious to the feelings of their opinion leaders is worthwhile. American business is under attack in virtually every country of the world. Extreme nationalism, reflected in opposition to this country and to the presence of American business, will not be ended by translating annual reports into foreign languages. But translation is a signal of interest, no matter how faint.

This country's reputation depends heavily on the manner in which American businesses are run and the extent to which they show awareness of the desires and needs of the countries in which they operate. Often, and in many countries, American business's conduct is a more important factor in the acceptance or rejection of America than all the words of the United States Information Service and the American Embassy put together. The better corporations always try to show their interest in and concern for the advancement of the local nationals.

Expansion abroad of American business, directed by responsible managers and carried out with an understanding of and sensitivity to the countries whose doors are open to U.S. capital, carries a two-way benefit. Actions such as printing annual reports in the language of the people with whom one does business are clearly beneficial.

—L. L. L. GOLDEN.

