

By Tony O'Reilly

It is often said that newspapers are the first draft of history. This may be somewhat fanciful but in truth, newspapers are about many things, and commercially they are mostly about brands. When you buy a paper, you can find out a lot of things about yourself – your politics, your business interests, your sense of curiosity about a whole range of things from architecture through music, to health and good food.

The contrast between newspapers and TV and the Internet is quite stark. TV and the Internet tend to be instant and universal. Newspapers are avowedly about the region, the city, and the process of analysis, distillation and extended focus. They can enjoy the luxury of reflection, length and regionality. They are not dependent on the soundbite, exciting, but in truth, somewhat unsatisfying.

CNN received in Auckland or Sydney or Johannesburg or London or New York is the same. But try and give the Cape Times away in Sydney, or the New Zealand Herald away in Melbourne, or indeed, the New York Times away in London, and you become sharply aware of the uniqueness and non-transferability of newspapers from one environment to the other.

This fact nurtures the brand and yet imposes some constraints upon their immediate relevance, particularly in the face of fast-breaking news.

However, if you are the market leader in any given market – be it Bonn, Paris or Washington – you have a unique and stable point of contact with your consumer.

The marriage of good journalism, circulation and advertising can produce good cash flow and high margins if your product is attractive to the reader and provides enlightenment, entertainment and excitement.

Newspapers are also about commentary, and independent or dependent, have the right to be selective in their politics and in the various aspects of our complicated society that they wish to champion.

If we go back through history we can find a Northcliffe or a Beaverbrook, a Cudlipp or a Cecil King, a Murdoch or a Bingham, who have very determined views which are carried in their papers and magazines. On the other hand you have the contrast of the Astors, the Thompsons, Brendan Bracken at the Financial Times, the Grahams at the Washington Post and the Sulzbergers at the New York Times where the notion of proprietorial direction is not central to the enterprise.

Independent Newspapers around the world is in the latter category. In a speech to Rhodes University on 18 February I said: "We are not right wing and not left wing – we are for the people and for the country." We appoint the boards of our papers throughout the world which state what the broad policy of those papers is, the boards appoint the editors and allow the editors to get on with the job without fear of interference. If the editors work within the broad remit of the board, they remain as editors. If they do not, then it is the duty of the board to change editors. This is not a complicated concept, although it is a concept about which a great deal of nonsense has been written.

Ben Bradlee is given to say that politicians, as a group, do not like newspapers. The reason, he claims, is that they, the press, are in fact unelected critics of the political process and as such do not fully understand the pressures under which politicians work.

There may well be a grain of truth to this, but the fact is the Fourth Estate is a vital element in a democracy and were it not for the inquisitive mind of the press, a great number of critical inquiries of the past five years would not have surfaced.

Whatever the controversy and drama, I believe this is a necessary price to pay for the benefits to society and to our political systems.

In South Africa the company had an excellent year despite the fact that the economy went through a turbulent period. The potential for growth in South Africa is great, and the company, with 58% of the total English-speaking press and 11 modern presses in Cape Town, Johannesburg and Durban, is well-positioned to play a part in its future. The future will be more volatile than, say, New Zealand, but notwithstanding this we were one of the first companies to invest before the elections that brought Nelson Mandela to power.

The record of the company since that date has been, frankly, outstanding and the profitability of the company has tripled. We have led the way in training and the introduction of new products and no other group in South Africa comes remotely close.

Transformation and transparency are key words in the future of a peaceful South Africa and our management, editors and employees are playing their role as champions of a free and informed press in the new vibrant democracy.

● Excerpts from the Chairman's Statement to the Board of Independent Newspapers.

Anthea Garman interviews

Tony O'Reilly

What are you reading?

On my bedside table are: *A Peer Without Equal*, the story of Sir Gordon Newton, editor of the Financial Times from 1949 to 1972, and *A History of Byzantium* by John Julius Norwich.

What do you think about the future of newspapers internationally?

Papers have a much more interesting future than TV. It is a natural condition for editors to be worried. The fragmentation of media around the world, particularly in radio and TV, is going to make newspapers. TV is a long-running advert for print media, soundbites for the real information. We are moving inexorably away from fast news to the slow distillation of what the news means. Your great grandchildren will still only have 24 hours in a day and two eyeballs.

... in South Africa?

In 2005 SA will have seven million readers (up from today's 4.3 million). Newspaper titles will stay at about 22 or 24 but in TV, satellite and digital, there will be about 250 signals. Viewers will increase from four million to 20 million a day. Of all the media conditions the most favourable will be for print to increase its market. For example, Australia has 14 daily newspapers with 80% penetration. TV has a 35% to 45% penetration.

The Independent plan

Because of TV the reading public is more critical: they want colour printing, attractive newspapers with style and gossip, personal finance. They demand specialist information. Independent Newspapers is leading the rush to provide this with the Sunday Independent, Business Report, Personal Finance and Sunday Life.

Newspapers and the Internet

The problem with the Internet is: how do you collect the revenue? The great thing about newspapers is that they are intensely local and advertisers can aim at a specific geographical area. The Internet is a great advertising medium for newspapers because it excites interest.

Transformation

Independent's attitude is to be fair, decent, tough and honourable. We are determined to change all our processes.

Your special relationship with South Africa?

In my opinion Nelson Mandela saved South Africa from civil war. Poets usually define a nation (as Yeats defined the Irish revolution), but in South Africa, not a poet, but a politician defines this nation.

On your attitude to women editors

Women are the rulers of the earth. In a subtle way they control a lot more than they admit to. I have no problem with women. We've just appointed Rosie Boycott as editor of the London Independent and are watching her with fascination.

On rumours that Independent will be launching a popular SA tabloid

As my good friend Paddy says: "The question is not whether there is a gap in the market, but whether there is a market in the gap?"

● Tony O'Reilly, who has a PhD in agricultural marketing from the University of Bradford, received the degree Doctor of Laws honoris causa from Rhodes University.

Newspapers are unique