

All eyes on Murdoch as newspapers ponder digital future

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Is Rupert Murdoch bluffing? Making a bold high-stakes gamble that will save the troubled newspaper industry? Or pursuing a pipe dream that can only end in failure? The News Corp. chairman, pictured in September 2009, has prompted a fierce debate among media watchers with his accusation that Google is "stealing" from his vast newspaper empire and his threat to block the search engine from access.

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The 78-year-old Murdoch has already announced plans to make readers pay to read his newspapers online but his warning that he may also make them invisible to Google has given rise to much speculation about the wisdom of the move.

"I think that when you're talking about [Rupert Murdoch](#) there's one of two things going on," said Dan Kennedy, an assistant professor of journalism at Northeastern University.

"One possibility -- and I certainly wouldn't rule it out given his track record -- is that he's two or three steps ahead with something that none of the rest of us have figured out yet," Kennedy told AFP.

"But I think the other possibility is he really doesn't understand this medium and he's making a disastrous mistake and doesn't realize it yet."

"His biggest venture into online so far was MySpace and he overpaid for it and picked the worst possible time to buy it," Kennedy said. "Thus far his track record is not very good."

"Unless he's got something up his sleeve, then it will be a disaster."

Rick Edmonds, media business analyst at the Poynter Institute, a non-profit journalism school based in Florida, said preventing Google from linking to News Corp. content "doesn't strike me on the surface as a great idea."

"We'll see what happens," Edmonds told AFP. "There's some record of his making pronouncements and then after consulting with his actual operational guys it comes out a little differently."

Google, in response to Murdoch's comments, made in an interview with Sky News Australia, said news organizations were free to opt out of being indexed by the search engine but noted that it drives "about 100,000 clicks every minute" to media outlet websites, generating ad revenue.

"Publishers put their content on the Web because they want it to be found, so very few choose not to include their material in Google News and Web search," Google said in a statement. "But if they tell us not to include it, we don't."

Writing at his news aggregator website Newser.com, Michael Wolff, author of a biography

about Murdoch titled "The Man Who Owns the News," described the News Corp. chief's comments as the latest salvo in his "war with the Internet." online is "certainly getting more of a look than it used to," said Edmonds.

"It is quite possible he doesn't realize -- and can't fathom -- that removing News Corp.'s newspapers from Google means that, in the largest part of the information market, they would cease to count," Wolff said.

"The big concern is you lose much more in online advertising revenue than you make in online subscription revenue," he said. "Maybe that's a closer call than it was a few years ago."

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Although Murdoch also named Microsoft among those who "steal our stories," media and technology blogs said he may be considering a deal that would give Bing, the software giant's new [search engine](#), exclusive access to News Corp. material.

The Wall Street [Journal](#) is currently the only News Corp. daily that charges for online access to all of its content and reportedly receives some 25 percent of its traffic via Google News. Other prominent newspapers in the News Corp. stable include The Australian, the New York Post and The Times of London.

Murdoch had hoped to have pay barriers in place by June of next year, but he said 10 days ago during a News Corp. earnings call the plan would be delayed. "We are working all very, very hard at this but I wouldn't promise that we're going to meet that date," he said.

Edmonds said that while The Wall Street Journal has enjoyed success signing up paid subscribers for its website, WSJ.com, "it's hard to see that as a good match for a general interest paper."

Northeastern's Kennedy agreed: "Quite frankly if he thinks that anyone is going to pay for access to the New York Post or to the Fox News website or to any of his English properties, I'm sorry, it just isn't going to happen."

Murdoch's plan to charge readers on the Web is being closely monitored by US newspaper owners who are seeking to carve out a digital future in an era of free news online and eroding print advertising revenue and circulation.

With US newspapers struggling, charging readers

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