



National Newspaper Association
Washington Office
PO Box 5737
Arlington, VA 22205
703.465.8808
Fax: 703.812.4555
Web Site: www.nna.org

**Testimony of Max Heath
Vice President, Circulation/Postal/Acquisitions
Landmark Community Newspapers, Inc.
And Chairman of the National Newspaper Association Postal
Committee**

**Before
The Subcommittee on
The Federal Work Force, Postal Service and District of Columbia**

October 30, 2007

Thank you, Mr. Chairman and members of the subcommittee, for the opportunity to comment on the situation facing periodicals in the mailstream.

My name is Max Heath. I am vice president of postal/acquisitions for Landmark Community Newspapers, Inc., Shelbyville, KY. Our company owns 7 nationwide periodical publications and 57 community newspapers, including the weekly Vandalia Leader-Union in your home state, Mr. Chairman. I am also the chairman of National Newspaper Association's Postal Committee and its senior industry representative on the Mailers Technical Advisory Committee.

I represent National Newspaper Association here today. NNA was founded in 1885 to represent community newspapers. It is presently headquartered in Columbia, MO, and maintains a government relations headquarters in Arlington, VA. NNA's membership comprises about 2,500 newspapers, of which most are weekly, twice-weekly or 3 times weekly newspapers. The typical circulations would be under 5,000 copies.

While we do not collect financial data from our members, I can tell you from personal observation that many of our privately-owned member papers have gross sales of less than \$500,000 per year, and profits that are in the low to middle single-digits. These are not the newspapers of the 20-30% profit margins that you may have read about in the go-go days of the 1990s. Also, it is important to note that the Internet competition that has now cut into the larger newspapers' margins has affected community newspapers to a much smaller degree. Possibly because they are accustomed to operating on very thin

profit margins, these newspapers continue to be a critical link between readers, businesses, public officials and governmental bodies in their communities. It would be a mistake to assume that the encroachment of the Internet, therefore, is inevitable and that the mails will cease to be critical for the foreseeable future.

I should add, Mr. Chairman, that my own company is somewhat atypical of NNA membership. We are a bit larger in a corporate sense than most community newspaper companies, which are generally family-owned small businesses with one, two or three papers. Fortunately for me, and for NNA, my company (which is still family-owned) is large enough to permit me to actively engage in postal policy discussions at the national level—something few of our papers could do without NNA.

I appear here today to make three critical comments about newspapers' future in the mail.

First, the most recent rate increase has threatened the ability of most of our newspapers to reach readers, especially in distant areas. Increases in Outside-County mail ran from \$3-5 up to \$30-35 per subscriber per year, and percentages, while mostly in the 20-25% range, can hit as high as 30-40% for very light-weight papers—and of course those are the ones with the least advertising, and therefore the most vulnerable. Some publishers are attempting to pass some of that increase along in higher subscriber rates (which is never a good thing, but cannot be avoided here). In January (six months after we began paying the higher postage ourselves), we will institute increases for Outside-County subscriptions by the amounts listed above. We expect to lose many outside-area subscribers hit with cost increases that large. But for the postage expense, we would not have to drive up our own prices. We will lose subscribers, and USPS will lose this mail.

There are no winners, only losers, among small publications in this Periodicals rate case. High gasoline prices have sharply reduced spendable income, and subscription price increases for In-County mail are difficult to make without loss of subscribers. In most cases, our company is absorbing the cost of the 15-23% hike in In-County postage. But for those that can't, and must pass along \$1-3 more in postage costs per subscriber per year, loss of volume is a real harm to their business.

Second, future aggressive increases will assuredly drive smaller newspapers out of business, and further reduce volume of other small publications in the mails, as subscriptions become less affordable. I am attaching here a poignant column from our friend Gary Sosniecki of Missouri, who testified before the PRC in the 2006 rate case about his fears of the impact of rising prices and poor service, lamenting that he and his wife are worn out, and are giving up. They have sold their paper to a larger company. Gary, who has personally wrestled the Postal Service for the past couple of years, cites the time drains and frustration from poor service as the single greatest factor in his decision.

This is a particularly sad development for NNA, because the Sosnieckis are people who regularly give up their Friday nights to personally cover the high school football games, and who will stay up all night making sure the voters' guide is completely correct

before going to press prior to an election. When newspapering loses people like this, we all lose, including the voters in Missouri.

Third, even without double-digit increases, the deteriorated service of recent years has severed the connection between many readers and their hometown newspaper, and we fear, for that reason, the coming of the new Flats Sequencing System machines, or FSS, which will force many community newspapers to lose carrier-route rates, haul mail to distant cities on backed-up deadlines for news and advertising, and live in fear the Postal Service will not be able to deliver on time. This mail, when removed from the delivery offices where most of our In-County mail is deposited and delivered efficiently now, and is the mail that drives our cash flows and lets us serve readers and advertisers, is in jeopardy of leaving USPS for private delivery. Its loss will be the nail that causes the shoe to be lost, as the proverb goes.

1. The damage created by the 2007 increase was palpable and deeply felt.

NNA appeared before the Postal Rate Commission (now the Postal Regulatory Commission) in 2006 to address the proposed periodicals rates. NNA has appeared since 1970 in virtually every rate or classification matter that even tangentially affects newspapers. There is ample reason for this tenacity, though every new litigation seemed to pose the possibility of such serious financial outlays for lawyers and economists that the existence of the association itself is called into question. Our newspapers rely upon the Postal Service as their primary circulation avenue. This has been true since the beginning of the Republic. As the Postmaster General will readily acknowledge, the first postmaster general, Benjamin Franklin, was a newspaper publisher.

Our primary mailing to readers is through the Within-County (or In-County) subclass of periodicals; for readers just outside our core areas, as well as those further away, we use Outside-County subclass; and for nonsubscribers, we are heavy users of high density Enhanced Carrier Route (the former third class) mail. Many weekly newspapers also provide saturation ECR mail coverage on another day of the week as a full-coverage option for advertisers. My company, for instance, spends over \$4 million annually on Standard Mail and over \$2 million for Periodicals mail, showing how widely used Standard Class is by community newspapers. Free newspapers and shoppers use Standard.

In rate cases, NNA focuses most heavily upon Within-County mail for two reasons. First, that is the core mailing rate for our in-market subscribers. Second, NNA is the only organization that consistently tends this important mailing rate. We have increasingly had to pay more attention to Outside-County rates, however, because of new problems with that mail.

In the 2006 case, we made several key points. Among them were these:

- The appearance that In-County mail was failing to cover USPS costs, we believe, may have been rooted in deep flaws with USPS cost measurements. To state the problem simply, the statistical samples taken are inadequate to be accurate.

- The proposals that our friends from Time-Warner had put forth for charges of bundles and containers were unfair to newspaper publishers. These proposals have been clothed in the misleading assumption that publishers have options to use different containers and to create higher density mail. That may be true for some large-volume magazines, but it is untrue for community newspapers. The so-called “price signals” sent by the PRC were simply not applicable to our business, so we are stuck with paying higher rates forever.

Quite frankly, if we were surprised by the 20-28% USPS rate proposals for In-County, we were devastated that the PRC trimmed the proposal only slightly, and failed to make any useful recommendations for repairing the statistical problems. We were doubly surprised by this because the PRC chairman had previously highlighted our problem in letters to Congress and to the Government Accountability Office.

And we were completely floored that the Commission swallowed the concept of Time-Warner’s complex rates almost completely.

Why these two occurrences happened would be for the Commission to explain. However, we attributed the outcome to these elements:

- On the data quality, while the PRC knows there is a problem, no one seems quite sure what to do about it. NNA’s proposals to average certain aspects of the data were found wanting and rejected.
- On the bundle and container rates, the PRC was tired of watching Periodicals rates struggle to cover costs. It recognized that the appearance of “subsidized” periodicals was an outflow of the Postal Service’s inability to control mail processing costs (and in spite of expensive flat-sorting automation that may have inadvertently raised costs, rather than fulfilled its promise to reduce them). After nearly a decade of trying to hold down prices, it decided to make the mail fit the system instead of continuing to urge the system to handle the mail. So those of us that cannot adapt are considered dispensable, apparently.
- With the onset of the price cap, the fear that the problems in the rates would be frozen into the rate system forever made both USPS and the Commission bolder about taking big steps, regardless of the risks to the Periodicals mailstream.
- Finally, with respect to In-County, there seemed to be a whispering campaign that newspapers were paying only about 10 cents per delivery. In fact, in some cases that is true—but this particular mail is so highly presorted to the carrier route, walk-sequenced, and transported to delivery offices, that all USPS has to do is walk or drive down the street and drop off the copies. The price is roughly comparable to, or higher than, what private delivery systems with appropriate volumes need to cover their costs. It may sound low, but the price provided meets the service.

The result of the case was a range of double digit increases in postage. Our members report that In-County mail costs went up 15-20% and Outside-County mail as much as 25% in many cases, largely because of the container and bundle costs. The new "shape-based" rate concept and container charges led to higher percentage increases on the small, lighter-weight papers Outside-County, with revenues that make them least able to afford the sharp increase that has reached as high as 50-60%. One hit 61.6%, and had a \$5 subscription price serving volunteer fire-fighters in multiple states.

In addition to the postage increase, many members had to invest in new software that would enable them to meet the new mail sorting requirements, such as providing counts of bundles at their various sortation levels and containers at their various sortation levels. This is not a mean feat, as other witnesses I'm sure will attest. Where periodicals previously had to measure their weight, advertising content, sortation and travel distance, now they must also take a variety of measurements of their bundles and sacks.

Although NNA has long encouraged all of its members to purchase PAVE-certified software so they can take advantage of the available discounts, we have also long realized that coming up with \$2,000-\$10,000 purchase costs for this software is not an easy task for the smallest papers. It has always been a worry to us that many felt they simply could not do it—and so they have prepared mail with a mélange of cheaper tools, ranging from index cards to Microsoft Access® or Filemaker Pro® software, and then filled out the required mailing forms by downloading blank forms from the Internet and hand-writing them.

With the 2007 rates, this expediency is just about impossible. The software must now be purchased, and staff trained to use it.

So for the smaller papers—let's use a 2,000 circulation country weekly as an example—that might have spent \$15,000 last year to use periodicals mail, the 2007 bite was \$3,000 more plus an additional \$2,500 for the least expensive software. That could amount to increases of about 35% in a single year. I'm not even counting the business opportunities lost as staff have to be distracted from core duties while they are trained to handle the software.

Now the Postal Service might counter: the postage for In-County went up from maybe 9.5 cents to 11 cents. That is only a penny and a half. *Quit-cher-whining*. In fact, we have heard that informally from some officials. But I would say back: 35% is 35%. No business can sustain those types of increases in their key costs. It is as simple as that.

We have not seen the Postal Service's volume reports from this most recent quarter to see what real impact this has had. But we did look at the mailings for the 3rd fiscal quarter. In-County mail volumes fell 2.6%. This may have been from mailers trying to get out before the rates hit. Or it may have been from the usual problems in getting accurate data. We do not know.

The Committee asked us whether the increases were putting newspapers out of business.

So we tried to find out.

It should be said that NNA has no resources available for exhaustive surveys and studies. This limitation has been our Achilles heel in rate cases, because the economists nonetheless want to hold us to the same data quality requirements it creates for multi-million dollar corporations. But we do maintain regular contact with opinion leaders in the industry, including our boards and state chairmen, as well as those who actively participate in our Congressional outreach. Though they are busy publishers and beset by surveys of all sorts all the time, we can usually get at least some feedback when we ask them to help us.

So we asked: were you surprised by the amount of the increase? How much was it for you? Have you coped with it by cutting costs, increasing subscription rates, trimming profit margins or possibly going out of business or selling the paper to a larger company?

The responses were fairly consistent. Here is what we learned.

The increases were indeed a nasty surprise. Publishers knew from reading NNA's various publications that an increase was coming, but the magnitude of this one was in no one's budget.

So far, publishers seem to be handling it by cutting other costs and trimming already thin profit margins. With the Internet breathing down our necks, we are all fearful of the risk of trying to pass much of this cost onto customers, especially local ones In-County and adjoining counties. So, we are mostly making do with less. A few are considering leaving the mail and trying private delivery. Many are assuming their long distance subscribers are going to drop off as they raise those rates by \$3-30 per year. A few papers offer their whole issue online, but most don't. Those readers will simply be gone.

Finally, when we asked what would happen if another increase of this magnitude in 2008 came our way?

And there we drew blood. Most said they would have to seriously consider either leaving the mail or getting rid of the newspaper somehow—selling or shutting down.

2. What happens next.

This concern leads me to my second point—one that carries some urgency for us.

I will precede this discussion by making it clear that NNA was a supporter of the decade-long postal reform effort that led to the Postal Accountability and Enhancement Act (PAEA). We were not grudging supporters, but active lobbyists here with your committee and before the Senate. Though we knew the risks that might come from passage, and we were fully conscious that the devil is in the details, we also knew the Postal Service was going to need some help to survive the Internet onslaught. We put our trust in the bill sponsors, and both the Postal Service and the Commission.

The bill emerged with mostly good, and for us only two big evils. The first of those was the requirement for pre-funding retiree health benefits. We had hoped that the overpayment of postage that we funded through 2003 would be returned to mailers.

The other prong on the devil's fork for us was the decision to take the Senate version of the price cap, which sets the cap at the class level, rather than the subclass. We understand the Postal Service felt strongly that it needed that pricing flexibility.

But for In-County mail, this was a terrifying outcome, particularly since the Postal Service seems to think raising our rates 25% is ok so long as it is only a few pennies per piece.

You see, because In-County volumes are less than 10% of the total for the mailing class, the cap could miss our heads entirely. If the total cap were, say, 3% increase, USPS could trim that impact to 2% for the larger magazine class and hit us with a 25% increase again. Or it could make us pay the entire increase, and leave the Outside-County prices as they are. It has that flexibility and you, the Congress, gave it to them.

I am thought to be the incurable optimist in our industry about the Postal Service. I've worked with the institution for many years, and I know it to be run by sincere and well-intentioned public servants. I also have a real appreciation for the challenges they face in keeping the nation's most valued institution afloat with the decline of first-class mail we all face.

But I am very worried. I fear that at the top of the service—possibly among the governors even—the notion that a 25% increase isn't so bad so long as it only means a few pennies really doesn't count. I believe the Postal Service will be wiser than that. But then I believed it before the 2006 case, and they let me down.

So I say to this subcommittee, if we should find ourselves faced with another double-digit increase, you will most likely be losing many of the small newspapers that reach the communities that you represent. They will not be able to sustain this one.

3. If the rate monster doesn't get us, the service monster might.

It goes without saying that news isn't news when it arrives late.

Despite this age of 24/7 blogs and news feeds, our newspapers are still pretty much the sole source of a lot of information. That may be the school board news, the zoning hearing, the high school sports scores or the sidewalk SALE coupons—and believe me, when we are late with the discount coupons, we hear it from all sides.

We have had long-standing problems with reliable service over great distances. But now the outbreak has been reported within our core markets. Newspapers all over the country report serious problems with mail that has to move through a Sectional Center Facility, or an Area Distribution Center.

Our board member, Dave Berry of Bolivar, MO, explained this problem before the PRC last summer. He explained that he serves a lake resort area, and many of his readers subscribe to the paper so they can see it before they pack for the weekend. They are within a 1-2 day service area, according to existing USPS service standards. But

they simply do not get the paper in time. He spends a lot of his time answering complaints.

I can attest that all of us spend a great deal of time answering complaints. Besides my own publications at Landmark, I probably get a dozen requests a week for help with service problems.

To its credit, USPS provides me with access to senior operations people to troubleshoot these problems. We usually find a solution—sometimes it is a different mail preparation by the mailer, a change in routing, or sometimes a little pushing of the operational managers. But of course we get only the tip of the iceberg. Our survey indicated that problems are pervasive—both deep and wide.

I believe the primary cause is the work-hour cuts that USPS has passed along as part of its cost controls. It also may be a combination of other concerns. USPS, of course, always points first to the mailer's own failures—and sometimes that does happen. But it also is about the way newspapers are handled, the inability of USPS to know where mail is at any given time while it is in its facilities. I was recently shocked to learn that the daily mail condition reports, that plants have to submit to show what mail remains unworked, do not have to include mailings under 1,000 pieces. So it is easy to see how a small newspaper could lie around for several days. Unacceptable, but easy to understand.

We try to help our members learn how to sort their mail so it can travel on first-class ground transportation where possible—a fairly costless privilege that USPS created for us. They can sort mail in flats tubs instead of sacks, though they have to pay the container charge—and that sometimes helps. They can file an ePubWatch report, which NNA and others fought to keep off the budget cuts floor recently. Or they can do what more and more are doing: try to get that reader to read the newspaper online.

Now, the .pdf online, or the more common short summary version, is clearly a growing part of our futures. I suppose in time most of our long-distance subscribers will move in that direction if delivery remains poor and costs continue to skyrocket.

But hoping our core local readers—those that shop in our markets—will prefer the paper online is like Caesar wishing Brutus had a sharper knife.

We all have to figure out our relationship with the Internet. We are all working at it.

The fact remains right now, and for the foreseeable future, that no newspaper website can produce the revenue required to support a legitimate news-gathering operation. That is true from the top to the bottom of our industry, and even more true in rural areas, where nearly 40% of readers are on dial-up services or not online at all.

The equation from rising costs and poorer service does not add up to an electronic future. It adds up to no future at all for local news and information.

If we believe civic life, and important things like voter turnout, and parent/school partnerships, kids sports and a host of other important community values are threatened now, I invite you to contemplate it without the local newspaper. For myself, it is a future

that makes me hope for imminent retirement on a desert island, where I won't have to see what comes next.

Mr. Chairman, we are second to none in our belief in the importance of the Postal Service. We rely upon it, and we hope to continue to be able to do so. We appreciate the opportunity to explain our situation to you.

To answer your question: will the rate increases put newspapers out of business, then, let me respond simply. Not yet, thankfully, but it has weakened them. Without your continued vigilance and the support of the Postal Service and the Postal Regulatory Commission, the next time you ask the question, we may not be here to answer it.

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THE VANDALIA LEADER

Queen of the Prairie — Vandalia's newspaper since 1874



SOZ SEZ: 10 steps to a better Vandalia

SOZ SEZ: Sometimes, loving your job, town aren't enough

SOZ SOZ: Why we need dispatching here

'Soz Sez' columns named state's best

LEADER INTERN: 'Farm girl' felt at home here

Gary and Helen on the job covering the 2007 Prairie Days. Photo

GUEST COLUMN:
Bye-bye, Lady Bird,
from Bobby Moore

courtesy of Clarence and Doris Ray

GUEST COLUMN:
I'll take the rap for
Paris Hilton

SOZ SEZ: Sometimes, loving your job, town aren't enough

Sosniecki's
editorial judged
one of 12 best

By Gary Sosniecki

Let's make this clear from the beginning:

SOZ SEZ: New Wal-
Mart in Bowling
Green means
trouble ahead for
Vandalia

I love my job.

I love The Vandalia Leader.

I love the people of Vandalia and Farber.

SOZ SEZ: Two
Vandalias, both
smiling

And, being childless, I especially love the kids of Van-Far.

But, sometimes, love isn't enough.

MAYOR: WERDCC
has been good for
Vandalia

Sometimes, your body tells you that you aren't as young as you used to be, that, as you approach your 57th birthday, you're pushing your body too hard, that 90 hours a week on the job, week after week after week, is too much for it to handle no matter how much you love what you're doing or the community you're doing it for.

WERDCC
SUPERINTENDENT:
Employees 'show'
us much on a daily
basis

So Helen and I are going to take a break. A good, hard-working and honest family, nationally respected in the community-newspaper industry, is going to buy The Leader on Nov. 1, and it is going to build on what J. Linn Ladd, Frank and Lily Frost, Fred DeTienne, Pete and Lora Steiner and Gary and Helen Sosniecki have built before it.

Former White
House
correspondent Bob
Moore of Vandalia
remembers 'nice
guy' Jerry Ford

Under the ownership of the Jack Fishman family, The Vandalia Leader will continue to grow and prosper and, most importantly, will continue to serve the people of Vandalia and Farber for generations to come.

GUEST COLUMN:
Playing post office
for a day

Five-year plan became four

GUEST COLUMN:
Picking up
Vandalia's trash is
educational

We hadn't expected to sell The Leader this soon.

GUEST COLUMN:
Blame Bob for lack
of weather

We came to Vandalia in the summer of 2003 with a five-year plan, which meant we intended to publish The Leader at least five years before even talking about moving on to, as Helen likes to say, one last newspaper on a beach.

GUEST EDITORIAL:
The original
Curryville cop

But in April we received a phone call from a nearby publisher who had heard a rumor that The Leader was for sale and, if it was, he was interested in buying it. We told him it wasn't that was the truth but we also told him that if he wanted to talk about it, we would be glad to listen. As I've heard many times, the only business that can't be bought for the right price has a fool for its owner.

SOZ SEZ: Taking
your delivery

complaints to the top

We never heard back from that publisher, but we thought about his call a lot in the months that followed.

'Didn't you used to be Bob Moore?'

It has not been the best of years for small-town weekly-newspaper editors. In March, Brian Mazza, editor of the Rocky Mountain House Mountaineer in Alberta, Canada, a friend of ours from the International Society of Weekly Newspaper Editors, died unexpectedly of coronary artery disease at age 45. He was found dead in his house after he didn't show up to take a photo on a Sunday.

Check out our advertisers' Web sites, too

SOZ SEZ: President to co-publisher: 'Hello, Helen'

Then in April, Steve Oldfield, publisher of The Adrian Journal and last year's Missouri Press Association president, suffered a massive stroke the day after his daughters wedding. Steve nearly died and faces a long recovery.

What Deep Throat didn't know about Watergate

In May, Rusty Hartwell, 47-year-old publisher of The Holden Image died of an apparent heart attack.

An alumnus answers the question: 'What's a Van-Far?'

Three months, three tragedies involving younger people who do the same work you do, two of them friends.

Rappin' Robert Holden and other great cartoons

Then came June, the month when Helen and I normally recharge our batteries after a long school year and our biggest annual printing job, the Vandalia Area Fair book.

We want to hear from you!

Both of our elderly mothers wound up in the hospital in June, mine from a fall that led to several weeks in rehab followed by three weeks of 24-hour home-health care, Helen's mom also from a fall, then a continuing series of ailments that have sent her to the emergency room several times in recent months and culminated in gallbladder surgery last Friday.

Being tied down to a seven-day-a-week job, we have dealt with our moms' health issues mostly long distance. Helen was able to get away twice to check on her mom, including Friday for her surgery, but I still haven't been able to check on my mom in Florida other than through daily phone calls.

On July 4, which has been our only full day off this year, we talked about our options. We had tried twice this year to hire more part-time help but didn't have much luck. (And I can't even remember the last time a high-school student even those who have gone on to college to study journalism-related fields asked for a job here.) And though The Leader has grown each year we've been here, we haven't grown enough to hire a full-time reporter, which would ease our workload more than anything else.

We decided to take a trip to Branson to see a show and to have coffee with Ed Anderson, a friend for about 15 years. Some of you who visit Branson a lot may remember Ed as the former publisher of Branson's Country Review magazine. We met him when we owned the Seymour

newspaper; he was dating a teacher from Seymour, and they took us to dinner and a show, where Ed introduced us to the very funny Jim Stafford.

Ed is a newspaper broker now. He advised us when we sold our Seymour newspaper almost nine years ago, and we sought his advice before we bought The Leader in 2003. Once again, we asked Ed for his opinion.

Ed thought the time was right for us to put The Leader on the market and look for a newspaper a little bigger, with more staff, so we didn't have to do so much of the work ourselves. Maybe near that beach Helen keeps talking about.

So we did, and that led us to the announcement on Page 1 today.

New owners not strangers to us

What about the new owners?

We know that they have been interested in The Leader a long time, that they were talking to the Steiners at the same time we were when the Steiners accepted our offer four years ago.

We first met Jack Fishman seven years ago at a National Newspaper Association convention he is a past NNA president and we've met him several times since, including when he dropped by The Leader office a couple of months ago while visiting some of his Missouri newspapers and also last month at the NNA convention in Norfolk, Va.

Jack is a native of Jackson, Tenn., and we have joked that the three of us -- Jack, Helen and myself -- all began our newspaper careers at The Jackson Sun.

Jack is an impressive man. It would take a full column to list all his professional accomplishments: he received NNA's highest honor in 2002, the James O. Amos Award and his community-service work at the local, state --he served many years on the Tennessee Board of Regents-- and national levels, and it probably would embarrass him to do so.

Jack can tell stories with the best of anyone who hangs around a Vandalia coffee shop. When he dropped by The Leader office, he told us about how a young local singer named Elvis Presley had trouble drawing a crowd when Jack was a student at what now is the University of Memphis.

When Jack was nominated for the NNA's Amos Award, Morristown Mayor John R. Johnson wrote: "Jack is one of those rare individuals who has a deep commitment to items of public interest and is willing to throw himself into the fray without regard to his own personal or financial reward."

ETSU connection

One of the many awards Jack has received came in 2001 when — pay attention now Van-Far basketball fans — he was named an honorary alumnus of East Tennessee State University, the same ETSU where Van-Far's Mike Smith plays basketball. Jack's sons, both of whom are involved in the family newspaper business, are ETSU grads. In fact, Jeff (ETSU Class of 1986) and I talked about Mike and Bucs basketball at the NNA convention last month.

Jack's management team in Missouri includes Walt Gilbert of Louisiana, a longtime weekly-newspaper publisher in northeast Missouri and a former newspaper owner himself. And how lucky Jack and Walt are to have hired someone with Vandalia ties, Ron Schott, to run The Leader.

Jack's company, Lakeway Publishers, has so many resources to help The Leader to continue to be successful in the years ahead. When one of The Leader's Macintosh computers acts up, Lakeway will have someone who can fix it rather than Gary or Helen having to drive to Quincy, Ill., to find a repairman. The newspaper business always has been challenging, but it especially has become challenging in the digital age. Mom-and-pop newspaper owners like Helen and me are forced to become experts in so many things, from computer software to the Internet to rapidly changing postal regulations, that it's tough to keep up. It will be great for The Leader to have a support network that it doesn't have now.

It also will be great for our advertisers to have Lakeway's resources at their disposal. Now, if Leader advertisers also want to reach the Bowling Green, Louisiana, Troy or Centralia markets, they'll be able to place their ad with the Leader staff and be done with it.

Please be patient

We ask you to be patient and understanding as Ron and the staff make the adjustments that always come with new ownership. Lakeway will do things differently than we do, just as we did things differently from the Steiners.

If you don't like what they do, don't tell us; we won't want to hear it. We support whatever they do to keep The Leader successful.

Please don't complain to them, either. Every new business owner deserves a honeymoon while new ideas are tested.

But if you like what they do, please tell them. Your compliments have done much to keep us going even when the hours got long.

Helen and I are proud of what we've done here the past 50 months. Thanks to new technology, you have been reading the best newspaper that Helen and I are capable of producing without any other full-time help. We're awfully proud of the newspapers we've produced here, though it's humbling, as Bill Steiner once told us, that the best-selling

newspaper of the year always is the one with the all-town garage-sale ads, not the one with some "great" news story that you've worked on for days.

We're proud that some of our editorials seemed to have impact in the community, such as our endorsement of the Van-Far school-bond issue, which passed by five votes in 2006 after failing badly the year before. We were successful in getting the school to stop spending \$25,000 with Wal-Mart every year for gift cards to reward summer-school attendance; that money now stays at home. And we convinced 253 people to show up at a community meeting in an effort to save local 911 dispatching. Unfortunately, that battle appears lost, a real tragedy for Vandalia.

We're also terribly proud of our Web site, which has gained a national reputation among small newspapers for its profitability as well as its content. Just last week, I faxed information on how to set up a Web site like ours to three different newspapers that asked for it, one in New York and two in Missouri. I will miss publishing The Leader, of course, but I think I'll miss working on www.vandalialeader.com even more.

Unfortunately, our work at The Leader kept us from doing as much community service as we did in our other communities. Even so, I'm proud that the Vandalia Area History Book was my idea and that I suggested the publisher for it, I'm proud to have designed the "We are... Van-Far" logo worn on so many T-shirts and sweatshirts around town, and I'm proud of my behind-the-scenes work with Nancy Stafford and June Rackers in creating (and naming) "A Vandalia Hometown Christmas." I'm disappointed that our vision of a wonderful holiday evening in downtown Vandalia didn't survive.

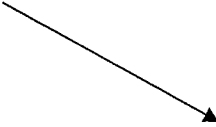
But we have few other regrets. Vandalia, for the most part, has been good to us. People have been friendlier to me here than anywhere I've ever worked, and the business community has been very supportive with its advertising. I will miss so many people, especially all my friends on my Wednesday-morning "paper route." I'll miss critiquing "The Price Is Right" with the guys in the back room at 54 General Store in Farber, I'll miss my baseball discussions with Postmaster Chris Hull, Razor Hull, David Crow, Calvin Hull and whoever else happens to be hanging around the Farber Post Office, I'll miss my long, weekly chats about the perils of small business with Bill and Nancy Stafford in the office of The Rose, I'll miss the regular visits (and Lyndon Johnson stories) from "Ol' Bob" Moore and I'll especially miss pouring my second cup of coffee every morning at Vandalia Firestone after I've picked up the mail. I won't miss cleaning up after I spill that coffee opening up our back door with my hands full.

It's unlikely that we'll ever have more fun than we did when the Van-Far Indians won the state basketball championship in 2004. What a thrill that was. Never have we seen a community come together the way Vandalia and Farber did that wonderful winter and spring. We'll never forget those kids: Mike Smith, Garon Suddarth, Chad Reading, Tanner Fennewald, Joe Basinger, Chris Nation, Shane Brookshier, Chris Bahr,

Jeff Johnson, Tyler Hawkins, Richie Schlueter and Ryan Schuckenbrock. Most of those kids probably have forgotten Gary and Helen already, as kids are prone to do, but we sure hope that in 2029, when the 25th anniversary of that great team is celebrated, somebody will think about inviting us to the party.

We burn no bridges

Has life been perfect here? No. Besides working too much, we've had our share of ugly experiences, as you have in any job in any town. Nothing would be accomplished by mentioning them. We burn no bridges in leaving Vandalia.



(But I don't mind burning bridges with the U.S. Postal Service and the incompetence that permeates it above the level of our customer-friendly local post offices. If you want to point a finger at any single thing that has caused us to grow tired of publishing *The Vandalia Leader*, you can point to the four years of lousy service we have received in trying to mail newspapers to subscribers in towns near and far. We are tired of phone calls from angry subscribers asking, "Didn't you publish a newspaper this week?" *Of course* we published a newspaper. The post office just lost it again.)

But we're not leaving quite yet. Helen and I will publish the next two issues of *The Leader* — you'll have two more "Soz Sez" columns to read — and we may be around a little longer moving our stuff out of the office.

Vandalia will continue to be our home while we figure out what we're going to do next. First, we plan to take a few months off to sleep and travel. Weather permitting, we hope to play some golf. Ironically, we came to Vandalia planning to play golf and enjoy Mark Twain Lake. But the only time I've been to Vandalia Country Club is to take pictures of the Van-Far golf team. And we've been to Mark Twain Lake twice, once for a Sunday hike our first year here and once as guests of Bob and Sue Giltner, who, thankfully, once a year dragged us out of the office for some fun activity.

As we travel, we'll start looking for our next challenge. Maybe we'll own one last weekly newspaper before retirement with a little bigger staff than we've had here, maybe we'll manage a newspaper for someone else, which we've also done before, or maybe we'll do something different, like teach journalism or help small newspapers develop Web sites. Chances are, as Helen reminds me, it won't be far from a beach.

And chances are that it will be for fewer than 90 hours a week. Right now, a 60-hour work week would sound like a vacation.

"You'll find that we work hard and we're honest," I wrote in my first column in the Sept. 3, 2003, *Leader*, an issue that was only 10 pages.

We hope we've lived up to that billing.

Gary Sosniecki is co-publisher of The Vandalia Leader. Until Oct. 31, he may be reached at (573) 594-2222 or by e-mail at vandalialeader@vandaliemo.net. After Nov. 1, he may be reached at sozsez@aol.com.

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