

AL NEUHARTH

BIOGRAPHY

Al Neuharth was born in Eureka, South Dakota, on March 22, 1924. He grew up in a rural area in a poor family and lost his father in a farm accident at age two. At age eleven, he took his first job as a newspaper carrier and in high school, began writing for the school paper. He eventually became editor of the school paper and worked in the composing room of the weekly Alpena (South Dakota) Journal. After graduating from Alpena High School, he enlisted in the Army. He was assigned to the 86th Infantry Division and was shipped to Europe to join General Patton's Third Army racing toward Germany. He earned a Bronze Star and the Combat Infantryman's Badge.

After the war, Neuharth returned to South Dakota, married his sweetheart and enrolled at the University of South Dakota. He majored in journalism, graduated in 1950 and took a position with the Associated Press in Sioux Falls, S. D. as a reporter. In 1952, he and a friend launched a statewide weekly tabloid devoted to high school athletics in South Dakota, called So Dak Sports. After raising \$50,000 to start the paper, Neuharth and his partner went bankrupt in two years due to lack of advertising and poor management. Neuharth learned from his failure and, in 1953, looking forward to a new start in a different part of the country, accepted a job as a reporter for the Miami Herald.

In the next seven years, Neuharth worked his way up from reporter to Assistant Managing Editor. While supervising the state coverage for the Miami Herald, he fell in

love with the Cape Canaveral- Cocoa Beach (Florida) area. In 1960 he moved to the Detroit Free Press, part of the Knight-Ridder newspaper chain. Then Gannett, a chain of small-city newspapers called, and recognizing an opportunity to eventually take over the company, in 1963 he accepted the position as general manager of its two Rochester, N.Y., newspapers. He assumed the role of Vice- president of Gannett and President of Gannett Florida and in 1966 started a new paper, called Today, later Florida Today. This was the forerunner of the national paper, USA Today. The idea for a national paper was due to the innovations of Today in Florida, which featured new designs, shorter articles, and color. Neuharth then established USA Today, which published its first issue on September 15, 1982, at a start-up cost of approximately \$400 million. The paper gained one million circulation in seven months and in five years had turned a profit, despite the jeers and criticism of more traditional papers. In 2001 the paper is firmly fixed in the national consciousness and is the most widely- read paper in the country.

When Neuharth became Chairman and CEO of Gannett Co., Inc., he dramatically expanded its holdings. In 1991, he founded the Freedom Forum, a nonpartisan, international foundation dedicated to free press, free speech and free spirit for all people. The Freedom Forum funds and operates the Newseum from an endowment worth more than one billion dollars in diversified assets. He was honored for lifetime achievements by the National Press Foundation with the Distinguished Contributions to Journalism Award. He still writes a weekly column for USA Today and his autobiography, Confessions of an SOB, was a bestseller. He currently resides in Cocoa

Beach, Florida.

SUMMARY

Mr. Neuharth relates his background in journalism and how he opted for newspapers over radio. He speaks about the lessons learned from his first failed business venture and how the advent of Florida Today paved the way for USA Today. He speaks at great length about the genesis of the latter paper, with particular reference to his inspiration drawn from the Space Coast area of Florida, "where there is more vision per square mile than anywhere else on earth." He also converses on his thoughts on how future technology will coexist with the traditional newspaper.

Allen H. Neuharth was interviewed by Ralph Lowenstein on July 23, 1999 in Cocoa Beach, Florida.

L: The beginnings of journalism for you started in high school, did it not?

N: We had a weekly paper at Alpena(South Dakota) High School. The paper was *The Echo*. It was not really a paper by itself, but it was part of a page, half a page, in space donated by the local weekly paper. I began writing for that and became the editor of that paper in my junior year in high school.

L: Did you have any association with the newspaper itself?

N: Yes, I worked there part-time sweeping up, cleaning up. I even got to play with the linotype machine a little bit, but I never became a skilled linotype operator.

L: Did you go into the military right out of high school?

N: I went to Northern State Teachers' College in Aberdeen, South Dakota, for one

quarter. I was eighteen. After the first quarter, a bunch of us in that freshman class enlisted and went into the Army.

L: What year was that?

N: I went in January of 1943. I enlisted in the fall, December of 1942, and went in January of 1943.... After training, I was with the 86th Infantry Division. We were in Europe, and then we were one of the first two divisions that were shipped back to go to the Pacific. We landed in the Pacific after the atomic bomb was dropped, so we were spared any service there.

L: I was especially interested in your encounter with General Patton [George Patton, Commander, U.S. Army Third Corps].

N: He was a hero of mine. He was a great guy. He was a go-go guy. Our 86th Division was part of his Third Army for a period of some weeks, and I was a sergeant in a reconnaissance platoon. On one day, a corporal of mine and I were marching a bunch of captured German soldiers through an encampment. We were resting at a crossroads, resting ourselves and them. Patton, whose jeep had stars displayed on it, was everywhere, close to, sometimes at, the front lines. This was, of course, when we were coming back from the front line. He stopped and wanted to know who was in charge. I was the sergeant in charge. He wanted to know what the hell we were doing there. So I told him we were taking a break and he said, get the hell back on your feet, and [get] those Krauts moving.... But I enjoyed the encounter. I enjoyed the chance of having him talk to me.

L: Did anything about this man affect you in your later life?

N: Oh sure. A lot of people have affected my later life, but he was a person I

looked up to, because he was the senior commander of the unit I was in. He believed in moving and getting things done. He was not a guy to make excuses or to fool around, and I thought his results-oriented approach to life was pretty good.

L: As soon as you came back, did you go right away to the University of South Dakota?

N: No, I waited through the summer. I got out of the Army in May 1946; it might have been late April. I got married in June and spent the summer waiting for the fall term to start. My new bride and I worked as carnies and traveled to one- and two-night carnivals and fairs around the states of South Dakota and Minnesota. I went into the University in the fall term of 1946....

L How did you first go to work for the university newspaper?

N: I was interested in broadcast or print, and I went to work for KUSD, the university radio station, in sports. I broadcast the sports games. I was broadcasting the homecoming game my freshman year, and my older brother Walter was sitting in the stands and had the radio on, listening to me, and had it turned up real loud. Some people in front of him turned around and said, would you turn that damn thing off? He said, don't you want to hear the game while you are watching it? One of them said, not with that damn idiot broadcasting it. So, my brother reluctantly told me about that. I listened to some of my tapes, and I realized I was pretty bad. I quit broadcasting and went into print. I became sports writer, sports editor, and then editor of the *Bolante*, the school paper.

L: Looking back at it, as objectively as you can, would you say that your interest in journalism starting in those days was because you realized you had a talent for it and

you could do well with that talent?

N: I did not really know what I had much talent for when I went into college.... I think I felt primarily that it was fun [and] it was interesting.... As the editor, I really did have, maybe, more influence on campus than someone my age or with my not-very-mature judgement should have had. I liked all that. I also felt that I could do some good. We did some campaigns on behalf of students that got me called into the university president's office three or four times, but I still felt it was important. I liked the fact that you could have a voice and sort of have a window on the world, even though the world was not very big at that time....

L: At that time, did you think about spending the rest of your life in South Dakota, or did you have wider horizons, even then?

N: ... I think it was doubtful that I would have expected to spend my whole life in South Dakota, but I thought I would get rich and famous there before I moved on. That did not happen; instead, I went broke and ran away from home....

L: Out of college, you went immediately to work for AP [Associated Press]. How did you get the job?

N: I went to work for the Associated Press, (but)... I had in mind starting this venture called So Dak Sports. The business manager of the *Bolante* and I decided we were going to do that to get rich and famous.... So Dak Sports, yes, as in South Dakota Sports.... He was two years behind me because he got a law degree. We spent much of that two years planning and plotting to start this venture, which turned out not to work. I worked for the AP for the two years while we were getting ready to launch So Dak Sports.

L: And you borrowed money from...?

N: We did not borrow. We sold stock. We formed a corporation and sold stock.... Our biggest investor invested \$700. Most of them were doing it as a donation. They were sports fans or former jocks who thought a statewide sports paper would be good for South Dakota. Nobody invested a lot of money and did not expect to make any, but that is how we raised about \$50,000 to get the thing off the ground.

L: How long did you run that paper?

N: Two years. We went broke after two years. We were going broke regularly. We never made any profit. We got pretty good circulation and no advertising, or very little. So, we had to fold it after two years. ... It was the fall of 1953....(So) I ran away from home, went all the way to Miami, Florida, and got a job as a reporter on the *Miami Herald*.

L: How did you happen to choose the *Miami Herald*?

N: Well, [for] one thing, I was ashamed. I had offers for jobs around there and in Minnesota, but I was so ashamed at having gone broke that I wanted to get as far away from home as I could. I wanted to work on a big paper, and the *Miami Herald* was one of the leading papers in the southeast, along with Atlanta. [It was] certainly the leading paper in Florida then.... I got a telephone interview with the, then, managing editor of the *Miami Herald*. His name was George Beebe. I sent him a bunch of stuff, propaganda and factual stuff, and he looked it over. He had a lot of applications then from snowbirds, or Yankees, who wanted to work down there. He called me and offered me a job at \$90 a week as a general assignment reporter. I did not know

Miami, so I suggested that maybe he ought to interview me first, and he said that was not necessary and they were not paying for trips like that. So, I asked him if I could come down at my own expense, which I did. I rode the train two nights and a day. I went down and looked around and got the interview with him and other people and then I decided I was lucky to have the offer, so I grabbed it. I went back to South Dakota, took my car, rented a trailer, loaded up everything we owned, and came to Miami....

L: When you went to work for the *Miami Herald*, how long were you a general assignment reporter?

N: I started on December 31, 1953, and I was a reporter for two or three years. Sometimes I substituted on beats. I was on the police beat a while, the court beat a while but, basically, general assignment. I was offered a chance to go to the *Herald's* Washington bureau for a period of three months, which they did with some of their reporters. I grabbed that. I was up there for three months and loved it. I had an opportunity to move out of reporting into editing, and I became the assistant city editor and then the executive city editor of the *Herald*....

After I left the city desk, I became assistant managing editor, and part of my job was to supervise the state coverage of the *Herald*. The *Herald* was very much a statewide paper at that time. George Beebe was the managing editor..., but Lee Hills was the executive editor. They were the two who I really owe my training. In supervising state coverage, it was pretty clear that the *Herald* needed to be covering what was then Cape Canaveral, as the space program developed.... That resulted in my making a number of trips back and forth and really falling in love with the Space

Coast area, the Cocoa Beach area. I became kind of a space nut because I got to know all the early astronauts.

L: With your trips up here, did the idea begin to gel a little bit that this place, I think it only had weekly or semi-weekly papers at that time[might be able to support a state paper?]

N: Yes, there were three weeklies here, one in Titusville, one in Cocoa, and one in Melbourne. The daily papers that came in here were the *Miami Herald*, the *Tampa Tribune*, Jacksonville, Daytona, but primarily the *Orlando Sentinel*, which was, by far, the leading circulation here. As the area grew, it grew by leaps and bounds then. It went from a little fishing village to a space village with people pouring in. It seemed to me that it could support a daily paper of its own. Others had that idea. The *Melbourne Times* went from a weekly to a five-day-a-week daily not too long after that. Anyway, that is how this area, Cape Kennedy/Cocoa Beach/Space Coast area got my attention.

L: Did you try in those days to get anyone interested in starting a paper?

N: Yes, I did. I mentioned to Jim Knight, who was then the general manager of the *Herald*, that I thought the *Herald* ought to do something exciting up here. He asked me, what, and I said, like start a new daily newspaper. Understandably, he kind of laughed and said, well, we are doing pretty well where we are, which was quite understandable because the *Herald* was the dominant paper in Florida, doing extremely well with circulation, financially, and otherwise, and it had a pretty good presence in central Florida.

L: I assume that you kept that in mind later on, right?

N: Well, sure. You know, having started So Dak Sports and having gone broke with it, I hoped that sometime in my career, I would have an opportunity to start another little paper somewhere that might work, rather than just having a failure on my record. I thought then, and even more so a few years later, that the Space Coast area was an ideal place for a new venture like that.

L: Then, from Miami, you went to Detroit. Why did you make that move?

N: I was asked by Lee Hills, who was the executive editor of both the *Miami Herald* and the *Detroit Free Press*, to take the job of being his assistant in Detroit.... the **Knight's Free Press**, which had been number one in a three-paper town, was number two in a two-paper town. So Lee Hills, who is a very, very brilliant and dynamic guy, said he had to figure out how to get it back to number one. He wanted to bring some new talent in....

L: Your title there was?

N: I was assistant executive editor, which was assistant to Lee Hills.... I was fortunate because he had me do a lot of things outside of the newsroom as well as in the newsroom....

L: Then you got a call from Gannett [New Jersey newspaper group], right?

N: Yes, I did. I was asked by them whether I would be interested in joining their organization. I told them I was happy where I was, but I interviewed with a couple of their top editorial people and, then, Paul Miller (who was the president, the chief executive, and chairman of the Gannett). He offered me an opportunity to come in and

run their two Rochester, New York, newspapers. I was very happy at the Knight organization. I had been with them almost ten years, learned a great deal, had the greatest respect for Jack Knight and Lee Hills, particularly, but others as well. But I also felt that someone in the family, probably, would ultimately inherit running those papers.

At Gannett, there was no family member in the business. It was run by an outside professional, Paul Miller, and it was pretty clear that that would be the pattern. ... I decided to make the move at age thirty-eight and see if I could not carve out a new career with another company.

L: Then, while you were working for Gannett, did this idea of the paper in Cape Canaveral/Cocoa/Melbourne, come back to the surface?

N: Sure. It did not take me long; in fact, during the interviewing process, I had told Paul Miller that I had a strong interest in and knowledge of the state of Florida and that Gannett ought to be in business in Florida. He told me, well, I have tried several times to buy a paper down there, but somebody always beats me to it or offers more money. I said, well, maybe you ought to start one. So, I told him about my experiences here, in the Cocoa Beach area, and his interests peaked pretty quickly, even though, then, people were not starting new newspapers because the newspaper industry was not doing all that well.

L: What is interesting about this is, I think since World War II, no new daily had ever been successfully started in the whole country, right?

N: Yes, I think with the exception of *NewsDay* on Long Island in New York.

L: So, there was a lot of resistance to trying to start a paper from scratch?

N: There was a lot of skepticism on the part of the people in the industry, and there

was a good bit of resistance within Gannett. But, Paul Miller was the boss and if the boss wants to do something, he can overcome resistance.

L: So, how did you go about starting a paper here? You actually acquired another paper first, right?

N: Yes.... I suggested to Paul Miller that we ought to try to buy one or two or all three of those (local) papers and use them as a base for a new newspaper. We made an effort, first, to buy the *Cocoa Tribune*. .. She (MarieHolderman, the owner) had all kinds of offers from other people to buy her paper, and she turned them all down. She turned our people down, showed them the way to the door; it was not for sale. Having been rebuffed there, I said to Paul, we just have to go ahead with our plans to start a new paper, but why don't you let me have a shot at Mrs. Holderman, because I had known her from my days at the *Herald* coming up to the Cocoa area.

I came down to visit her and told her that I wanted her to know what Gannett's plans were: that we were going to start a new daily newspaper in this area, serving the Brevard County area, and that we thought that it would be pretty tough competition, that we were prepared to spend quite a lot of money, [and that] we did not want her to get hurt. We loved her, admired her, and respected her. We were willing to make a generous offer to buy the *Cocoa Tribune*, to keep publishing it as an afternoon newspaper, which it was, and we were going to start a new morning daily for the whole area. She was only lukewarm at first; then... I called her and said, we would like to fly our Gannett plane down and bring you ... up here to spend a weekend; you can see what kind of company we are and get to know the people, and we are prepared to make you a good offer. So, she accepted that, and we flew the four of them up in the

Gannett plane to Rochester.... She... thought the paper was worth \$1,900,000. I looked at Paul. Paul looked at me. We both shook our heads, and Paul said, well, that seems like a fair price; why don't we shake hands on it? It happened that quickly. We did shake hands on it. Of course, the lawyers fooled around for a while to get the job done. That is how that came about. Once we had that base, we owned the *Cocoa Tribune*, we used that as a kind of a background in many ways, [as] kind of a veil to hide our plans to start a new daily.

L: Now, the *Titusville Star Advocate* and the *Melbourne Times*, they were not purchased by Gannett, although the Melbourne paper was purchased later, was it not?

N: Yes.... After we announced the *Cocoa Tribune* purchase, I went to see the **Hudson** family, Bob Hudson and his father, and told them what we were going to do and why we had bought the *Cocoa Tribune* and that we thought there was a chance that they would get hurt some by having a big new daily newspaper in the area. [I told them that] we were prepared to make them an offer for their paper to keep it going as an afternoon paper. Like was so often the case... we ended up with them agreeing to sell us the *Titusville Star Advocate*. My recollection is, that price was \$1,000,000. ...

L: Was their agreement between Gannett and these two families, the Holderman family and the Hudson families, that they would continue to have some involvement with the papers?

N: Sure. We did not have any contracts, but we told Mrs. Holderman that she could continue to run the *Cocoa Tribune* as long as she wanted to, and we told Bob Hudson that he could run the *Titusville Star Advocate* as long as he wanted to. Mrs. Holderman

did that until she became ill and died.... It (the Cocoa Tribune) continued until after her death. Then, all three papers, Melbourne, owned by the Perrys, and Cocoa and Titusville, owned by us, suffered in circulation because *TODAY*, as it was then called, it is now called *FLORIDA TODAY*, began to take over most of the readership.... *TODAY* was a morning paper. The other three were afternoon papers.

L: You did not really start that paper until you had done a lot of research?...

N: We were concerned, particularly, that Orlando might come in. Martin Andersen, a very, very aggressive, successful publisher, we thought, might come in and start his own Brevard County paper. He already had a section for Brevard County in the *Orlando Sentinel*. He had at that time, I think, 29,000 in circulation in Brevard County, the biggest chunk of circulation they had outside of Orange County....

L: Tell me a little bit about the research that you did here that was a little bit unusual, before you really got that paper under way.

N: We had used Lou Harris & Associates. Lou Harris was a famous pollster back in the 1960s who first made his reputation in political polling and then in newspaper polling. He did some very, very extensive and expensive research in this area to see how people felt about the papers they were reading, the big papers from out of the area, like Miami and Orlando and Jacksonville and Daytona and Tampa, and the local papers and what they [were] interested in, in a paper. The headlines were that these were people from all over the country, some from all over the world, but mostly from all over the country, heavily from the upper Midwest, Northeast, Central part of the country. Most of them were well-educated. They were, what was then considered, high-tech people, and their interests went well beyond the city boundaries of Cocoa or Titusville

or Melbourne or wherever they happened to be living. They were more globally oriented.... They wanted a, what they would often call, a more sophisticated daily newspaper that would emphasize heavily space coverage, since that is what most of them were doing for a living, but also emphasize coverage beyond the Space Coast, coverage in Florida, the U. S. generally, and around the world. It was that research that convinced us that if we could put together a paper that was interesting in design and had content that would appeal to those people, then it might work....

We spent many months putting the staff together, and we did a lot of dry runs. In fact, for a period of thirty days, we published it, actually published a paper every day. During, not all but most, of that thirty-day period, we printed them, and we hauled them to distribution points around the county to test out our circulation, the whole thing, and then dumped them.

L: *TODAY* got a reputation, almost immediately, for innovative design.

N: Yes. It was designed to appeal to people who were in a hurry. Everybody at the Cape was in a hurry. They worked hard. They played hard. We had young people design it, and there were no sacred cows: the newspaper had not done anything before that you could not do differently. So, they designed a breezy-looking paper, breezy in content and appearance, based on what the research said the people in this area wanted. It looked a little different, and it was a little different in content from the traditional newspapers of those days.

L: Was it an immediate success, financially and in terms of circulation?

N: It was an immediate circulation success. These numbers can be verified, this was a long time ago, over thirty years ago, but I believe our circulation projections were

for about 20,000 paid at the end of a year, and we had about 32,000 at the end of three months.

L: The first paper was published when?

N: March 21, 1966. So, circulation far exceeded our expectations right away. The advertising came somewhat more slowly but not bad[ly]. But because we had low advertising rates, we lost money as the circulation grew. We did not want to increase the rates too quickly [otherwise] advertisers would think we were trying to gouge them, so we lost money for almost two years. We had projected that we would be profitable after three to five years. It turned out that we were profitable a little after two years, and the newspaper has done very well for thirty years since.

L: Whose idea was that for the title?

N: The title was the work by the fellow by the name of Maurice Hickey.... He was the general manager who we brought down for the newspaper.... We had been kicking around all kinds of titles, all of the old standard ones: *Star*, *Tribune*, *News*, *World*, everything. I did not like any of them. I wanted something different. He came to me one morning and said, I got it. We ought to call it *TODAY*. I thought he stole it from the NBC Today Show, but he claimed that he woke up in the middle of the night and thought of it. I think what happened was, he was a carouser; he usually closed all the bars in town. I think he did not wake up in the middle of the night; it probably hit him when one of the bars closed at two or three in the morning. But anyway, I thought it was a great idea.

L: Was it his idea to do it in all caps, also?

N: No. We had design people work on that. He just thought it ought to be

TODAY... We took the little sphere with the *O* and put satellites around it...

L: So, were you the publisher of *TODAY* here?

N: No, I did not have that title. I had the title of president. I took the title of president because we established a corporation called Gannett Florida, which would include *TODAY*, Cocoa, Titusville. So, I was president of Gannett Florida, but I did not have the title of either editor or publisher.

L: What kind of competition did you have in those early days?

N: Well, the *Orlando Sentinel*, Martin Andersen and Bill Conomos were very, very aggressive. They considered this their territory, so they put in a lot of cut-rate circulation programs. They increased their coverage for their Brevard [County] section. They had a very good local Brevard section. They were tough competitors. The other newspapers—Miami, Tampa, Daytona, Jacksonville— really did not react very aggressively, but they all assumed that we would fail sooner rather than later. *Miami Herald* had the second biggest circulation here. I think they had 9,000 or 10,000 daily, and Orlando had 29,000. So, Orlando had a big chunk of its business to protect. We had a lot of fun with that. They were the big guys, and we were the little guys. So, we picked on them. I manufactured a few feuds with Martin Andersen. I liked him personally and respected him a great deal, but I had to pick on him. I called him the highway man from Andersenville and said all he wanted to do was make all his money in Brevard County and run with it back to Orlando, that kind of thing.

L: Suppose you had been Martin Andersen... What would you have done in those days to really grind this new paper under?

N: [Laughs.] I would have prayed a lot. I am not sure I would have done anything all that different from what Martin Andersen or Bill Conomos did. I might have done it with a little more power, a little more money. They basically took a very good existing, established product and tried to improve it and sell it at more attractive rates. I do not know that they could have done, or that I would have done, much more than that....

L: So, there was just room for a new newspaper in what amounted to a new population.

N: I think so. I think anyone, the Orlando ownership, could have come in here and started a newspaper. I think the Miami Herald ownership could have....

L: Were there any other newspapers in the state that you were influential in acquiring? I know you owned some weeklies as well.

N: I was chairman and president of Gannett, and I was very disappointed that we were not able to acquire that. (the Jacksonville Journal)... The biggest disappointment to me was the Gainesville(Sun) paper. We were among a number of people who were hoping to acquire the Gainesville paper and the Tallahassee paper, and the *New York Times* was involved.... We had a lot of conversations with them, and we thought we had the inside track. It ended up the *New York Times* was successful, and we were not. In Tallahassee, the same thing: we thought we had the inside track, and the Knight organization was successful, and we were not. So, while Gannett was very fortunate in acquiring Pensacola and Fort Myers and, then, Cocoa and starting *TODAY* over here, we were hopeful....

L: Largely because of you, I believe, the Gannett Foundation, as it was then called,

it is now called the Freedom Forum, has a great relationship with the University of Florida College of Journalism.

N: ...Once we were in business in Florida, we felt that we should be active in supporting, financially, certain institutions and certain endeavors. Jim Jesse...is the one who was instrumental in convincing us that we should make a major contribution to the University of Florida, because they were in hopes of building a new journalism building.... They had terrible quarters. They were producing good journalists. We were hiring quite a few of them..... We had conversations with the president of the University, Stephen C. O'Connell [president, University of Florida, 1967-1973], and the dean of the school. He was convinced and convinced us that if he had a lead grant, of something like \$1,000,000, he would be able to use that as leverage in Tallahassee to get some real money from the state. So, that is what we ended up doing, giving \$1,000,000 to the University of Florida, which I think helped get that project under way....

L: What you did from that point on [was] you started the paper *TODAY*. Then, having been successful in doing that, you also had the idea of starting not a specialized newspaper but a general circulation, national newspaper, which was a first also. Was *TODAY* the seed of *USA TODAY*?

N: Sure. If *TODAY* in Florida had gone belly-up, there would be no *USA TODAY*. Remember, I had one failure in So Dak Sports and one success in *TODAY*, here in Florida. That was the thing that led me to believe that this might be attempted on a national scale. Because we had a very young staff at *TODAY* in Florida, there were a lot

of those people still around who had played a role in Florida and the starting of a successful new newspaper that I was able to tap.... So, the germ of the idea for *USA TODAY* was born because of the success of *TODAY* in Florida. ... So, a lot of that Florida background and experience—and there were many others in advertising, circulation, and news—who had been through the experience in starting the paper in Florida who helped us make it work with *USA TODAY*...

L: You sent the original task force to think about this newspaper and its possibilities right down here to Cocoa.

N: ... Yes, we put them up for six or seven months in a little cottage in Cocoa Beach, kind of locked them up, and had them do their thinking and the developing of their plan there. They traveled all around the country and the world and came back here.... They did it all here. I wanted them to do it here for three reasons: one, I wanted to be where I could check on them every weekend or get with them every weekend; two, I wanted them to be where *FLORIDA TODAY* reminded them of the success of a new newspaper and where they could see how it was done and go back and retrace some of that; three, I wanted them in the shadows of the launch pads at the Kennedy Space Center, where I think there is more vision per square mile than anywhere on earth. It was true then, and it is still true today. I think that environment, that combination of things, is what helped those three young kids—I say young; their average age was thirty—come up with a blueprint for starting *USA TODAY*.

L: When you started *USA TODAY*, you put a lot of your own reputation on the line, because everybody said you were crazy. I know every editor and publisher in Florida

said that you were going to go broke doing it. They ridiculed it, really. They laughed at the attempt to start a nationwide newspaper.

N: Of course. I knew all about the laughter and the ridicule, and I was laughing at the laughter. I was having more fun than they. I had the advantage.

L: You were not worried? You were not concerned?

N: No, I was not worried at all. I knew that it was a high-risk venture, but I was never worried about it because I knew that we were privy to much more information than our critics. I knew we had done it in Florida on a small scale. It was my feeling then, and is now, that whether it is a newspaper or anything else, if you want to go into a smaller venture than what you have been doing, you divide; if you want a bigger venture, you multiply. That is somewhat of an oversimplification, but at *USA TODAY*, we multiplied many times over the things that had worked at *TODAY* in Florida. So, our people knew what they were doing....

L: I think there was no other newspaper person in the United States who could really make *USA TODAY* a success but Al Neuharth. Because it took more than an idea, I think, and it took more than vision. It took someone who was a risk taker and who had power and who was willing to bull this through, because did you not face a lot of opposition from the Gannett board on this?

N: First of all, you are overly generous, you are very kind, and you are wrong. There are other people who could have done this. I happened to be in the right place at the right time. There was opposition within the Gannett company to the idea, initially, but all board members, all of them, ultimately came around. When we voted on the decision to do it, it was unanimous. During the days when we were bleeding about \$10,000,000 a

month, nobody ever wavered because they knew what the mileposts were along the way [and] that if we get X circulation by X time, we were on target. They knew that advertising would come slowly. They knew that it was going to cost us a lot of money. It cost a little more than we thought it would.

L: \$50,000,000 is the amount usually banded about, is that conservative?

N: That is very conservative. No. I think it is no secret that the after-tax investment at *USA TODAY*, until it became profitable, was about \$400,000,000, which is \$800,000,000 before tax. We were using fifty-cent dollars, remember, because of the government. You know, it was money we earned elsewhere. So, that was a lot of money.

L: And the bleeding kept up for how many years?

N: It was five years before we had profitability and a little longer than that before we had a full year of profitability. We had several months of profitability in the fifth year. But now, it is making more money than the law allows. When you look at that \$400,000,000 to \$450,000,000 price tag, it is not much more than we paid for some individual newspapers, like Des Moines and Louisville. So, if you looked at it in terms of the investment in a major newspaper, it was a bargain. But, if you looked at it as something that might possibly end up being worth zero, then it was kind of risky.

L: Were there any suggestions from the board during those five years that you throw in the towel and junk the whole thing? Did that happen?

N: Never. No, there was never any hesitation or nervousness on the board, either expressed to me privately or expressed at board meetings because, again, they were privy to the information. See, we knew when we hit the magic number of 1,000,000 in

circulation, which happened in seven months, we knew that was the end of the ball game, that then it was just a matter of time until those geniuses on Madison Avenue, the advertising geniuses who claim that they are the most creative people in the world but who are really the most conservative on earth and who do not want to invest their clients' money in a new publication or a new idea because they are afraid if it goes belly-up that they will be blamed for it. We knew that the 1,000,000 would get to them and that it would just be a matter of time. If we had not gotten that kind of circulation, if we had lingered for a year or two at 400,000, 500,000, 600,000, 700,000 circulation, then we could have had a problem. But, once that circulation break-through came clear and it kept growing and growing, then everyone was convinced that we had a winner, internally.

L: Going back, what date did *USA TODAY* publish the first [issue]?

N: September 15, 1982.

L: How many years of preparation went into that, would you say?

N: ... Probably five or six years of thinking went into it, but we organized formally—we set aside some research money, \$1,000,000—three years in advance. We put the task force together about two and a half years in advance. So, I would say three years of full-time planning on the part of a lot of people, and another two or three years of thinking and talking about it.

L: Was *USA TODAY* your idea?

N: Let us say that it was generally agreed that if *USA TODAY* failed, I had to take all the blame....

L: When did you really conceive the idea that, really, there was room for a national

newspaper?

N: In the mid-1970s, Gannett had grown to where we were in thirty-six states. We had newspapers in thirty-six states, and I traveled to all those places all of the time. I went to every place once a year. Then, I became chairman of what was then the American Newspaper Publishers' Association, 1977-1978, and I went to all fifty states in that role. We had our own Gannett plane. I would load it up. I read every newspaper everywhere, studied them. I talked to editors about how they thought they were doing. I talked to readers. My conclusion was that most of the newspapers in the country, including Gannett newspapers, were pretty good but not as good as their editors thought they were and that, in most cases, newspaper readers had a hunger for something more or something different than what they were getting and that more and more of them were turning to the tube more, to television more, particularly the younger ones.

At that time, we had quite a few newspaper deaths and no births; there were very few births. I was convinced that we had to do something rather dramatic with our newspapers. Because we had so many Gannett newspapers, over eighty dailies at that time, that was a great concern to me. That was how Gannett made its money. So, as a result of that feeling that we had to change the way newspapers looked and what was in them, I said, I wonder if we could not only change what we have but if we could start something totally new and totally different.... That is why it developed.

L: In the fifty years since you first entered the newspaper business, how do you believe the audience has changed, not just the newspaper but the news audience?

N: ... Certainly, the audience has changed dramatically in fifty years, in terms of its interests. When I grew up in South Dakota and graduated from the University of South

Dakota in 1950, there was not much global interest. By global, I mean national or international. People were interested primarily in their community, their city, their state, or their region. Sure, they would be interested in the president of the United States and a few so-called national sports teams, but not strong interest. That changed, I think, for two reasons. One, it changed because so many millions of us traveled around the country and around the world in World War II. We came back to our home base, and we had a somewhat broader vision or clearer vision of the world. Secondly, it changed because of television. When it became possible for everyone everywhere to get, on the tube, quick information and entertainment, they became more reluctant to fight their way through dull gray newspapers.

When Lou Harris did the research for us on *USA TODAY*, I remember he sat down with us in the news room, or in a meeting room, to talk about the survey results. He had a copy of the *New York Times* and the *Wall Street Journal* and he said, I am absolutely convinced, based on this research, that the television generation will not continue to fight its way through dull gray newspapers. He leafed through the *Times*, and he leafed through the *Wall Street Journal*. Well, he was right, because it was the television generation. So, those interests had changed dramatically from 1950 to 1975 or 1980. That is why we sometimes get more credit than we deserve for creating all these things at *USA TODAY* that were different. We did not create very much; we stole. We stole most of it from the tube or from magazines, and we adapted it to a daily form of print.... Do you like the weather map? We stole it right off the TV screen and put it on a piece of paper. And the color and the graphics. So, they were not new, but they were

done to adapt to how the public had changed in its interests.

L: How have newspapers changed?

N: Newspapers have changed. I think it is fair to say that the appearance and content of newspapers have changed dramatically since 1980, for better or worse, depending on your point of view. But, it has changed. We have a smart aleck guy who I admire very much on the *USA TODAY* staff named Taylor Buckley, who said, when we were labeled McPaper - everybody called us McPaper, the fast food of journalism; *Newsweek* and the *Washington Post* coined that, and I laughed; I thought it was a nice label....

L: There is a book about the beginning of the paper, called McPaper.

N: Right, and Taylor Buckley said, well, they call us McPaper, but more and more, they are stealing all of our McNuggets, as they were. Now, you can go to any city in the country, and the color, the graphics, [and] the brightness is there. There are no longer any dull gray newspapers, with the exception of the *Wall Street Journal*....

L: How do newspapers need to change to compete with the Internet and television?

N: ... I think newspapers in the future, first of all, will have to continue to recognize that they are dealing with a generation who grew up on television and who is now wed to the Web, or many members of this generation are wed to the Web. I think they will have to make sure that they, in print, can supplement what people get on the tube or on the Web, in interesting and more complete ways and in an easier-to-get fashion. Everybody on television came in and said, that is the end of newspapers. Well, it did not happen. Now, a lot of people are saying, well, the Internet is the end of newspaper. I think that will not happen for these reasons. If newspapers recognize that newspaper journalists

are the best gatherers of news and information in any profession, the best gatherers—they are trained gatherers of news—nobody else can match that. Television cannot match it. Radio cannot match it. Certainly, the Internet cannot match it. Also, recognize that most of the news that we have gathered traditionally, that our newspaper people have gathered, never sees the light of day....

So, it seems to me [that] now, we have to be even more diligent in seeing to it that the best gatherers of news, newspaper journalists, have more avenues in which to disseminate that news—on the tube, on the air and radio, on cable, on the Web—so that people can get their news, their good professionally-gathered news, when they want it, where they want it, and how they want it....

... the two key things are that they (newspapers) are the most affordable way to get the most news and information and advertising, because cable costs more money and you have to make an investment to be on the Internet, and they are the most portable. I have said this and people think I say it facetiously, but I mean this: you cannot take the computer to the bathroom with you. Newspapers are so portable that our research shows that newspapers are read everywhere: living room, bathroom, bedroom, bar room, office. So, it is not a chore to take the newspaper with you and read it. For me, the Web is not a bore, but it is a chore. You have to sit someplace. You know? I do not think that the mass appeal of newspapers will vanish. I think it will still be the biggest single, most affordable way for news and information in the broadest sense, including advertising, to be distributed, but that those who gather that will have to take advantage of other ways to disseminate it as well.