

Storm brews over control of US newspaper group

May 26 2013, by Rob Lever

With a sale likely of a prominent group of US newspapers, the interest of a potential buyer tied to right-wing causes has galvanized opponents fearing the dailies could become political tools.

The Tribune Co. dailies, including the [Los Angeles Times](#), Chicago Tribune, Baltimore Sun and five others could be sold in what may be one of the biggest [newspaper](#) deals in US history.

Although no official bids have been announced, the mere hint of interest from billionaire industrialists Charles and David Koch—famous for bankrolling conservative causes—has some activists in a frenzy.

Protests have taken place in Los Angeles, Chicago and Baltimore, and more are planned.

"It's unlikely the Koch brothers would take over these papers and not try to use them to advance their conservative agenda," said Angelo Carusone of Media Matters, a [watchdog group](#) with the avowed mission of countering "conservative misinformation" in the news media.

"These are not just run-of-the-mill papers," Carusone said. "We are talking about eight publications which are either exclusive or influential in the local communities."

Rick Jacobs of the progressive advocacy Courage Campaign, which has organized some of the protests, said the group is working on a coalition

to block a sale to the Koch brothers.

"We want genuine journalists to have good jobs and be free to report the news," Jacobs said.

"The Koch brothers have never been involved in newspapers," he said.

"The only reason they would be interested is to further their political goals."

According to a report in the [Chicago Tribune](#), some 40 potential buyers have expressed interest in one or more of the newspapers, but the company would like to sell the group in a single transaction.

Dan Kennedy, a journalism professor at Northeastern University, said that by selling the newspapers in a single deal, "you end up with only very wealthy potential buyers," such as the Koch brothers or [Rupert Murdoch's News Corp.](#)

"Local people who are more invested in their communities are likely to be better stewards of community journalism in the long run," Kennedy said, noting that "people buying newspapers to advance a political agenda is nothing new."

He said the furor over the Koch brothers owes to the fact that "not only are they extreme libertarians, but because they seem to hate the media."

Murdoch, on the other hand, despite criticism over his political views, has a long history in the newspaper industry in Australia, Britain and the US, where he owns The Wall Street Journal and New York Post.

"If I were at one of those newspapers, I would find myself rooting for Murdoch rather than the Koch brothers," Kennedy said.

The intense reaction to the Koch brothers highlights a bitterly partisan political landscape, with the family in focus for backing policy groups such as the libertarian Cato Institute think tank in Washington.

The Koch brothers also were behind the formation of the Americans for Prosperity political action group, which supports many causes backed by the ultra-conservative Tea Party, although they are not formally affiliated.

Koch Industries, which focuses on petroleum refining and chemicals and pipelines, said in a statement that it was "constantly exploring profitable opportunities in many industries and sectors."

Critics of the Koch brothers accuse them of funding efforts to quash labor unions, especially in a highly contentious battle over public sector unions in Wisconsin.

Koch Industries' Melissa Cohlman said in a statement that about 30 percent of the company's employees are represented by a union.

"Koch has mutually respectful and productive relationships with the unions that represent its employees—this has been true for more than 50 years," she said.

Some civic organizations have been seeking to raise funds for alternative bids. A group called "The Other 98 Percent" has launched a crowdfunding effort for the newspapers.

"This is a way for Americans to say that they're tired of billionaires fighting over who gets to control our media," said the group's Nicole Carty.

Politics aside, the economics for any buyer of any of the newspapers will

be daunting.

The publishing operations had been valued at \$623 million during Tribune Co. bankruptcy proceedings, but media analyst Ken Doctor said "the value of these properties is dropping month by month, year by year."

"We know revenue is down, and they are struggling with circulation.

"If they are maintaining their profits they are only doing that by significant cutting," including of newsroom staff, Doctor said.

There could be pitfalls for any new owners, be they politically motivated investors or civic organizations.

"There is a three- to five-year turnaround at this point," Doctor said, as newspapers find a way to manage a transition to digital. "They will need to beef up news coverage and digital innovation."

But if the Koch brothers make the newspapers "plainly partisan," it would drive away subscribers "and they turn more quickly into irrelevance."

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