

LONDON NEWSPAPERS:

THEIR OWNERS
and
CONTROLLERS

THE DAILY TELEGRAPH'S
Three-Quarters of a Million Sale

by
LORD CAMROSE.

*P.S. — See Lord Beaverbrook
and his Daily Express on
Pages, 7. and 8.*

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By
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IN EXPLANATION

In re-issuing the article which appeared in *THE DAILY TELEGRAPH* on the 13th June I have thought it desirable to make some re-arrangement and to supplement my remarks in certain directions.

Originally my idea was to take the occasion of *THE DAILY TELEGRAPH* passing the three-quarters of a million mark as an opportunity of saying something concerning the progress of the paper. I have done this when we have attained previous high-water marks as I know readers of *THE DAILY TELEGRAPH* to be very interested in the subject.

Starting by telling the facts of the ownership of *THE DAILY TELEGRAPH* itself, I was led on to give similar information concerning the other London newspapers. I was persuaded that the public wanted to know who are the controllers of the various journals and whose are the views these journals express. That I was not wrong in this belief is proved by the hundreds of letters I have received since the publication of the article.

A great many people have expressed surprise at the difference in the amount of money employed as expressed in the capital of the various owning companies. This is more apparent than real, as I specifically made clear in one or two cases. To produce to-day a newspaper which aims at a nation-wide sale must necessarily involve buildings and plant which run into many hundreds of thousands of pounds.

To take the case of *THE DAILY TELEGRAPH*, the land, buildings and plant owned by the company—all of which are necessary for the actual production of the paper—cost, or are valued at, something like £1,300,000. In the case of the four “popular” papers it is probably very much more. This takes no account of working capital, stocks of paper or capital invested in other directions.

Five or six years before the war Mr. Franklin Thomasson, of Bolton, with a few associates, started the “Tribune.” It was a daily paper designed to compete with *THE DAILY TELEGRAPH*,

“Morning Post,” and morning “Standard.” The venture lasted some seventeen or eighteen months. When the paper was stopped it was losing about £1,600 a week. Mr. Thomasson and his friends had put up over £300,000, all of which was lost, except what was realised by the sale of the printing machinery.

It was stated somewhere the other day that Mr. Thomasson and the Liberal Party were jointly to blame for allowing the paper to die when only a few more thousand pounds would have enabled it to turn the corner! It is extraordinary how generous a view optimists can take of other people’s money.

I can vouch for the accuracy of the figures given above as they were supplied to me at the time by Mr. Thomasson. We had several interviews and I made a proposition to him of going half-shares in an attempt to win success on different lines. He had had enough, however, and was also bitterly disappointed with the failure of the Liberal Party to come to his aid as they had promised to do. So the auctioneers came in instead and another wreck found its place on that well-marked chart of Fleet Street sinkings.

But, to-day, Mr. Thomasson would have to find considerably more than £300,000 to start a London daily newspaper and finance it for eighteen months. His plant and buildings alone would require considerably more than that sum. Costs of production are so substantially higher that even with a fair amount of progress in that period, his actual losses in the period would be greater than the total sum invested in the “Tribune.”

It is not surprising, in view of the ever-increasing costs and the magnitude of the organisation necessary for the production of a London daily newspaper, that the capital required runs into large figures. That is one of the reasons why the public is so largely interested in newspaper shares.

In the case of the very few papers in which there is no public money invested the nominal amount of the owning company’s capital has little relation to the actual money employed. The “News Chronicle,” for example, is owned by the Daily News Ltd., a company with a share capital of £563,185. The proprietors have recently erected an additional building which in itself must

have cost a third of that amount, while the original buildings and the plant they contain represent a total greatly in excess of that figure.

The share capital of THE DAILY TELEGRAPH is £240,000. The building extensions in Shoe Lane, now nearing completion, together with the machinery which is to be installed in it, will absorb a sum nearly equal to that figure.

The "Times" has a building programme which will cost many hundred thousand pounds, to say nothing about the expenditure on a completely new plant.

The "Evening Standard" is erecting premises and buying a new plant at a total cost of something like three-quarters of a million pounds.

Nearly every Daily and Evening paper in London has been compelled in recent times to spend large sums on building operations and the modernisation of plant.

Assuredly a London daily newspaper to-day is not an attractive game for the speculator or even for the wealthy party supporter of the old days who did not mind risking £50,000 or £100,000.

In the re-arrangement I have made of the matter which appeared in THE DAILY TELEGRAPH, the portion of the article dealing with the London newspaper owners and their controllers has been placed first.

I have added to the photographs those of Major Astor as controlling owner of the "Times," Viscount Astor as owner of The "Observer," Mr. Laurence Cadbury as representing the Cadbury family ownership of the "News Chronicle" and the "Star," also that of Mr. A. Barnes, M.P., who is the chairman of the company owning "Reynolds Weekly."

To complete the gallery—and "by request"—I have included a photograph of the author.



DAILY TELEGRAPH AND MORNING POST,
LONDON.

19th June, 1939.



LORD CAMROSE
Daily Telegraph & Morning Post

LONDON NEWSPAPERS:

THEIR OWNERS

and

CONTROLLERS

THE ownership and control of the London newspapers is to-day a matter of public interest and discussion. I have thought it worth while to compile the details and give a comprehensive summary of this ownership.

First of all, so far as THE DAILY TELEGRAPH itself is concerned, the editorial control is entirely in my hands, and has been since 1928.

The Daily Telegraph, Limited is a private company in which the whole of the Ordinary capital and a large proportion of the Preference shares belong to me and to members of my immediate family.

The remaining Preference shares were taken by Lord Kemsley and Lord Iliffe, when our partnership was dissolved on January 1, 1937, and I relinquished my position of chairman and editor-in-chief of Allied Newspapers. There are no other shareholders and no public money of any kind.

The capital is expressed in the purely nominal sum of £240,000.

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The "Times" is owned by the Times Publishing Co., Ltd. At the time of his death Lord Northcliffe was the preponderating proprietor. A short time before he had purchased from Mr. John Walter the only large holding left in the Walter family, and the interest of that family in the "Times" had been reduced to a comparatively small number of shares. The late Sir John Ellerman was the only other large holder.

After Lord Northcliffe's death his shares were purchased from the executors by Major The Hon. John J. Astor. Members of

the Walter family then re-acquired an interest by purchasing the Ellerman shares.

Lord Rothermere was a competitor for the Northcliffe holding and the matter was before the Courts. It is understood that Major Astor's purchase involved a sum of from £1,300,000 to £1,400,000 and that Lord Rothermere's bid was only £50,000 less.

In my opinion Major Astor made an excellent purchase and his ownership has proved to be a good thing for the paper and for the staff. He has left the editorial control largely in the hands of the editor, Mr. Geoffrey Dawson, and has concerned himself principally with the business side.

The Times Holding Company, Ltd., was subsequently formed for the purpose of establishing joint ownership of the Astor and Walter holdings. It has a capital of £580,000, divided into 10,000 Ordinary A and B shares and 570,000 Preference shares. Major Astor owns the 9,000 B Ordinary shares and 513,000 Preference shares. The 1,000 A Ordinary shares and 57,000 Preference shares are in the name of Mr. John Walter. The whole of the voting rights are vested in the B Ordinaries, except in the event of the sale of the paper or the liquidation of the company owning it. The A shares then have nine votes each, which gives them equal voting rights with the others.

The Times Publishing Co. is a public one and the annual accounts are published. The last circulation certificate issued showed the daily sale of the "Times" to be 204,491.

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Outside THE DAILY TELEGRAPH and the "Times" and the two financial and one sporting paper, there are six daily and three evening newspapers. Two of the six dailies are picture or tabloid papers, the "Daily Sketch" and the "Daily Mirror." The remaining four, the "Daily Express," the "Daily Herald," the "Daily Mail" and the "News Chronicle"—placing them in order of their sales—are what are called "popular" journals. I will deal with each of them in turn.

Easily the largest circulated is the "Daily Express," actively and personally controlled by Lord Beaverbrook. For a very short time, at the height of the Tariff Reform controversy, Lord Beaverbrook was the owner of the now defunct "Globe." He

disposed of that interest to Mr. Dudley Docker before acquiring, in 1913, his first holding in the "Daily Express."

Allied with the "Daily Express," and owned by the same company, are the "Sunday Express" and the "Evening Standard," the former founded by Lord Beaverbrook in December, 1918, and the latter acquired by him in conjunction with Lord Rothermere and the Daily Mail Trust in 1923 from the late Sir Edward Hulton.

The owning company is a public one in which nearly 1,500,000 seven per cent. Preference shares were issued to public subscription. Out of the 408,000 Ordinary shares, over 75 per cent. are held by Lord Beaverbrook directly and indirectly. The balance is in the hands of the public and there is a market quotation, the present figure being in the neighbourhood of £2 12s. 6d.

At one time the Daily Mail Trust owned a large number of shares in the "Daily Express" and in the private company then owning the "Evening Standard"; but these were purchased by Lord Beaverbrook four or five years ago.

The latter to-day, therefore, controls and largely owns one London daily, one evening, and one Sunday newspaper.

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Nearest in sale to the "Daily Express" comes the Socialist newspaper, the "Daily Herald." It first appeared as a daily newspaper in 1912 and had a precarious existence, financed by collections amongst Socialist supporters and later by party money, until it was taken over in 1930 by Odhams, Ltd., the printing and periodical publishing firm. Under the arrangement Odhams took 51 per cent. of the shares, the remaining 49 per cent. being retained in the names of 32 Trade Union officials as trustees for the Unions. Of the nine directors five are nominated by Odhams and four by the Party. The present representatives of the latter are Sir Walter Citrine, Mr. A. A. Findlay, Mr. William Kean, and Mr. Ernest Bevin.

The arrangement gave Odhams full control of the paper except in regard to its political policy. Here the Party has certain rights if the paper should adopt a different policy from that of the Party itself. In that event an arbitrator can be called in.

To-day the " Daily Herald " has a circulation of over 2,000,000 a day, an achievement which is undoubtedly due to the ability and energy of the chairman of Odhams, Ltd., Lord Southwood.

Except for its political contents, which are not so extensive or pronounced as many members of the Party would like them to be, the " Daily Herald " is no different in its treatment of news and the doings of the world from its more plutocratic contemporaries.

The owning firm, Odhams, Ltd., is a public company which has many publishing interests, including the Sunday paper, the " People." The present Sir John Ellerman recently became a large shareholder, but his investment only represents about one-tenth of the capital. There is no one shareholder or group of shareholders who own a control.

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Third on the list is the " Daily Mail." Founded by Lord Northcliffe in 1896, it occupied the leading place among the " popular " dailies for many years, both in sales and advertisement revenue. Allied with it are the " Evening News," the largest circulated evening paper, and the " Sunday Dispatch."

All three are the property of Associated Newspapers, Ltd.

Lord Northcliffe owned a majority interest in the company and on his death his shares were bought by his brother, Lord Rothermere. The latter formed a company called the Daily Mail Trust, to which he transferred these shares, and issued capital to the public in the form of debentures, since redeemed. The Ordinary shares were taken up by Lord Rothermere and his associates and placed on the market at a later date. Some years later the name of the company, which has now other interests of a financial character, was changed to the Daily Mail and General Trust.

In the same time the Trust has sold to the public a number of the shares it previously held in Associated Newspapers, and now owns something like 40 per cent. of the Ordinary capital.

The 2,494,059 shares in the Trust are widely distributed among the public and the three largest holders are Daily Mirror



MR. GEOFFREY DAWSON
Times



LORD BEAVERBROOK
Daily Express
Sunday Express
Evening Standard



MAJOR ASTOR
Times
(Principal Proprietor)



HON. ESMOND HARMSWORTH
Daily Mail
Evening News
Sunday Dispatch

LONDON NEWSPAPERS : THEIR OWNERS AND CONTROLLERS

Newspapers, Ltd., 168,905 shares, Sunday Pictorial Newspapers, Ltd., 148,500, and Brotherton and Co., Leeds, 42,900 shares.

Lord Rothermere was chairman of both companies for some years, but he retired from the board of the Trust in 1937, and in the same year announced that he had no longer any interest in the management of Associated Newspapers, Ltd., or the "Daily Mail." The present chairman of both companies is his son, the Hon. Esmond Harmsworth.

On a shareholding or proprietorial basis, the Harmsworth family no longer occupy the position in regard to the "Daily Mail" that they formerly did, and their holdings are comparatively small. The Daily Mail and General Trust, with its 40 per cent. ownership of Associated Newspaper shares, can be said to have a virtual control of the three papers, but, as shown above, the control of the Trust itself is not dominated by any one or more large holders.

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The "News Chronicle" is an amalgam of the "Daily News" and the "Daily Chronicle." The latter was at one time the property of Mr. Lloyd George and his party fund, and had a circulation of 700,000 or 800,000. The fierce competition of gifts and insurance indulged in by all the "popular" papers proved too much for the "Chronicle" and it was merged with the "Daily News" in 1930.

The "Daily News" had previously swallowed two other Liberal papers, the "Morning Leader" and the "Westminster Gazette." The latter was transformed into a morning paper by the first Lord Cowdray after an existence of 28 years as an evening journal. During the whole of that period it is said to have made a profit in only one year.

Famous for the cartoons of F. Carruthers Gould and the able front-page leaders of Mr. J. A. Spender, it was anything but efficient in other respects. As a morning paper it achieved a sale of something like 300,000 a day, based almost entirely on an insurance scheme. Lord Cowdray and his heirs are said to have lost nearly three-quarters of a million sterling before refuge was found in the arms of the "Daily News."

The "News Chronicle" is owned by the Daily News, Ltd., through its 100 per cent. subsidiary—News Chronicle, Ltd. The Daily News, Ltd., has a capital of £563,185 (of which £193,500 is in Ordinary shares of 2s. each) but the money engaged in this enterprise is obviously much more than this amount. Of the 1,935,000 shares, 990,000 are owned by the Cadbury Trust, and a further 680,000 are the private property of members of the Cadbury family and their Trustees. Other holders are Mr. B. F. Crosfield with 50,000, Sir Walter Layton 75,000 and Mr. Ernest Parke 50,000. All the Preference shares are held by the owners of the Ordinary shares.

The Cadbury Trust was founded by the late Mr. George Cadbury for the purpose of controlling the "Daily News" (now the "News Chronicle"). The Trustees consist of members of the Cadbury family and three others, Sir Walter Layton, Mr. Ernest Parke and Mr. B. F. Crosfield, the latter of whom married into the family. The chairmanship of the Trust is held for three years by all the Cadbury Trustees in turn, the present chairman being Major Egbert Cadbury. It is understood that as far as the Cadbury Trust itself is concerned, the Trust Deed provides that any dividends received from the Daily News, Ltd., shall be used either for charitable purposes, or in the interest of the company's business and of its employees.

The circulation of the "News Chronicle" is 1,317,176, and nowadays it is running the "Daily Mail" hard for third place. The active management and working control are in the hands of Sir Walter Layton, who achieved fame as an economist before he engaged in newspaper work. The chairman of the company is Mr. Laurence J. Cadbury.

Under the same ownership is the evening "Star," which sells 502,639 and occupies second place in the list of evening sales.

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Of the two picture papers the "Daily Sketch" is owned by Allied Newspapers, Ltd. It was founded by the late Sir Edward Hulton, and has a week-end edition in the "Sunday Graphic." To the same company also belongs the "Sunday Times."

During the week-end it was announced that the "Sunday Referee," which has been owned for a number of years by Mr. Isidore Ostrer, of Gaumont-British Picture Corporation, had been amalgamated with the "Sunday Chronicle."

The latter is a paper belonging to Allied Newspapers and published in Manchester. In future the combined paper will also be issued in London. It would be interesting, by the way, to know how many hundred thousand pounds this essay in newspaper ownership has cost Mr. Ostrer.

Lord Kemsley is chairman of Allied Newspapers, and also the largest shareholder. Through his own holding, and that of his family, he virtually owns a controlling interest in that company and exercises sovereignty over one London daily and three Sunday newspapers.

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The "Daily Mirror" and the "Sunday Pictorial" are owned by separate public companies. The two papers are issued from the same building, and the boards of directors are almost identical. Mr. John Cowley is the chairman in each case.

Both papers were formerly controlled by Lord Rothermere, who, in those days, owned a majority of the shares, and his nephew Mr. Cecil Harmsworth King is still a director of the two companies. Lord Rothermere publicly announced in March, 1931, that he had entirely severed his connection with the companies, and no longer owned any shares in either of them.

There has been much curiosity expressed in regard to the ownership of these two papers of recent years. The fact is that, as the result of sales on the market of Lord Rothermere's holdings and those of other large owners, the shares of both companies are so widely distributed among the public that there is no control in any possible combination of large holders.

There are in all 5,600,000 5s. Ordinary shares in the Daily Mirror Company. The largest holdings are in the names of Drummonds Branch nominees and C.O. nominees (Lloyds Bank) with 250,000 and 228,180 shares respectively. The next largest is that of F. G. Burt and Sir John Ellerman with 153,725. Mrs. Evelyn Staines, c/o Coutts nominees, has 92,672 and also owns 56,403 shares in the Sunday Pictorial Co. Mr. John Cowley has 34,142 standing in his own name.

The Sunday Pictorial Company has 1,050,000 £1 Ordinary shares, of which roughly a quarter are owned by its companion company. There is, as stated above, one holder of 56,403 shares,

and the remainder, with the exception of the comparatively small holdings of the directors, are held by the public.

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The "Daily Worker" is the name of a Communist paper published daily in London. Its objects and contents are so largely propaganda that it cannot be accurately described as a daily newspaper in the ordinary meaning of that description.

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Of the Sunday papers not allied with other newspapers there is, first, the "Observer," owned by Viscount Astor, who is a brother of Major Astor, the principal owner of the "Times." There has always been a great confusion in the public mind as to which brother owned which paper.

Probably when, in the not far distant future, as political prophets tell us and as all Fleet-street hopes, Major Astor assumes a different name, this confusion will disappear. The "Observer" was once the property of Lord Northcliffe, and was sold by him to Viscount Astor's father.

Perhaps the name most prominently associated with the paper in the public mind is that of the editor, Mr. J. L. Garvin, one of the most celebrated and one of the most prolific publicists of the day.

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The "News of the World" has the largest circulation of any English newspaper, daily or Sunday. Lord Riddell was the chairman and one of the largest shareholders, but not, as commonly supposed, the largest.

Since his death a public issue of Preference shares has been made, but the Ordinary capital is still privately held, mainly by the trustees of the late Sir Charles J. Jackson, the great authority on English silver, and Sir Emsley Carr. The latter has been the editor for many years, and holds the position of control.

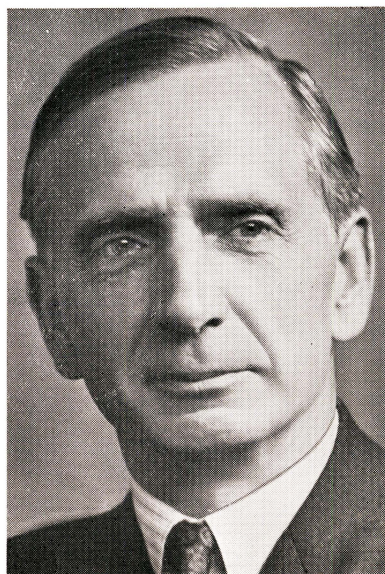
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The remaining Sunday paper is "Reynolds News," which became the property of the Co-operative Society a few years ago.

It is believed to have a circulation of about 500,000, which, though substantial, is the smallest of any Sunday paper of a similar class.



LORD SOUTHWOOD
Daily Herald
People



SIR WALTER LAYTON
News Chronicle
Star



LORD KEMSLEY
Daily Sketch
Sunday Times
Sunday Graphic
Sunday Chronicle & Referee



MR. LAURENCE J. CADBURY
News Chronicle
Star
(Chairman)

The paper is published by the Co-operative Press Ltd. and as this is a company registered under the Friendly Societies the ordinary particulars are not obtainable. It is safe to say, however, that the funds of the Co-operative Society have not been materially increased as the result of its entry into newspaper ownership.

Mr. A. Barnes, M.P., is the chairman of the board of directors.

I have been induced to give this lengthy review of the ownership of London papers largely by the great ignorance which exists in the public mind on the subject, and also by the frequent allegations of anti-Semites that many of the London newspapers are in the hands of Jewish interests. The details I have given, which are easily verifiable, effectively dispose of the latter point.

As for the first, I have been asked more than once if I owned the "Daily Mail." I have heard stated, as a fact, the humorous fiction that Lord Rothermere owned the "Star," and I have been told on many occasions that Lord Astor, and not his brother, owned the "Times."

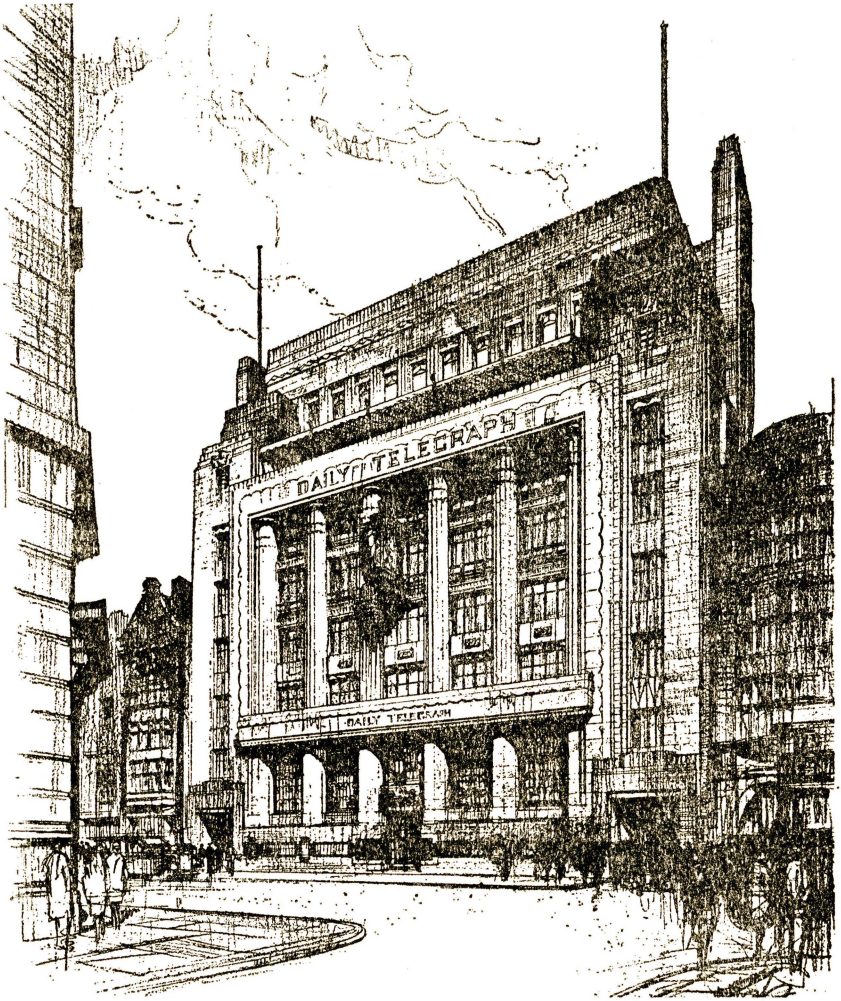
In these days of acute political tension it is perhaps advisable that the public should know exactly whose views the various papers are expressing. Although not all the proprietors and controllers I have named are what are generally called working journalists, they are in each case personally responsible for the policy which their respective papers adopt.

The possible exceptions are the two Astor brothers. Major Astor is said to leave the political control of the "Times" in the hands of its editor, Mr. Geoffrey Dawson, while, with the exception of a decided inhibition on temperance matters, Lord Astor delegates to Mr. Garvin the responsibility for the views and policy of the "Observer." Sir Walter Layton controls the "News Chronicle" as the representative of the Cadbury family.

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To sum up, in London there are eight daily, three evening, and ten Sunday papers. For his daily information the reader has a wide choice. Actually the choice is not so wide as it seems, for the eight journals divide themselves sharply into two or three classes. A good deal could be said on this subject and on the influence and value of the huge circulations obtained by the "popular" newspapers as the result of attractions other than the contents of their editorial columns. That, however, is a matter which had better be left for another time.



*Daily Telegraph & Morning Post Building,
Fleet-street, London.*

THE DAILY TELEGRAPH'S

THREE-QUARTERS OF A MILLION SALE.

WE make the announcement to-day* that the readers of THE DAILY TELEGRAPH now number more than three-quarters of a million. The actual daily sale for the month of May reveals a figure of 763,557, compared with that of 662,000 for the same month in 1938.

Right through the history of THE DAILY TELEGRAPH there has been a peculiarly close bond between the paper and its readers, and it has occurred to me that they would welcome a review of the progress we have made in recent years.

Early in 1927 the late Viscount Burnham accepted a place on the Simon Commission which was being sent to India to hold an inquiry there. He had succeeded his father, the first Lord Burnham, as principal proprietor of the paper, and exercised absolute control. The ownership was held mainly in a number of family trusts created by the original proprietors. Lord Burnham himself was the owner, directly or otherwise, of something more than 25 per cent.

Lord Burnham was then 67 years old. As long as he lived the control was in his hands and his powers were absolute. On his death there was no way of appointing a successor except by application to the Courts. The situation would have been very similar to that which obtained in the Walter family in regard to control of the "Times." The Simon Commission would involve a considerable strain and a lengthy absence from this country.

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There was also another important consideration. The paper had been steadily losing ground for a number of years. Its printing

* DAILY TELEGRAPH & MORNING POST, 13th June, 1939.

plant had been renewed in 1922 at a very large cost, but the machines were made for the old page, with columns 25 inches long against the usual 22 inches. The size was an inconvenient and costly one and long out of date. Large capital expenditure, coupled with a policy which would prohibit any distribution of profits for some years to come, was necessary if the paper was to survive.

Lord Burnham did not feel that he could be responsible for such a policy, and decided to sell. It has been stated that offers were made to various people. This is not the case. In conjunction with his nephew, Colonel (now Brigadier) Lawson, he reviewed the possible purchasers and found the likely—and desirable—number very restricted. The owners would need faith, courage and experience. An early return on their capital could not be expected or assured. Family feelings and pride forbade a sale to speculators. Newspapers cannot be hawked about for sale like factory premises.

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I had been editor-in-chief of the "Sunday Times" since 1915, and, encouraged by the success with which that paper had met, was anxious to try my hand at a serious London daily. Lord Burnham knew of this from conversations we had had, and he decided to approach me in the first instance. The negotiations resulted in the formation of a partnership between my brother, Lord Kemsley, Lord Iliffe, and myself to acquire THE DAILY TELEGRAPH.

The most important interview took place in the Oxford and Cambridge Club. Lord Burnham having omitted to reserve a private room, the conversations were held in the billiards room!

We assumed control on January 2, 1928. The net daily sales were found to be in the neighbourhood of 84,000. The price of the paper was twopence but, in common with the "Times," members of certain professions were supplied, under a special arrangement with newsagents, at a penny.



MR. JOHN COWLEY
Daily Mirror
Sunday Pictorial



VISCOUNT ASTOR
Observer
(Proprietor)



MR. J. L. GARVIN
Observer



SIR EMSLEY CARR
News of the World



MR. A. BARNES, M.P.
Reynolds News

The number of readers buying the paper at this reduced rate was about 10,000, or roughly an eighth of the total sale. This system remained in force so long as THE DAILY TELEGRAPH was sold at twopence and is, I believe, continued by the "Times" to-day.

At an early date it became evident that not only was an entirely new printing plant required, but that the building which housed the editorial department and other offices was far too small to permit of the necessary expansion of staff. The office building dated back to 1882, when it was opened by Edward VII, then Prince of Wales. For many years it was the show place of Fleet-street, its ground floor being devoted to one room, known as the Pillar Hall.

Back of it lay the printing works, and some idea of the erstwhile prosperity of the paper can be gained from the fact that the whole site covered one and a half acres of freehold property. With the further area acquired for the new building and the extension of the printing and publishing offices, THE DAILY TELEGRAPH now owns and uses nearly two acres of freehold land.

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A revived efficiency and a new spirit of enterprise soon checked the drop in sales ; but from the first assumption of editorial control it was apparent to me that there was no future for a DAILY TELEGRAPH at twopence. Equally apparent was the fact that reduction in price to a penny was only possible when a new printing plant became available and fresh life had been breathed into the editorial policy.

Nevertheless, in the period of two and three-quarter years which preceded the reduction in price, we succeeded in raising the sale to just under 100,000 at the unpopular price of twopence.

It is a pleasure to me to record the fact that while in the progress of this regeneration the editorial staff was largely increased,

the nucleus remained almost the same as it was in 1928, when the change of proprietorship took place.

On the 1st December, 1930, the price of THE DAILY TELEGRAPH was reduced to one penny. This meant an immediate loss of £60,000 per annum in the revenue from sales. No alteration of the smallest character was made in the editorial policy, the normal size of the paper, or in any other direction whatsoever. The price figure on the front page was changed ; in every other respect THE DAILY TELEGRAPH of December 1 was exactly the same kind of paper that it was the day before, and had been for the eight months since the new machinery had been brought into play.

For the month of November the sales had averaged just under the 100,000. In December they were over 175,000, and in January 200,000. With the exception of seasonal fluctuations they have never since looked back.

They are printed below for the month of May in each of the last nine years.

1931	..	226,324	1935	..	417,548
1932	..	274,250	1936	..	489,568
1933	..	320,000	1937	..	565,262
1934	..	353,648	1938	..	662,730
			1939	..	763,557

It will be seen that for the second year in succession the sale has increased by approximately 100,000. The absorption of the "Morning Post" in October, 1937, accounted for a considerable part of the increase made in the sales for 1938. It was calculated at the time that the bulk of the readers had been retained by the combined paper.

The past twelve months have seen a series of international crises almost unparalleled in our history. That the sale should have made by far its biggest annual increase—if we except 1937-8—during such a period is a remarkable endorsement of the editorial and news policy followed.

When we reverted to the old price of one penny there were very few people indeed, in Fleet-street or elsewhere, who believed that it was possible for a paper of the character of THE DAILY TELEGRAPH to achieve a sale of anything approaching the present figures. I cannot claim to have been such an optimist myself. The field was an uncharted one and the growth has astonished the experts as much as anybody else.

Recently the front page was changed so as to carry the principal news of the day instead of the announcements of Births, Marriages and Deaths and miscellaneous advertisements which had appeared there for many years. The change was dictated solely by the conviction that the vital news of each day should be immediately available, without the paper having to be opened. From an advertising point of view it could stimulate no increase in revenue and no likely decrease.

The general reception was one of warm approval. Some old readers did not take kindly to the innovation. That we expected—no decisive change in an old friend is universally approved. The main fear expressed in the many hundreds of letters we received on the subject was that this was only the herald of sweeping changes in the character of the paper itself.

Seven weeks' experience, as we now know from our correspondence, has been sufficient to dissipate that fear.

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In an article published at the time the 500,000 figure had been reached I asked the question how high we could climb, without feeling confident enough to give an answer. Nowadays the growth has gone so far that I am not alone in thinking that the round million a day is a figure to which we may reasonably aspire. One thing I would make definitely and abundantly clear. No ambitions of increased sale will ever be allowed to influence in the slightest degree, the present policy and character of THE DAILY TELEGRAPH.

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