matic tube to the building of the Chicago Daily News and, its Full Daily Mail Service. Acme agrees as far as practicable to deliver said service to the Publisher by depositing the same in the United States mails, addressed to the newspaper above named. Acme may at its option deliver all or any part of said service by courier or by express or by pneumatic tube.

- (2) a. The Publisher agrees to accept said service and pay to Acme at its New York office, during the term of this agreement and any renewal thereof, the sum of \$575.00 (Five Hundred and Seventy-Five Dollars) per week, weekly in advance, plus the cost of delivering said service.
- b. In case of war or other extraordinary event or events requiring additional or extraordinary expenditure of \$500.00 [fol. 1142] or more weekly by Acme in producing and delivering said service to its clients, Acme may assess, and the Publisher shall pay Acme an additional sum not to exceed twenty-five per cent (25%) of the Publisher's then current weekly payment; such additional payment to continue so long as Acme shall make such additional or extraordinary expenditures.
- (3) The Publisher agrees not to furnish, or permit to be furnished by its employes, or from its office, any part of said service, or any picture, illustration or matrix therefrom, to any other person, corporation, publisher or publication, or make any print or publication thereof other than in the above named newspaper, without the prior written consent of Acme; and further agrees to respect all release pledges on advance matter, to carry copyright lines on all copyrighted matter, and to carry the Acme credit line wherever it appears in the service copy.
- (4) The Publisher agrees to furnish to Acme at the office of the Publisher, all pictures which may be collected or received by the Publisher in the ordinary course of its business.
- (5) It is mutually agreed that Acme reserves the right to make working arrangements and exchanges of service and facilities with other picture services, press associations, publishers and/or others, and to sell said service above specified to any other party or parties.

- (6) It is further mutually agreed that Acme shall in no event be liable for any loss or damage arising to the Publisher by reason of the publication of any of the said service received by the Publisher from Acme under this agreement.
- (7) Whenever the Publisher requests a picture which would not otherwise be part of Acme's regular picture service, Acme shall use its best efforts to obtain such picture for the Publisher, and all costs and expenses of Acme in obtaining such picture for the Publisher shall be paid by the Publisher. In the event any such picture requested from [fol. 1143] Acme by the Publisher cannot be obtained by Acme in its opinion with reasonable use of its organization for the collection and production of pictures, then Acme shall not be bound to attempt to obtain any such picture so requested.
- (8) This agreement shall continue for Three years from December 12, 1942 and shall thereafter renew itself continuously for periods of Three years unless either party notify the other by registered letter received at least six months before the beginning of the first renewal period or any subsequent renewal period, of its desire to terminate this agreement, in which event this agreement shall terminate at the beginning of the next renewal period which would have commenced thereafter; otherwise, it shall remain in full force and effect, subject to all the terms and conditions hereof. In the event of the sale, transfer or consolidation of the aforesaid newspaper property of the Publisher, the Publisher hereby guarantees that his successor or assignee will assume and fulfill the terms and conditions of this agreement.
- (9) It is further mutually understood and agreed that time, both as to the delivery of said service, as to said weekly payments specified in Paragraph (2) hereof and as to notice of termination as provided in Paragraph (8) hereof, is of the essence of this contract; and that a waiver by either party hereof of any breach hereof shall not be construed to effect a waiver of any future breach of this agreement.
- (10) This written agreement comprises the entire understanding of the parties hereto on the subject matter herein contained; any and all oral representations or agreements

by any agent of either party hereto shall be null and void and of no effect whatsoever.

(11) Acme agrees to waive any application of Paragraph B in Clause 1 during the first three years of this agreement.

[fol.1144] (12) Acme agrees that in event of complete and permanent cessation of publication of the above-mentioned newspaper, as differentiated from sale, transfer or consolidation, service under this agreement shall be terminated and neither part shall be liable for performance either as to service or payments.

Acme Newspictures, Inc., By Fred S. Ferguson President. Marshall Field, doing business as The Chicago Sun, By Silliman Evans, President.

Signed and delivered in the presence of: G. A. Phillips, As to Acme Newspictures, Inc.; Ralph Horner, As to Publisher.

New York, December 8, 1942.

Mr. Silliman Evans, Publisher; The Chicago Sun, Chicago, Illinois.

DEAR MR. EVANS:

In connection with the contract dated December 8, 1942 between The Chicago Sun and Acme Newspictures, Inc., Acme agrees to supply The Sun with the regular Acme mat service issued by Acme's Chicago bureau so long as Acme continues to produce and issue such service. Should scar-[fol. 1145] city of materials or other conditions make it impractical for Acme to continue production of such a mat service, The Sun agrees that Acme shall not be obligated to continue said service.

The provisions of this letter shall be in effect during the term of the aforementioned agreement.

The Chicago Acme mat service shall be made available to The Sun at the Acme office in Chicago as promptly as possible when and as the mats are issued.

Acme agrees that when and as it issues any additional mat service, said service shall be made available to The Sun.

Acme also agrees to supply The Sun with its regular mat service published in New York and consisting of six pages of mats each week.

The Sun agrees to pay \$30.00 per week, plus postage,

for these mat services,

Sincerely yours, Ralph Horner, Acme Newspictures, Inc.

Accepted: Silliman Evans, The Chicago Sun, Publisher.

Contract of November 1, 1941, Between Marshall Field and NEA Service, Inc., for Four Features in Color Mat Form (6 Months' Duration).

Contract, Chicago Sun and Register and Tribune Syndicate for Four Columns in Strip (6 Months' Duration).

Contract, December 24, 1941, Between Chicago Sun and PM for Three Features (60 Day Cancellation).

[fol. 1146] Contract, October 18, 1941, Marshall Field-New York Post, for Samuel Grafton Column:

"It is understod that you (Marshall Field) are purchasing the right to print the Grafton column in a daily newspaper which you plan to publish in Chicago, Illinois, and that New York Post, Inc. has agreed not to sell such rights to any other newspaper, daily or weekly, in the Cities of South Bend, Indiana, or Milwaukee, Wisconsin, or in the State of Illinois, or within one hundred miles in any direction from Chicago, Illinois."

Contract, October 22, 1941, Marshall Field-Transradio Press Service, Incorporated

This Agreement, made this 22nd day of October, 1941, by and between Transradio Press Service, Incorporated, a New York corporation (hereinafter called TP), and Marshall Field (hereinafter called Publisher).

In consideration of the mutual covenants and promises herein contained, the parties hereto have mutually agreed:

Witnesseth:

(1) TP shall sell and deliver, and Publisher shall buy and accept the right and privilege of publishing in the morning

paper, (name to be selected) a newspaper printed in the English language at Chicago, Ill., the regular news service prepared and transmitted to Publish by TP.

- (2) The regular news service under this contract shall consist of National and International spot news via leased teletype, between the hours of and —, seven days a week; plus TP's supplementary mail services (General Mailer, Sports Sidelights and Women's News); and, by special arrangements with Transradio News Features, Inc., the feature columns titled "Confidentially Yours", "Beyond The News", and "FYI", except, however TP shall [fol. 1147] be relieved of the obligation of delivering the aforementioned feature columns in the event said Transradio News Features, Inc., should discontinue issuance thereof in which event the rate set forth in clause (3) will be reduced by \$25.00 per week or a pro-rata amount.
- (3) Publisher shall pay to TP the sum of \$100.00 per week payable in advance, for such news service.
- (4) (a) Charges for rental of teletype instruments which may be used to receive news dispatches transmitted to Publisher by TP, if any, shall be paid by TP.
- (b) Charges for teletype wire circuits, and/or telegraph or telephone tolls, which may be required to receive news dispatches from TP to Publisher shall be paid by TP.
- (c) If the union wages for teletype operators of TP are increased, Publisher shall also pay the prorated increase in such union wages.
- (5) TP shall in no event be liable for any loss or damage arising out of any legal action or suit in equity suffered by Publisher by reason of the publication of any news received by Publisher from TP.
- (6) Publisher agrees not to furnish or permit to be furnished by his employees or from his office any portion of the TP service, or any news tips therefrom, to any other person, corporation, publication, publisher or broadcaster, or make any other use thereof other than in the above mentioned newspaper, without the written consent of TP, and further agrees to carry the TP credit line on each TP news item published by said newspaper. However, nothing herein contained shall prohibit TP from selling all, or any

portion of its news service, to any radio station for broadcast.

- (7) Acts of God, fires, strikes, interruption in the service of Telephone or Telegraph companies, or all other contingencies beyond the control of TP, whether similar or [fol. 1148] dissimilar to any of the foregoing, shall be sufficient reason for any suspension or delay in delivering the news service of TP, traceable to any such cause. In the event that the delivery of news hereunder shall be delayed by reason of any of the above causes for a period of thirty (30) days or more, Publisher shall have the right on two days' written notice to TP, to terminate this contract.
- (8) This agreement is made subject to the ability of wire companies to furnish facilities and the continuance of intermediate clients now on the circuit, unless TP is satisfied with the rate named in this Agreement, or same can be mutually readjusted.
- (9) This agreement shall continue for 18 months from the 15th day of November 1941, to the 14th day of May 1943, inclusive, and except that in the absence of 180 days' notice prior to the expiration hereof, given by either party to the other, this contract, and all of its terms and conditions, shall be extended for a term equal to the first term of this contract, and, in the event of such renewal, Publisher shall pay to TP the sum of \$150.00 per week, instead of \$100.00 per week as provided in clause (3).

In the event of the sale, transfer or consolidation of the aforesaid newspaper property of Publisher, Publisher hereby guarantees that his successor or assignee will fulfill the terms and conditions herein contained for the full life of this agreement.

- (10) Any delay in making payments by Publisher as herein provided, shall be sufficient reason for immediate termination of this contract. A waiver of any breach of any kind shall not be construed as a waiver of any future breach.
- (11) This written agreement comprises the entire understanding of the parties on the subject matter herein contained; and any and all oral representations or agreements of any agent of either party hereto shall be null, void and of no effect whatsoever.

[fol. 1149] In Witness Whereof, the parties hereto have subscribed their names and affixed their seals this 1st day of November 1941.

Transradio Press Service, Incorporated, by D. O. Young. ——, by Silliman Evans.

Attest: Muriel Rosenwald. Attest: Rex Smith, Editor.

- Contract November 7, 1941, Marshall Field-McClure Newspaper Syndicate, for One Sunday Color Feature (60-Day Cancellation).
- Contract September 4, 1942, Chicago Sun-Mary M. Aldrich, for Three Articles Weekly on Child Training
- Contract September 4, 1942, Chicago Sun-Kenesaw M. Landis for Three Columns Weekly (3 Months' Duration):
 - "The Chicago Sun will pay you Fifty Dollars (\$50.00) a week for the exclusive use of this column in its circulation territory.
 - "The Chicago Sun Syndicate will further pay you fifty per cent (50%) of its gross revenue if it is successful in selling your column to other newspapers.
 - "It is understood that you will continue to supply your column to the Logansport Pharos-Tribune but that you will not supply any other paper without written permission from us."
- [fol. 1150] Contract September 10, 1942, Chicago Sun-Mc-Naught Syndicate, Inc., for One BO Sunday Comic
- Contract September 10, 1942, Chicago Sun-McNaught Syndicate, Inc., for Fontaine Fox Sunday Comic
- Contract December 2, 1942, Chicago Sun-Publishers Syndicate, for Feature "Strictly Business" (30 Days' Notice):
 - "It is understood that the undersigned newspaper will receive the exclusive rights to the above named feature in the city of its publication."

Contract March 14, 1942, Chicago Sun-Reuters (30 Day Cancellation):

Circle 6-3960

Head Office: London

REUTERS

50 Rockefeller Plaza, New York

March 14, 1942.

DKR:SO By Airmail.

George De Witt, Esq., Managing Editor, Chicago Sun, Chicago, Illinois.

DEAR MR. DE WITT:

I have just returned to the office after being sick for a couple of weeks and I am pleased to note that The Sun is continuing the Reuter Service.

[fol. 1151] For record purposes, I append the terms of the new arrangement (showing a reduction in subscription rate of approximately \$300.00 monthly) which I understand have been mutually agreed to, and which became effective on March 1st, 1942.

Reuters will deliver from 4 P. M. to Midnight New York Time daily, including Sundays, by teleprinter to the Chicago Sun, Chicago, the Reuter foreign news service as received in New York.

Effective March 1st, 1942, the Chicago Sun will pay Reuters at the rate of \$50.00 (fifty dollars) weekly for this service. Such payment to include line and printer charges.

The arrangement is to be on a month to month basis, terminable by either party upon thirty days notice being given in writing.

Reuters shall have the privilege of selling their service to radio stations in Chicago.

Reuters will make every effort to ensure accuracy and promptness in the service, but the Chicago Sun agrees that it will not hold Reuters responsible for any errors, delays or omissions in the service furnished by Reuters or for any damages or liability of any nature whatsoever which may result to the Chicago Sun from publication of any item furnished by Reuters.

We look forward to a long and pleasant association. We should appreciate receiving observations on the service from your editors as we are anxious to mould the service as far as possible to meet any particular requirements you may have, and thus make the service as valuable and useful as possible to the Sun. For instance, should you feel that you would like a larger volume from a particular foreign center, or more (or less) material dealing with the activities of the nations (Poland, Czecho-Slovakia, etc.) at present under Nazi domination, please advise us.

[fol. 1152] In this connection we have arranged, commencing next week, for the well known Polish journalist and author, Mr. Ksawery Pruszynski, who is now in Russia to write us exclusive weekly feature articles. These articles will, of course, be included in the printer service to The Sun.

Also, if we can cooperate with your New York representative in any way we shall be glad to do so, and would suggest that he be advised to contact us if we can be of assistance at any time.

Very truly yours, D. Kimpton Rogers, Manager.

Contract, January 28, 1943, Chicago Sun-National Newspaper Service, for Column "Personal Health Service" (6 Months' Duration).

Contract, October 5, 1942, Chicago Sun Syndicate, Inc.-Stanley F. Bayer and Betsy H. Bayer, for Weekly Half Page for Four-Color Drawing "The Toodle Family Cut-Out":

"(8) It is further agreed that neither of the parties hereto shall have the right to sell said feature or authorize the use of the same, or said copyrighted or registered name, in motion pictures, dramatic stage, radio, book, magazine, toy, trade papers, advertising, or any other commercial use, without the approval of both of the parties hereto, provided, however, that the foregoing shall in no way interfere with the exclusive right of the Chicago Sun Syndicate to sell said feature to newspapers, as herein provided."

[fol. 1153] Contract, October 5, 1942, Chicago Sun Syndicate, Inc.-Stanley F. Bayer and Betsy H. Bayer, for Sunday Half or Full Page Four-Color Comic "The Toodle Family" and Six Comic Strip Drawings Per Week, Superseding Original Agreement Dated November 25, 1941:

- "(4) You (Bayer) agree not to produce, prepare or offer this or any similar or conflicting newspaper comic strip or page to any other syndicate or newspaper during the life of this contract."
- "(9) It is further agreed that neither of the parties hereto shall have the right to sell said feature or to authorize the use of the same—without the approval of both of the parties hereto, provided, however, that the foregoing shall in no way interfere with the exclusive right of the Chicago Sun Syndicate to sell said feature to newspapers, as herein provided."

Contract, December 10, 1942, Chicago Sun-The City Press Association of Chicago; Letter Contract December 14, 1942, Chicago Sun-The City Press Association of Chicago.

Contract, June 29, 1942, Chicago Sun Syndicate, Inc. Wander Company, for Feature "Captain Midnight":

"Syndicate is engaged in furnishing drawings, cartoons and other features for publication in newspapers and periodicals and is desirous of obtaining the exclusive rights to publish and authorize others to publish in newspapers a continuous series of drawings or cartoons, to be furnished by Wander, based upon said radio programs and having as their principal character 'Captain Midnight,' based upon the character 'Captain Midnight' as developed in said radio programs.'

[fol:1154] "(4) Wander grants to Syndicate the exclusive newspaper rights in the Captain Midnight Cartoons furnished hereunder and in any other drawing, cartoon or other visual depiction of the character 'Captain Midnight' based upon the radio character 'Captain Midnight,' including the exclusive right to publish and to authorize others to publish any such drawing, cartoon or visual depiction of the character 'Captain Midnight' in any newspaper anywhere in the world * * *

It is the intention hereof that, except as limited by paragraph 5, Syndicate shall have the exclusive right to exploit fully and completely the publication in newspapers of drawings, cartoons or any other form of visual depiction of the radio character 'Captain Midnight'.'

Contract, October 29, 1942, Chicago Sun Syndicate-Carl Grubert, for Daily Comic Strip "The Berry's":

"(5) You (Grubert) agree not to produce, prepare or offer this or any similar or conflicting newspaper comic strip or page to any other syndicate or newspaper during the life of this contract."

Contract, December 31, 1942, Chicago Sun-United Features Syndicate, Inc., for Three Features:

"Eleventh Clause: The Syndicate agrees to suspend this contract in the event publisher ceases publication of The Chicago Sun."

Letter, January 6, 1943, Turner Catledge, Editor of The Chicago Sun, to the Bell Syndicate, Inc., Concerning John Kieran's Column.

[fol. 1155] Letter, January 5, 1943, Bell Syndicate, Inc.-Chicago Sun, Concerning John Kieran's Column (6 Months' Duration).

Letter, Chicago Sun-British Combine Photos, Ltd.

December 17, 1942.

Mr. K. E. Lewis, British Combine Photos, Ltd., 271 Madison Avenue, New York City.

DEAR MR. LEWIS:

This is to notify you that on and after December 31, 1942, The Chicago Sun will no longer guarantee to buy \$200.00 worth of pictures from British Combine, per month.

This does not mean, however, that we are severing entirely our connection. We expect that your Chicago representative, Mr. Ludwig Jacobi, will continue to call on us at his pleasure and that we will buy on a per picture basis anything that our editors find acceptable.

As you no doubt know, we have subscribed to Acme Newspictures, Inc. for service and will depend on that service for the bulk of our pictures.

In the past our relations with you have been most happy and we hope to continue them, but necessarily on a more

limited scope.

Very truly yours, Ned A. Bush, Assistant to the Managing Editor.

NAB:ek

cc Mr. Akers, Mr. Dale Harrison, Mr. Padulo.

[fol. 1156]

[Letterhead of]

British Combine Photos, Ltd.

January 2, 1942.

Mr. George A. DeWitt, The Chicago Sun, 400 West Madison Street, Chicago, Ill.

DEAR MR. DEWITT:

This confirms your letter of December 30, 1941, and our

acceptance of same.

British Combine Photos Ltd. agrees to offer for selection photographs whenever received, whether exclusive, or otherwise to the Chicago Sun. The Chicago Sun guarantees to purchase a minimum of \$200 worth of photographs in each calendar month, and that such photographs purchased against this amount will be purchased on a per picture basis.

We have advised our Chicago Office accordingly.

Very truly yours, British Combine Photos, Ltd., (Signed.) J. E. Lewis.

Contract, October 17, 1941, Silliman Evans, for Marshall Field, and North American Newspaper Alliance, Inc., for John Lardner Sport Column and The World Today Column:

"The Alliance agrees to supply the Publisher, for use in the Publisher's said newspaper only, with the [fol. 1157] leased wire News service of the Alliance during not more than eight hours of each twenty-four hours throughout the term of this Agreement; and that such service shall be six days a week (daily except Saturday night) exclusive to the Publisher in the Chicago territory, defined as a radius of seventy-five miles from the center of Chicago."

Contract, March 9, 1943, Chicago Sun-National Newspaper Service, for Feature "Draftie" (30-day Cancellation)

Letter, Chicago Sun-Harris & Ewing Photographic News Service

December 28, 1942.

Mr. Andrew J. May, Jr., Harris & Ewing Photographic News Service, 1313 Avenue F N. W., Washington, D. C.

DEAR MR. MAY:

Please accept this letter as your thirty day notice in cancellation of our existing contract with Harris & Ewing Photographic News Service effective February 5, 1943. This is in compliance with the notice period on the contract which provides optional renewal at the end of every three month period, the second three month period ending January 5, 1943.

As you no doubt know, we have subscribed to the full Acme Newspictures Incorporated service, and it is for this reason alone that we are cancelling our contract with you.

[fol. 1158] Our accounting department will, of course, continue regular payments through February 5, 1942.

Sincerely yours, Ned A. Bush, Assistant to the Managing Editor.

NAB:ek.

cc Mr. Akers, Mr. Catledge, Mr. Padulo, Mr. Randau, Mr. Timmons.

Contract, June 30, 1942, Chicago Sun-Harris & Ewing Photographic News Service

Agreement

This Agreement made this 30 day of June, 1942, by and between Harris & Ewing, a corporation organized and existing under the law of the District of Columbia, doing business at 1313 F Street, Northwest, in the City of Washington, party of the first part; and The Chicago Sun, of 400 West Madison Street, Chicago, Illinois, party of the second part.

Witnesseth: That whereas the party of the first part has offered to furnish the party of the second part with a photographic news service; and the party of the second part is desirous of taking advantage of said offer and using said service; Now, Therefore, it is hereby mutually agreed, as follows:

First: That said photographic news service shall consist of:

(a) A daily service of from six (6) to ten (10) pictures, including spot news pictures, new formal and informal pictures of personalities of current news in[fol. 1159] terest; to include wire prints trimmed to machine size of each subject as well as regular prints for file purposes.

(b) Rushing negatives of completed assignments back to the office of the party of the first part by telegraph messenger, so that wire prints of all assignments covered up until two-thirty (2:30) P. M., will be ready for transmission, and all regular prints ready for shipment to Chicago.

(c) Picking up all Army-Navy and Governmental handouts and copying same, including wire and regular prints.

(d) The privilege of calling upon the files of the party of the first part for prints from any stock negatives

(e) The covering of any special assignments requested by the party of the second part, Provided, However, that out-of-town assignments covered by the party of the first part at the special request of the party of the second part, will be billed to the party of the second part at the rate of Fifteen (\$15.00) Dollars per day, plus expenses of photographer, and Provided Further, that such charges shall be in addition to any charges for the service contracted for by this agreement.

Second: The service covered by this agreement shall be exclusive to the party of the second part in the City of Chicago, in the State of Illinois.

Third: The consideration for the service to be rendered the party of the second part by the party of the first part shall be One Hundred Twenty-Five (\$125.00) Dollars per week, payable weekly, Except for additional charges as outlined in (e) above.

Fourth: The service hereinbefore mentioned shall commence as of July 6th, 1942.

[fol. 1160] Fifth: The term of this agreement shall be for a period of three (3) months from the date set forth in the preceding (Fourth) section. The party of the second part shall have the option of renewing this agreement, under the same terms and conditions, Except, the terms and conditions relating to the consideration for the service rendered the party of the second part by the party of the first part, (as outlined in the preceding (Third) section); which consideration shall be agreed upon by the parties hereto, at the time of the exercising of the option granted hereunder, for a period not to exceed an additional six (6) months, Provided, said party of the second part shall notify said party of the first part, in writing, at least thirty (30) days prior to the expiration of this agreement, of its intention to exercise its right of option hereunder.

Sixth: This agreement shall represent the whole agreement between the parties hereto, and no provisions, verbal or otherwise, amendatory thereof, or supplemental thereto, shall be valid or binding upon the respective parties, unless reduced to writing and accepted by both parties to this agreement.

In Witness Whereof, the parties hereto have, by their duly authorized representatives, caused these presents to be signed this 30 day of June, 1942, and acknowledged the same to be their act and deed.

Harris & Ewing Photographic News Service, By Andrew J. May, Jr., Party of the First Part (Manager).

Witness:

The Chicago Sun, By W. Turner Catledge, Party of the Second Part, Editor—The Chicago Sun.

Witness: Isabelle Graham.

[fol. 1161] List of 365 Domestic Newspapers in 45 States and 32 Foreign Newspapers to which the Chicago Sun Syndicate, Inc., Has Furnished Features During the Period from December 1, 1941, to April 14, 1943 List of 69 Newspapers with which the Chicago Sun Syndicate Has Exclusive Contracts for Features Supplied by the Chicago Sun, and, in the Case of Allied Newspapers, Ltd., of London, England, for Wire Service (Foreign, Domestic and Washington)

List of Newspapers with which Parade Publication, Inc., Has Exclusive Contracts

The parties to each of the contracts listed below are Parade Publication, Inc., and the publisher of each of the newspapers listed below under the column headed "Newspaper". The date of such contract is set forth in the column headed "Date of Contract". Each of the contracts provides that Parade Publication, Inc. is to supply to the publisher of each of the newspapers listed below its weekly publication for circulation by such newspapers as part of one of their weekly editions. Some of the terms of each of the contracts are set forth in the column headed "Terms". Where the contract has been modified, the modified terms are given.

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Newspaper	Date of Contract	Terms
Akron-Beacon-Journal	9/3/41	Exclusive right for territory within radius of 100 miles from Akron, O., except Pittsburgh, Pa., Wheeling, W. Va., Erie, Pa., Toledo, O. and Columbus, O. Period 2 years from 11/9/42.
Detroit Free Press	9/3/41	Exclusive right for Michigan. Period 2 years from 10/12/42.
[fol. 1162]		
Bridgeport Post	10/21/41	Exclusive right for Bridgeport and Fairfield County, Conn. Period 1 year from 11/2/41, renewable from year to year with option of cancellation.
Chicago Sun	10/27/41	Exclusive right for Chicago. Period 1 year from 12/7/41, renewable from year to year with option of cancellation.
Denver Rocky Mt. News	3/31/42	Exclusive right for Colorado. Period 1 year from 4/19/42, renewable from year to year with option of cancellation.
El Paso Times	11/20/42	Exclusive right for El Paso trading area in Texas and Southern New Mexico. Period 1 year from 10/4/42, renewable from year to year with option of cancellation. Newspaper has option to take 16 page publication instead of usual 32.

Newspaper	Date of Contract	Terms
Florida Times-Union	1/1/42	Exclusive right for Florida except Miami and Tampa. Period: indefinite term cancellable on 90 days' notice. Newspaper takes 16 page publication instead of usual 32.
Nashville Tennessean	10/24/41	Exclusive right for Nashville. Period 3 years from 12/1/41, renewable for further terms of 3 years with option of cancellation. Newspaper takes 16 page publication instead of usual 32.
Newark Star-Ledger [fol. 1163]	9/23/41	Exclusive right for Newark and Northern New Jersey except Oranges. Period 1 year from 10/12/41, renewable from year to year with option of cancellation.
New Bedford Standard-Times	10/21/42	Exclusive right for New Bedford and 5 counties in Massachusetts. Period 1 year from 11/1/42, renewable from year to year with option of cancellation. Newspaper has option to take 16 page publication instead of usual 32.
Portland Sunday Telegram	2/25/42	Exclusive right for Maine. Period 6 months from 5/31/42 and further renewals for periods of 6 months with option of cancellation.
Syracuse Herald- American	11/25/41	Exclusive right for Syracuse. Period 1 year from 1/4/42, renewable from year to year with option of cancellation.
Toledo Times	7/31/42	Exclusive right for Ohio except Akron, Youngstown, Columbus, Dayton, Springfield and Cincinnati. Period 2 years from 10/4/42, renewable for further terms of 2 years with option of cancellation.
Washington Post	8/2/41	Exclusive right for territory within radius of 100 miles from Washington, except Baltimore, Md. and Richmond, Va. Period 5 years from 8/24/41 with right of cancellation as of end of each year.
Youngstown Vindicator	3/5/43	Exclusive right for Youngstown. Period 1 year from 3/21/43, renewable from year to year with option of cancellation. Newspaper has option to take 16 page publication instead of usual 32.

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Newspaper	Date of Contract	Terms
Chattanooga Times	9/27/41	Exclusive right for Chattanooga. Period 1 year from 9/28/41, renewable from year to year with option of cancellation. Newspaper took 16 page publication instead of usual 32. Contract terminated 11/15/42.
Charleston Daily Mail	6/29/42	Exclusive right for West Va. Period: indefinite term cancellable on 60 days' notice. Newspaper took 16 page publication instead of usual 32. Contract terminated 3/21/43.
Kansas City Journal	10/29/41	Exclusive right for Kansas City. Period 2 years. Contract terminated 3/28/42.
Knoxville Journal	12/7/41	Exclusive right for Knoxville. Period 6 months from 11/23/41, renewable for further periods of 6 months with option of cancellation. Contract terminated 6/21/42.
Peoria Star	10/24/41	Exclusive right for Peoria and 21 counties in Illinois. Period 1 year from 11/30/41, renewable for further periods of 1 year with option of cancellation. Contract terminated 3/29/42.
Winston-Salem Journal & Sentinel	9/23/41	Exclusive right for North Carolina, with exception (under certain conditions) of Asheville. Period: Indefinite term after 1/1/43 with option of cancellation on 30 days' notice. Newspaper took 16 page publication instead of usual 32. Contract expired 4/11/43.

[fol. 1165] List of 134 Associated Press Newspapers Whose Owners Executed Proxies for the Election of Marshall Field, the Owner of the Chicago Sun, as a Member of the Associated Press

Associated Press—Signed Proxies

The Decatur Daily The Troy Messenger The Anniston Star	Decatur, Alabama Troy, Alabama Anniston, Alabam
Log Cabin Democrat	Conway, Ark.
Northwest Arkansas Times	Fayetteville, Ark.
Paragould Daily Press	Paragould, Ark.

Petaluma Argus-Courier
The Secramento Union

The Herald

The Press Democrat and Santa

Rosa Republican

The Daily Sentinel
La Junta Daily Tribune
The Herald-Democrat

The Herald

Fort Lauderdale Daily News Gainesville Sun Suwannee Democrat The St. Augustine Record

The Augusta Chronicle Augusta Herald Brunswick News The Telegraph The Union-Recorder The Observer Journal-Herald

The Daily News-Herald Breeze-Courier

The Daily Bulletin
The Lewiston Morning Tribune

Evening World The Kokomo Tribune Courier-Times

[fol. 1166]

Fort Wayne Journal Gazette The Daily Democrat

Daily Iowan

Beloit Daily Call

Danville Advocate-Messenger Herald

The Princeton Leader

The Messenger

Providence Enterprise

Petaluma, Calif. Sacramento, Calif. San Jose, Calif.

Santa Rosa, Calif.

Grand Junction, Colo. La Junta, Colo. Leadville, Colo.

Manchester, Conn.

Fort Lauderdale, Fla. Gainesville, Fla. Live Oak, Fla. St. Augustine, Fla.

Augusta, Georgia Augusta, Georgia Brunswick, Georgia Macon, Georgia Milledgeville, Georgia Moultrie, Georgia Waycross, Georgia

Peru, Illinois Taylorville, Illinois

Blackfoot, Idaho Lewiston, Idaho

Bloomington, Ind. Kokomo, Ind. New Castle, Ind.

Fort Wayne, Ind. Shelbyville, Ind.

Iowa City, Iowa

Beloit, Kansas

Danville, Ky.
Hazard, Ky.
Princeton, Ky.
Madisonville, Ky.
Providence, Ky.

The Crowley Daily Signal Jeff Davis Parish News

Biddeford Daily Journal

Haverhill Evening Gazette Norwood Daily Messenger Berkshire Evening Eagle

Michigan Daily Ludington Daily News Daily Morning Journal The Evening News

Daily Republican Eagle The Redwood Gazette Willmar Daily Tribune Worthington Daily Globe

Delta Democrat Times Commonwealth Daily Times Leader

Carrollton Daily Democrat
Constitution-Tribune
Sun-Gazette
Lebanon Daily News
Macon Chronicle-Herald
Daily Forum
Daily News and Intelligencer
Nevada Daily Mail and Evening
Post
Springfold Daily News

Springfield Daily News Republican-Times

[fol. 1167]

Bozeman Daily Chronicle Lewistown Democrat-News Evening Telegram

Daily News

The Dartmouth

Morristown Daily Record Paterson Morning Call Vineland Times-Journal The Leader Crowley, La. Jennings, La.

Biddeford, Maine

Haverhill, Mass. Norwood, Mass. Pittsfield, Mass.

Ann Arbor, Mich. Ludington, Mich. Marquette, Mich. Sault St. Marie, Mich.

Red Wing, Minn. Redwood Falls, Minn. Willmar, Minn. Worthington, Minn.

Greenville, Miss.

West Point, Miss.

Carrollton, Mo. Chillicothe, Mo. Fulton, Mo. Lebanon, Mo. Macon, Mo. Maryville, Mo. Mexico, Mo.

Nevada, Mo. Springfield, Mo. Trenton, Mo.

Bozeman, Mont. Lewistown, Mont. Lewistown, Mont.

Norfolk, Neb.

Hanover, N. H.

Morristown, N. J. Paterson, N. J. Vineland, N. J. Wildwood, N. J.

Daily Independent Las Cruces Sun-News

Citizen Advertiser Corning Leader Cornell Daily Sun Kingston Daily Freeman The Norwich Sun

Charlotte News
Gastonia Daily Gazette
Hickory N. C. Daily Record
The Daily Independent
Twin City Daily Times
The Robesonian
The Pinehurst Outlook
Shelby Daily Star

Dayton Journal-Herald Journal-News Eagle-Gazette

Mail-Tribune

Bangor Daily News Montrose Independent The Daily Review Times-Mirror The Gazette & Daily

The State Sumter Daily Item The Union Daily Times

[fol. 1168]

Evening Huronite Madison Daily Leader

Clarksville Leaf-Chronicle Elizabethton Daily Star Kingsport Times Daily Gazette and Mail Nashville Tennesseean Daily News Journal Daily Messenger Gallup, N. M. Las Cruces, N. M.

Auburn, N. Y. Corning, N. Y. Ithaca, N. Y. Kingston, N. Y. Norwich, N. Y.

Charlotte, N. C.
Gastonia, N. C.
Hickory, N. C.
Kannapolis, N. C.
Morehead City, N. C.
Lumberton, N. C.
Pinehurst, N. C.
Shelby, N. C.

Dayton, Ohio Hamilton, Ohio Lancaster, Ohio

Medford, Ore.

Bangor, Pa. Montrose, Pa. Towanda, Pa. Warren, Pa. York, Pa.

Columbia, S. C. Sumter, S. C. Union, S. C.

Huron, S. D. Madison, S. D.

Clarkesville, Tenn.
Elizabethton, Tenn.
Kingsport, Tenn.
Morristown, Tenn.
Nashville, Tenn.
Murfreesboro, Tenn.
Union City, Tenn.

Beaumont Journal
Enterprise
Edinburg Valley Review
Laredo Times
Orange Leader
Sherman Democrat
Temple Daily Telegram
Times-Herald

Rutland News

Lynchburg News
The Daily Advance
Martinsville Daily Bulletin
The Southwest Times
Suffolk News-Herald
News-Virginian
Sheboygan Press

Wyoming State Tribune

Anchorage Times Daily Alaska Empire

Star & Herald El Mundo Beaumont, Tex.
Beaumont, Tex.
Edinburg, Tex.
Laredo, Tex.
Orange, Tex.
Sherman, Tex.
Temple, Tex.
Waco, Tex.

Rutland, Vt.

Lynchburg, Va. Lynchburg, Va. Martinsville, Va. Pulaski, Va. Suffolk, Va. Waynesboro, Va. Sheboygan, Wis.

Cheyenne, Wyo.

Anchorage, Alaska Juneau, Alaska

Panama, R. of P.

Tampico, Mexico

Contract, February 9, 1943, Marshall Field, Doing Business as The Chicago Sun-The Chicago Daily News. Inc.:

"Article I. Section (a)(1). Daily News will compose, cast, print and perform all duties incident to the mechanical production of The Chicago Sun, which is [fol. 1169] a seven-day-a-week morning newspaper, hereinafter termed the 'Sun' and will, so far as reasonably possible, deliver each issue of said newspaper to the loading platform of Daily News at such time or times as is required in the publication of The Sun and in reasonable volume to be specified by Field."

"Article I. Section (b). Daily News will supply to Field for his offices, to be used solely for the publication of The Sun, the space in the Chicago Daily News Building, shown on the plan attached hereto and the

Want Ad Counter in the concourse of said building in

its present location."

"Article IV. Section (b). Field may use the library and morgue of Daily News, but any use which Field makes thereof shall be upon his sole responsibility. and, similarly any use which Daily News shall make of any additions by him to said library and morgue shall be upon the sole responsibility of Daily News. Field undertakes to make full inquiries with reference to copyrighted pictures or reading matter and with reference to pictures or reading matter the use of which is limited by contract or agreement, and undertakes to indemnify and to hold Daily News harmless from any and all liability of every character whatsoever caused or occasioned by the use thereof by Field, * * *"

"Article V. Section (b)(1). If Field shall at any time during the term of the agreement suspend or discontinue publication of The Sun, he may terminate this agreement, or, if Field shall die, his executors or administrators may terminate this agreement, on ninety (90) days' notice in either case, upon payment of:

"a. The portion of the building alterations not theretofore amortized pursuant to Article II, Section (g) of this agreement;

"b. The amounts due, as specifically reimbursible costs under Section (b), and as additional percentage [fol. 1170] under Section (f), of Article II, to the earliest date, after the date of suspension or discontinuance on which such costs can, respectively, be discontinued."

"c. The amounts due as incremental costs of Daily

News under Section (g) of Article II; and

"d. The amounts due, as office rental and charges for use of plant, under Sections (d) and (e) of Article II to the date of termination."

Contract, October 9, 1941, Marshall Field-Chicago Daily News, Inc.

"Whereas, Field desires to publish a six-day-a-week or a seven-day-a-week morning newspaper in Chicago and lease space for offices for said newspaper and to arrange for its mechanical production and Daily News has available the space for said offices and the facilities for the mechanical production thereof and is willing to lease said space and to assume such mechanical production.

"Now, Therefore, in consideration of the mutual undertakings herein the parties hereby agree (1) Daily News will compose, cast, print and perform all duties incident to the mechanical production of the morning newspaper of Field, and will so far as reasonably possible, deliver each issue of said newspaper to the loading platform of Daily News at such time or times as is required in the publication of a morning newspaper and in reasonable volume to be specified by Field, the said newspaper to be in the same page size as the newspaper now published and printed by Daily News."

"IV. * * *

"Field is granted the privilege of using the library and morgue of Daily News, but it is expressly under[fol. 1171] stood that any use which Field makes thereof shall be upon his sole responsibility, and similarly any use which Daily News shall make of any additions by him to said library and morgue shall be upon the sole responsibility of Daily News. Field undertakes to make full inquiries with reference to copyrighted pictures or reading matter and with reference to pictures or reading matter the use of which is limited by contract or agreement, and undertakes to indemnify and to hold Daily News harmless from any and all liability of every character whatsoever caused or occasioned by the use thereof by Field, * * *''
"'V. * * *

"Either party may terminate the contract at the end of the first twelve months. * * *"

EXHIBIT 4-A

Letter, April 5, 1943, Tom C. Clark, Assistant Attorney General, to Mrs. Elinor Medill Patterson and Exhibit 4-B, Enclosure in Said Letter Omitted in Printing

Ехнівіт 5

Contract, February 28, 1939, Elinor M. Patterson-King Features Syndicate, Inc., International News Service Department

Agreement

Made the 28th day of February, 1939, at New York, N. Y., between King Features Syndicate, Inc., a New York corporation, International News Service Department, hereinafter referred to as International News Service, and Eleanor M. Patterson doing business as Washington Times Herald, the owner and publisher of the newspaper hereinafter named, hereinafter called the Publisher.

[fol. 1172] Witnesseth: That for and in consideration of the sum of one Dollar (\$1.00) by each to the other in hand paid, the receipt whereof is hereby acknowledged, and of the mutual covenants herein contained, the parties hereto have agreed:

First: International News Service hereby bargains and sells to the Publisher, exclusively in the City of Washington, the right and privilege of publishing in the Washington Times Herald a newspaper printed in the English language at Washington, D. C., its report as hereinafter described to wit: full day leased wire report delivered by automatic printer telegraph machines between the hours of 5 a. m. and 6 p. m., daily except Sunday, and a Sunday short wire delivered between the hours of 11 a. m. and 3 p. m., and the complete race and baseball wire, six days weekly, this race wire to guarantee delivery of complete race results at all recognized tracks and INS to guarantee complete delivery of all baseball box scores and agrees as far as practicable to deliver to the Publisher such news report.

Said above described report shall be filed to the Publisher at New York and Washington, or elsewhere, if International News Service so elects.

Sixth. It is mutually agreed that International News Service reserves the right to make working arrangements and exchanges of news and wire facilities with other press associations, publishers or persons and to sell said news report to any other party or parties except in the afternoon (evening) newspaper field in the City of Washington.

Seventh. It is further mutually agreed that International News Service, shall, in no event, be liable to the Publisher for any loss, injury, or damage that the Publisher may sustain, or be compelled to pay by reason of the publfol. 1173] lication of any matter furnished to the Publisher by International News Service.

Ехнівіт 6

List Marked "Exhibit No. 6", Containing Names of 26 F. B. I. Employees Who Interviewed 66 A. P. Newspaper Members, and Date of Interviews, of Which 41 Were Representatives of Illinois Newspapers Omitted in Printing.

Ехнівіт 7

List Marked "Exhibit No. 7" of Reports With Dates and Names of F. B. I. Agents, and Bureau File Numbers Omitted in Printing.

[fol. 1174] IN THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK

[Title omitted]

REQUESTS BY THE DEFENDANT, THE ASSOCIATED PRESS, FOR ADMISSIONS BY THE PLAINTIFF, AND THE PLAINTIFF'S RESPONSES

[fol. 1175] REQUEST FOR ADMISSIONS

Defendants, The Associated Press, Paul Bellamy, George Francis Booth, John Cowles, William Hutchinson Cowles, Edward King Gaylord, Houston Harte, Josh L. Horne, Clark Howell, Jr., Joseph Russell Knowland, Robert McLean, Leonard Kimball Nicholson, Frank Brett Noyes, Paul Patterson, Stuart Hoffman Perry, E. Lansing Ray, Edward Hubert Butler, The Adrian Telegram, The A. S. Abell Com-

pany, Bulletin Company, The Constitution Publishing Company, Cowles Publishing Company, The Evening Star Newspaper Company, Forest City Publishing Company, The Kansas City Star Company, The Oklahoma Publishing Co., The Register and Tribune Company, Rocky Mount Publishing Co., Globe Democrat Publishing Co., San Angelo Standard, Inc., The Times-Picayune Publishing Company, The Tribune Publishing Co., and Worcester Telegram Publishing Co., Inc., pursuant to Rule 36 of the Federal Rules of Civil Procedure, hereby request the plaintiff to make on or before May 29, 1943, the following admissions of fact.

[fol. 1176] That each of the following statements is true:

- 1. Attached hereto and marked Exhibit A is a true and correct copy of a letter dated March 12, 1915, signed by T. W. Gregory, Attorney General of the United States, and sent to James M. Beck, Esq., counsel for The Sun Printing and Publishing Association, following the filing with the Department of Justice of a complaint by The Sun Printing and Publishing Association against The Associated Press for alleged violations of the Federal Anti-Trust Act.
- 2. For forty-two years last past, the United States of America has not brought to any court or governmental body any complaint that the provisions of the by-laws of The Associated Press constituted an undue or unreasonable restraint of trade, or that The Associated Press had monopolized or attempted to monopolize the collection of news.
- 3. The Associated Press is a mutual, cooperative association of over 1,200 members who are the owners of newspapers publishing in the United States, territorial possessions thereof and in certain other parts of the Western Hemisphere.
- 4. The comprehensiveness of the news coverage by The Associated Press is dependent in large part upon the willingness of its members to expend time, effort and money in gathering the news of their respective vicinages and in furnishing it to The Associated Press.
- 5. The comprehensiveness of the news coverage by The Associated Press is dependent in large part upon the loyalty and cooperation of its members in furnishing all the news of interest of their respective vicinages to The Associated Press.

- 6. The comprehensiveness of the news coverage of The Associated Press would not be materially enhanced by the [fol. 1177] election into membership of a newspaper in a locality adequately covered from a local news standpoint by an existing member or members.
- 7. No by-law, rule or resolution of The Associated Press prescribes that The Associated Press members may not purchase or otherwise obtain the services of rival or competing news agencies, such as the United Press Associations or International News Service.
- 8. Over four hundred members of The Associated Press subscribed to the services of United Press Associations or International News Service, or both, in September, 1941.
- 9. The value of news lies in its exclusiveness, reliability and newness.
 - 10. News is a report of the happening of an event.
 - 11. The original source of news lies in the event itself.
- 12. The Associated Press does not, nor does it attempt to, prevent non-member newspapers or rival or competing news agencies from obtaining access to the original sources of news.
- 13. The growth of competing news agencies has been fostered as a result of the restriction of The Associated Press's service to its own members.
- 14. The facilities for the transmission of news and pictures, such as telephone, telegraph, radio and cables, are available to all on an equal basis.
- 15. The United Press Associations, International News Service or any other person or organization interested in transmitting news or pictures can, individually, if they so desired and were willing to assume the cost, utilize transmission facilities similar to those utilized by The Associated Press.
- [fol. 1178] 16. The term "leased wire" as commonly used by news agencies means a subscription to a service furnished by telephone, telegraph or cable companies, under which such companies agree for a fee to provide facilities for sending news reports and news pictures to specified points.

The arrangement is similar to that of the ordinary telephone subscription.

- 17. The Associated Press does not have the exclusive right to use any particular telephone or telegraph or cable wire. The control of the wires and cables and the particular route over which news and pictures travel at any given time is exclusively in the discretion of the respective utility companies providing the transmission facilities.
- 18. The cooperative character of The Associated Press is directly responsible for the excellence, completeness and unbiased nature of its news reports.
- 19. Daily newspapers in the United States have existed for many years and still do exist without membership in The Associated Press.
- 20. Daily newspapers in the United States subscribing to the services of the United Press Associations have existed for many years and still do exist without membership in The Associated Press.
- 21. Daily newspapers in the United States subscribing to International News Service have existed for many years and still do exist without membership in The Associated Press.
- 22. A number of large metropolitan newspapers and small groups of newspapers gather and distribute a large proportion of the news of outstanding world events printed by them and by others to whom such newspapers in turn sell the news so gathered and transmitted by their individual effort and initiative. Among such newspapers are:
- [fol. 1179] The Chicago Sun, The New York Times, The New York Herald Tribune, The Chicago Tribune and The Chicago Daily News.
- 23. The data relating to newspapers and news agencies published by Editor and Publisher in its International Year Books is accepted and relied on by newspapers and news agencies as substantially accurate and reliable.
- 24. Circulation data relating to newspapers published by the Audit Bureau of Circulations is accepted and relied on by newspapers and news agencies as substantially accurate and reliable.

- 25. The data concerning newspapers, new-paper features, pictures and news syndicates contained in N. W. Ayer & Son's Directory of Newspapers and Periodicals is accepted and relied on by newspapers and news agencies as substantially accurate and reliable.
- 26. The list of the members of the press and the newspapers and news agencies represented by them, entitled to admission to the Press Galleries of the House of Representatives and the Senate of the United States on May 26, 1942, contained on pages 709 to 719, inclusive, of the June, 1942 Congressional Directory is true and correct.
- 27. A true and correct list of the newspapers and news agencies represented in the Press Galleries of the House of Representatives and the Senate of the United States on May 26, 1942, is contained on pages 720 to 729, inclusive, of the June, 1942 Congressional Directory.
- 28. A true and correct list of the members of the White House News Photographers' Association and the organizations represented by them as of May 26, 1942 is contained on pages 731 to 734, inclusive, of the June, 1942, Congressional Directory.
- [fol. 1180] 29. The following is a true and correct copy of the rules governing the Press Galleries of the House of Representatives and the Senate of the United States as of May 26, 1942:

"Rules Governing Press Galleries

"1. Persons desiring admission to the Press Galleries of Congress shall make application to the Speaker, as required by rule XXXV of the House of Representatives, and to the Committee on Rules of the Senate, as required by rule IV for the regulation of the Senate Wing of the Capitol; and shall state in writing the names of all newspapers or publications or news associations by which they are employed, and what other occupation or employment they may have, if any; and they shall further declare that they are not engaged in the prosecution of claims pending before Congress or the departments, and will not become so engaged while allowed admission to the galleries; that they are not employed in any legislative or executive department of the Government, or by any foreign Government

or any representative thereof; and that they are not employed, directly or indirectly, by any stock exchange, board of trade, or other organization, or member thereof, or brokerage house, or broker, engaged in the buying and selling of any security or commodity or by any person or corporation having legislation before Congress, and will not become so engaged while retaining membership in the galleries. Holders of visitor's cards who may be allowed temporary admission to the galleries must conform to the restrictions of this rule.

- "2. The applications required by the above rule shall be authenticated in a manner that shall be satisfactory to the standing committee of correspondents who shall see that the occupation of the galleries is con-[fol. 1181] fined to bona fide correspondents of reputable standing in their business, who represent daily newspapers or newspaper associations requiring telegraphic service; and it shall be the duty of the standing committee at their discretion, to report violation of the privileges of the galleries to the Speaker, or to the Senate Committee on Rules, and pending action thereon the offending correspondent may be suspended.
- "3. Persons engaged in other occupations whose chief attention is not given to newspaper correspondence or to newspaper associations requiring telegraphic service shall not be entitled to admission to the Press Galleries; and the Press List in the Congressional Directory shall be a list only of persons whose chief attention is given to telegraphic correspondence for daily newspapers or newspaper associations requiring telegraphic service.
- "4. Members of the families of correspondents are not entitled to the privileges of the galleries.
- "5. The Press Galleries shall be under the control of the standing committee of correspondents, subject to the approval and supervision of the Speaker of the House of Representatives and the Senate Committee on Rules."

"Approved.

Sam Rayburn, Speaker of the House of Representatives.

Approved by the Committee on Rules of the Senate."

- 30. Attached hereto and marked Exhibit B is a true and correct copy of the Final Decree entered in the office of the Clerk of the United States District Court for the Southern District of New York on or about May 19, 1919, [fol. 1182] in an action brought in said court entitled "Associated Press vs. International News Service."
- 31. Attached hereto and marked Exhibit C is a true and correct copy of a letter dated November 15, 1941, signed by Marshall Field and sent to J. D. Gortatowsky.
- 32. The Washington, D. C. Times Herald has been published as a daily paper since 1939.
- 33. The daily average circulation of the Washington, D. C. Times Herald has risen from over 180,000 copies in 1939 to over 220,000 copies in 1942.
- 34. The Chicago Sun has been published continuously since December 4, 1941.
- 35. The Chicago Sun attained a daily average circulation of over 277,000 in less than one year after commencing publication.
- 36. The average monthly Sunday circulation of The Chicago Sun for the months of July, 1942 to March, 1943, inclusive, was as follows:

July,	1942	327,837
August,	"	350,353
September,	66	386,467
October,	6.6	395,476
November,	66	402,732
December,	"	404,413
January,	194 3	405,741
February,	"	406,271
March,	"	406,822

- 37. The Chicago Sun as of September 30, 1942 had the eleventh largest morning circulation in the United States.
- 38. Excluding tabloids, The Chicago Sun as of September 30, 1942 ranked eighth in circulation among the morning papers in the United States.
- [fol. 1183] 39. On January 17, 1943, Marshall Field stated in The Chicago Sun as follows:
 - "Since last July The Sun's circulation has increased every month.

"This record of first year growth has never been approached by any newspaper in the entire history of American journalism.

"As a matter of fact, The Sun stands today eleventh among all the 356 morning newspapers in the United States.

* * * * * * *

- "We established The Sun on fundamental business principles and after a reasonable initial investment we expect and know that the paper, like any other successful business enterprise, will show a profit."
- 40. The statements made by Marshall Field referred to in the previous paragraph were true when made.
- 41. Attached hereto and marked Exhibit D is a true and correct copy of an advertisement published in The Chicago Sun Monday, January 25, 1943.
- 42. On January 20, 1943, in a statement published in The Chicago Sun, Turner Catledge, editor of The Chicago Sun, said:
 - "We are proud of the success that has met our enterprise."
- 43. On or about October 25, 1942, the Promotion and Research Department of The Chicago Sun issued a statement entitled "Let's Look at the Record", a true and correct copy of which is attached hereto and marked Exhibit E.
- 44. Attached hereto and marked Exhibit F is a copy of an advertisement issued by The Chicago Sun in September, 1942.
- [fol. 1184] 45. Attached hereto and marked Exhibit G is a true and correct copy of an advertisement published by The Chicago Sun in Editor & Publisher Magazine for November 21, 1942.
- 46. In a brochure entitled "Sun Rise" issued by The Chicago Sun in or about December, 1942, the following statements appear:
 - "Proof that The Sun was a dynamic newspaper

 * * equipped to deliver the news accurately,
 fairly and first-in-a-crisis * * came on the fourth

day of publication. When the cables burned with the story of Pearl Harbor, the Sun reacted with veteran coolness and was on the streets first * * ahead of its 95-year-old rival * * with one of the most important war extras in Chicago history.

"Since then the Sun has consistently delivered to its readers a large number of exclusive local, national, and foreign news stories. In fact, the Sun has regularly given its readers more news for their money than any other Chicago paper, and more than all but three papers in America: The New York Times, New York Herald Tribune, and Philadelphia Inquirer.

* * * * * *

"The steady rise of The Sun's daily circulation during recent months * * * a more consistent rise than that of any other Chicago newspaper during the same period * * * shows that Chicago morning newspaper readers have a growing appetite for facts accurately presented!"

- 47. Attached hereto and marked Exhibit H is a true and correct copy of page 8 in a brochure issued by The Chicago Sun, entitled "Sun Rise".
- 48. Attached hereto and marked Exhibit I is a true and correct copy of page 12 of a brochure issued by The Chicago Sun and entitled "Sun Rise".
- [fol. 1185] 49. Attached hereto and marked Exhibit J is a true and correct copy of page 13 of a brochure issued by The Chicago Sun and entitled "Sun Rise".
- 50. Attached hereto and marked Exhibit K is a true and correct copy of pages 21-28 of a brochure issued by The Chicago Sun, entitled "Sun Rise".
- 51. Attached hereto and marked Exhibit L is a true and correct copy of an advertisement appearing in the Editor & Publisher Magazine on April 24, 1943.

Dated: New York, N. Y., May 18, 1943.

Yours, &c., Milbank, Tweed & Hope, By (S.) Morris Hadley, A Member of the Firm, 15 Broad Street, New York, N. Y., Attorneys for Defendants, The Associated Press, et al. To: Francis Biddle, Attorney General of the United States, Washington, D. C.; Tom C. Clark, Assistant Attorney General of the United States, Washington, D. C.; John Henry Lewin, Charles H. Weston, Charles B. Rugg, Special Assistants to the Attorney General, Washington, D. C.

[fol. 1186]

Ехнівіт А

Department of Justice, Washington, D. C.

March 12, 1915.

James M. Beck, Esq., 55 Wall Street, New York, N. Y. Sir:

I have given consideration to the complaint against The Associated Press for alleged violations of the Federal Anti-Trust Act presented to my predecessor by you as counsel for the Sun Printing and Publishing Association.

The Associated Press was organized under the Membership Corporations Law of the State of New York. According to its certificate of incorporation it is—

an association of certain persons, who, owning or representing certain newspapers, unite in a mutual and cooperative organization for the collection and interchange, with greater economy and efficiency, of information and intelligence for publication in the newspapers owned or represented by them.

The objects of the Association, as stated in the certificate, are:

to gather, obtain and procure by its own instrumentalities, by exchange with its members and by any other appropriate means, any and all kinds of information and intelligence, telegraphic and otherwise, for the use and benefit of its members and to furnish and supply the same to its members for publication in the newspapers owned or represented by them, under and subject to such regulations, conditions and limitations as may be prescribed by the By-Laws; and the mutual cooperation, benefit and protection of its members.

[fol. 1187] The certificate further provides that:

The Corporation is not to make a profit nor to make or declare dividends and is not to engage in the business of selling intelligence, nor traffic in the same.

Those eligible for membership are thus described in the By-Laws, Article II., Section 1:

The sole or part owner of a newspaper, or an executive officer of a corporation, limited liability company, or joint stock or other association which is the owner of a newspaper, shall be eligible to election as a member of this Corporation, in the way and upon and subject to the conditions and limitations hereinafter specified, provided that not more than one person at a time shall be eligible by reason of connection with any one newspaper. No other person shall be eligible.

Members may be elected by the affirmative vote of not less than four-fifths of all the members of the corporation (By-Laws, Art. III., Sec. 1).

Members may also be elected by the Board of Directors, when no meeting of the members of the Corporation is in session, but no applicant for membership can be elected by the directors over the opposition of any member entitled to the right of protest (Art. III., Sec. 2). The right of protest is the right to object to the admission of new members from a given territorial district (Art. III., Sec. 5). It can only be conferred by the affirmative vote of seven-eighths of all the members (Art. III., Sec. 6).

The right of protest has no application to the election of applicants by a four-fifths vote of the members themselves.

Each member is entitled to one vote by virtue of his membership (Art. VII., Sec. 1), and also a vote for each \$25 of the bonds of the Association registered in his name up to \$1,000, provided he waive interest on the bonds (Art. XII., Sec. 3).

[fol. 1188] The affairs of the corporation are managed by fifteen directors, who are elected by the members of the corporation and must themselves be members (Art. V., Secs. 1, 2, 4).

The cost of maintaining the news service of the corporation and all other expenses of the corporation are apportioned among the members by the board of directors in such manner as it may deem equitable (Art. IX., Sec. 1).

Broadly stated, the news distributed by The Associated Press comes to it in two ways: First, from the reports made to it by the various members of happenings in their respective localities; and second, from correspondents, reporters and other agencies employed by it directly. The news of the world thus brought together is then distributed by The Associated Press to its members, principally, of course, by telegraph. To that end it leases and operates in the neighborhood of 30,000 miles of telegraph lines.

The principal grounds of complaint are:

- 1. That the members of The Associated Press are prevented or at least seriously hindered from obtaining news by purchase or otherwise from any rival agency.
- 2. That the members of The Associated Press are prohibited from furnishing the news collected by them respectively to any newspaper which is not a member.
- 3. That through the operation of the right of protest above described a newspaper in a given locality applying for membership cannot be elected without the consent of the members in that locality.

Assuming that the kind of service in which The Associated Press is engaged is interstate commerce (a question not free from doubt), I am nevertheless of the opinion that it is no violation of the Anti-Trust Act for a group of newspapers to form an association to collect and distribute [fol. 1189] news for their common benefit, and to that end to agree to furnish the news collected by them only to each other or to the Association; provided that no attempt is made to prevent the members from purchasing or otherwise obtaining news from rival agencies. And if that is true the corollary must be true, namely, that newspapers desiring to form and maintain such an organization may determine who shall be and who shall not be their associates.

This, of course, is not to say that such an association might not develop into an unlawful monopoly. The facts adduced, however, in my opinion do not show that that has happened in the case of The Associated Press.

This disposes of the second and third grounds of complaint based on the requirement that members of the Association shall not furnish the news collected by them to anyone outside the Association, and on the restrictions as to membership.

As regards the first ground of complaint, assuming as I do that the collection and distribution of news amongst the several States is interstate trade or commerce, any bylaw or other regulation adopted by The Associated Press which would have the effect of preventing or seriously hindering its members from purchasing or otherwise obtaining news from a rival agency would be, I think, a restraint upon interstate trade or commerce and an attempt to monopolize. The contention that The Associated Press has imposed such a regulation upon its membership, or at least has the power to do so, has a foundation in Section 7 of Article VIII. of the By-Laws, which reads as follows:

Experience having shown that it is very difficult, if not impossible, to avoid or prevent violation of the rules prescribed by the last preceding section, or to detect or prove any such violation, if the members are permitted to purchase news from other associations, and that such purchase may be seriously prejudicial to the interest and welfare of this Corporation and its members, the Board of Directors may, in their discretion, [fol. 1190] forbid the members to purchase intelligence from any other such association.

When the Board of Directors by a vote of two-thirds of all its members shall decide and notify any member that the purchase or receipt of news from any other person, firm, corporation or association, not a member of this Corporation, or represented in this Corporation by a member, or any other action by such member, establishes a condition that will be likely to permit the news of the Corporation to be disclosed to unauthorized persons, such members shall immediately discontinue purchasing or receiving such news, or such other objectionable action. The decision of the Board of Directors as to the establishment of such condition shall be final and the fact shall not thereafter be open to question by a member.

The President of The Associated Press states that the power reserved in this by-law has not been exercised. As I understand, the complainant disputes that assertion. It

is not necessary, however, for me to determine that issue of fact, since my conclusion is that this by-law, whether it has been enforced or not, should be abrogated. I am advised by the President of the Associated Press that that will be done promptly.

The following resolution of the Board of Directors of The Associated Press is also pointed to as an obstacle in the way of the members of The Associated Press obtaining the service of any rival agency:

Resolved, That the placing of an operator of any other news-gathering or distributing association in the office of an Associated Press paper is a step which establishes a condition which will be likely to permit the news of this corporation to be disclosed to unauthorized persons and so endangers the inviolability of the news service of The Associated Press, that it is seriously prejudicial to the interest and welfare of this Corpora-[fol. 1191] tion and its members and the Board of Directors, by authority of the By-Laws, hereby forbid any member of The Associated Press from so placing an operator of any other news-gathering or distributing association in his office or building. (February 20, 1901.)

I am not prepared to say, however, that this regulation has no reasonable relation to a legitimate end, namely, preventing representatives of rival agencies from coming into possession before publication of news collected by The Associated Press.

Nor am I convinced that the regulation seriously hinders members of The Associated Press desiring to obtain the service of another news agency. On the contrary, my information is that some of them do obtain news from other agencies, whilst at the same time complying with this regulation. As further showing that a news agency may serve a newspaper without an operator in the office of the newspaper, I refer to the statement made to me by the President of The Associated Press to the effect that many of its members have neither an operator nor a wire of the Association directly in their offices, but receive the news items by messengers and other means of communication. If my information on these points is incorrect I shall be glad to have it corrected.

It is perhaps unnecessary for me to point out that if the Sun Printing and Publishing Association is not satisfied with the conclusions I have reached it may itself bring suit against The Associated Press, either for an injunction or for damages, and thereby obtain a judicial determination as to the merits of its complaint.

Regretting that the pressure of other business entitled to priority as to time of consideration has prevented an earlier disposition of this complaint, I am, sincerely yours,

T. W. Gregory, Attorney General.

[fol. 1192]

Ехнівіт В

UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK

ASSOCIATED PRESS

vs.

International News Service

FINAL DECREE

An order having been made by this Court, dated July 7, 1917, upon the mandate from the United States Circuit Court of Appeals for the Second Circuit, finding the facts as stated therein and granting a preliminary injunction in accordance with the prayer of the bill of complaint, and the mandate and decree of the said Circuit Court of Appeals having been affirmed upon certiorari by the Supreme Court of the United States and the mandate of the Supreme Court of the United States, bearing date the 6th day of February, 1919, having been filed in this Court, this cause came on to be heard at this time and thereupon upon consideration thereof, and upon the consent in writing and in open court of the defendant given by its solicitor to the making and entry of this decree, and it being established to the satisfaction of the Court

(1) That the complainant is a co-operative organization engaged in gathering from sources all over the world and distributing to its member- and to newspapers represented by them, all kinds of information, news and intelligence, telegraphic and otherwise, for publication in the said news-

papers; that the defendant is a corporation engaged in a similar business for its own profit and not as a co-operative organization; that the value of the service to each of the parties hereto to its members or customers largely depends upon the requirement that news which it collects shall be transmitted to its members and their newspapers earlier than similar information can be furnished to other com-[fol. 1193] peting newspapers, and that such news shall not be furnished to other newspapers than those of its members or customers, as the case may be, who cooperate in the expense of its work; that an essential part of the operation of the complainant and also of the defendant is that news collected by them shall remain confidential and not be sold or published by any rival news agency until a reasonable opportunity shall be afforded for publication by all of their respective members or customers.

(2) That the By-Laws of the complainant to which each of its members agrees upon assuming membership provide that news received through complainant's service shall be published exclusively in the newspapers, language and place specified in the certificate of membership; that members shall permit no other use to be made of it whatever; that no member shall furnish or permit any of its employees or anyone connected with its newspaper to furnish any of said news in advance of publication to any other person, or to furnish even to another member any of such news which the complainant itself is debarred from furnishing to such member, or to conduct its business in such a manner that any of such news may be communicated to anyone else not entitled to receive it, or to furnish or permit anyone else to furnish to anyone outside the membership of the complainant any of the news which the respective member is required by the By-Laws to supply to the complainant, which includes the local news of his district.

That the defendant furnishes the news and information collected by it to its customers under an express understanding and agreement with such customers that the same will not be furnished or communicated by them to any other person or persons and that it will remain confidential and secret until it has been regularly published by them in their newspapers.

- (3) That the annual cost to the complainant of its news gathering and distribution to its 800 members is very great, [fol. 1194] being in the year 1915 about \$3,500,000, all of which cost was assessed among the members on a cooperative basis as provided by the By-Laws; and that the annual cost to the defendant of its news gathering and distribution to its 450 customers is very great, amounting to upwards of \$2,000,000.
- (4) That defendant has engaged in obtaining and selling to its clients for publication by them complainant's dispatches before their publication, and has employed and paid one B. E. Cushing, the telegraph editor of the Cleveland News, a paper holding a certificate of membership from The Associated Press, to furnish it, for sale to its clients and publication by them, not only with the local news of the Cleveland district, but also with a substantial amount of other and particularly of foreign news which had come to the said Cleveland News from The Associated Press and over its wire; and that such service by the said B. E. Cushing was in violation of his obligations as an employee of the said Cleveland News and of its obligation as a member of The Associated Press.
- (5) That defendant has repeatedly taken news furnished by the complainant to its member representing the New York American by causing the dispatches to be taken on its behalf after being received over the Morkrum receiving machine, before publication thereof.
- (6) That defendant has taken and sold to its clients for publication by them, complainant's news, taken either from bulletin boards or early editions of newspapers published by complainant's members, either transcribing them bodily or rewriting them, but in either case without original investigation by its own agencies and without expense; and thereby it has enabled its own subscribers to publish the said news dispatches in competition with complainant's members.
- [fol. 1195] (7) That complainant has not authorized any of the aforesaid practices and such instances, if any, as may have occurred have been contrary to its rules.
- (8) That the complainant's rules and the practices authorized by its officers have been to use defendant's published

dispatches only as rumors and to cause them, if important, to be investigated at the points of origin by complainant's own representatives and at its own expense and then to distribute to its members such reports as its own investigations shall have justified.

- (9) That in the particulars aforesaid, defendant has acted unfairly in competition with the complainant.
- (10) That in the particulars aforesaid, and each of them, the defendant has greatly injured and is injuring the complainant and its members, and has been, and is, depriving them of the just benefits of their labors and expenditures, and has been, and is, causing them irreparable damage, for which they are without adequate or substantial relief except by the interposition of this Court by its order of restraint and injunction.

Now, Therefore, upon motion of Stetson, Jenning & Russell, solicitors for the complainant, it is

Ordered, Adjudged and Decreed that the defendant, its officers, agents, servants, employees, assigns, successor and successors, and each of them, and all other persons acting for them, or any or either of them, and all persons aiding or abetting them or any of them, and all persons whosoever, though not named herein, be and hereby are perpetually enjoined and restrained

- (a) From inducing, procuring or permitting any telegraph editors or other employees or agents of the complainant or any of its members or of any newspaper [fol. 1196] or newspapers owned or represented by them or any of them, or any such members, to communicate to defendant or to permit defendant to take or appropriate, for consideration or otherwise, any news received from or gathered for complainant, and from purchasing, receiving, selling, transmitting or using any news so obtained.
- (b) From inducing or procuring, directly or indirectly, any of complainant's members or any of the newspapers represented by them, to violate any of the agreements fixed by the Charter and By-Laws of the complainant.
- (c) From copying, obtaining, taking, selling, transmitting or otherwise gainfully using, or from causing

to be copied, obtained, taken, sold, transmitted or otherwise gainfully used the complainant's news, either bodily or in substance, from bulletins issued by the complainant or any of its members, or from editions of newspapers published by any of complainant's members, until its commercial value as news to the complainant and all of its members has passed away.

And the complainant having offered to submit to a like injunction to that contained in subdivision (c) supra, it is

Ordered that the complainant be and hereby is permanently enjoined from copying, obtaining, taking, selling, transmitting or otherwise gainfully using, or from causing to be copied, obtained, taken, sold, transmitted or otherwise gainfully used the defendant's news, either bodily or in substance, from bulletins issued by the defendant, or any of its customers, or from editions of newspapers published by any of defendant's customers until its commercial value as news to the defendant and all of its customers has passed away.

[fol. 1197] Further Ordered, Adjudged and Decreed that the plaintiff recover from the defendant its costs herein to be taxed by the Clerk.

Dated New York City, New York, May 19, 1919.

Manton, C. J.

We hereby consent to the granting and entry of the foregoing decree.

New York, May 19, 1919.

--- Solicitor for Defendant.

Ехнівіт С

November 15, 1941.

Mr. J. D. Gortatowsky, Hearst Newspapers, 959 Eighth Avenue, New York, N. Y.

DEAR MR. GORTATOWSKY:

Mr. Evans has advised me that you have been authorized by Mr. Hearst to negotiate the sale of the Hearst morning membership in The Associated Press of Chicago.

I am familiar with your and Mr. Evans' conversations

on this subject, and I assume you are, in a general way, familiar with subsequent conversations we have had with certain officials of The Associated Press.

[fol. 1198] I am anxious to purchase this membership at the earliest possible moment, provided the situation within your organization makes it practical for you to consider a price that I believe to be on the top side of a generous offer.

In an attempt to determine the amount of my offer, I have carefully considered all the factors involved. I am, in a general way, familiar with prices that have been paid in the past for somewhat similar memberships. Without going into all the details, I believe you would be interested in three major factors which have guided my judgment.

- 1. If I make this purchase I have an asset, which, except for my utility of it, has no probable value, because I believe that if we are unsuccessful in Chicago it will be a long time before new capital is again attracted for this venture.
- 2. The present attitude of the Courts makes the value of a membership far more hazardous than was the case prior to the last few years, and this hazard, to my mind, depreciates its value. It certainly is not my present desire to attempt to invalidate the Associated Press, but I have no asurance that someone else will not do so. And I am advised by competent legal authorities that any such attempt would almost surely be successful.
- 3. If I wait until the annual meeting in April I have perhaps better than an even chance of securing a membership through election rather than through purchase.

Based on the above and other considerations, I have decided to offer \$250,000. cash for your Chicago membership, subject of course to the transfer of it by the Board of Directors to me. This offer is good for ten days from date, and I trust my attempt at frankness will have convinced you that I am sincere in my belief that this is the [fol. 1199] maximum I should pay and that this offer is therefore subject only to acceptance or declination both as to price and time of the offer.

Due to Mr. McLean's interest on behalf of both of us, I am taking the liberty of sending him a copy of this letter. Sincerely yours, (Sgd.) Marshall Field. (Here follows Photolithograph, side folio 1200)



One large State Street merchant—Maurice L Rothschild—used advertising space in The Chicago Sun on 363 days of The Sun's first year! Another . . . the grout Statu Street department store

of Carson Pirie Scott & Company . . . hought advertising space in The Sun day after day . . . week after week for 281 of the 365 days! Goldblett Brothers were in The Sun '

234 days . . . Marshall Field & Company, 231 days. . . .

Mandal Brothers, 201 days . . . The Hub, Henry C. Lytton & Sens, 153 days ... Ches. A. Stevens & Company, 156 days . . . Notcher's Boston Store, 130 days! — and Russeks, the fashionable Michigan

Avenue store, led the perude of women's clothing stores to The Sun on the first day of publication . . . and come back again

and again and AGAIN for a total of 218 days!

Such consistency of effort, as a principle of sound business practice, is the stuff of which great shopping centers are formed ... great businesses built! But it goes deeper than that in its significance to advertisers!

Retail merchants KNOW-within a few hours after their advertising runs-whether or not it is bringing

Consistently, they have put themselves on Sun-time in Chicago because they found out early that THE SUN PRODUCES RESULTS CONSISTENTLY!

And what they have learned, other advertisers. country-wide, have learned, too!

With equal consistency last year, while national advertising volume in most American newspapers was shrinking, due to war's effect on marketing, such famous names as Buick, Ford, General Motors, Oldsmobile, er, Firestone, Standard Oil, Old Cold, Intetional Harvester, Westinghouse, General Electric, Bethlehem Steel, New York Central, Pennsylvania, Kellogg. Raiston, Proctor & Gamble . . . and scores more, equally well known...helped give The Sun a growing proportion of the total national linage placed in Chicago newspapers.

And they're coming back-again this year . . . many of them . . . not with the same schedules but with increased schedules. First they tested The Sun, then they checked results ... now they're sure!

Sum readers-in-action are responsible for The Sun's phenomenal advertising success! They believe in The Sun . . . in the careful effort which this paper makes to present the news objectively and truthfully . . . the unbiased neutrality of Sun reporting . . . The Sun's daily recognition of its function as a NEWSpaper.

itly, they believe in Sun advertising, and use it as their daily shopping guide.

Is your advertising talking to this important market of adora? If not, profit by the experience of Chicago's leading merchants . . . America's most important businesses ... and shift NOW to Sun-time in Chicago!

Sell more for word money-advertise in

THE CHICAGO SUN

ADVERTISING LINAGE OF 12 LEADING RETAIL STORES IN THE CHICAGO SUN DURING ITS FIRST FULL YEAR DECEMBER 4, 1941 THROUGH BECEMBER 3, 1942

ice I. Rothschild , . . . 101,330 The Holi, Henry C. Lytten & Sons . . 166,893 on Pirle Scott & Company . . . 431,816 Soors, Roohuck & Company 64,735 Notcher's Besten Store 108,593 rshell Field & Company 494,356 124,424 Chas. A. Stevens & Company . . . 40,826 Sales Fifth Avenue 24,497 Goldblatt Brothers 313,632

\$ NOTE: In the first three weeks of January, 1942, Chicago Bapartment Stores <u>Increased</u> thair Emps in The Son \$ 47 per case over the sons parked har poer...and <u>reduced</u> their Emps in overy can of the other Chicago papers

LET'S LOOK AT THE RECORD

As we sit back and take stock of what the Sun has done to date, we can say without fear of contradiction—for you cannot contradict the truth—

1. Chicago needed a new morning newspaper.

New York City has four morning newspapers, and Boston has four. Philadelphia and Washington, Los Angeles and San Francisco have two apiece. Yet Chicago, the second largest city in the country, had only one.

2. Chicago wanted a new morning newspaper.

More than 100,000 subscriptions were sent in before publication by people who wanted to let us know where they stood.

Over 220,000 people helped us name their new morning newspaper—The Chicago Sun.

3. Chicago has received the Sun with open arms.

Only ten months old in September, the daily Sun has a total net paid circulation of 281,631. Yet, the New York Daily News—the "2,000,000 net paid" giant of the newspaper business—showed a circulation of only 185,828 on its first twelve months Audit Report.

The New York Sunday News, with nearly 3,850,000 total net paid today, showed only 308,318 on its first Audit Report. The Sunday Sun already has 386,467. In seven months, the daily Sun reached a circulation secured by the Chicago Daily Times only after several years of publication*—and this despite the [fol. 1202] handicap the Sun was up against in changing over from its original distributing organization to distribution through the official carrier, in February of this year.

Publisher's Statements.

In September the Sun showed a bigger gain over both July and August than any other Chicago paper that publishes its monthly average net paid circulation.

The Sun was the only Chicago paper to show a gain over the first quarter of this year.

While all Chicago daily newspapers (that publish their monthly circulations) showed a smaller Figure in July and August than for the first three months of the year—the usual summer slump—the Sun showed a smaller decrease than any other paper (4.1% in July and only 2.1% in August).

A growing business is one which not only gains more on the up trends but loses less on the down trends. The A. B. C. Audit Reports show the combined circulations of Chicago's other four daily newspapers for the first quarter of this year were 1.4% less than they were for the period 10/1/41 to 12/3/41 (excluding the abnormal 12/4/41 to 12/31/41 Pearl Harbor period). It was the Sun that was primary responsible for turning this loss into a 10.1% gain for all five newspapers combined.

4. Sun readers get more for their money.

According to Media Records, the Sun has consistently given its readers more for their money—more lines of news than any other Chicago paper; in fact, more than any other paper in the country except [fol. 1203] the Times and Herald Tribune in New York and the Inquirer in Philadelphia.

Figures for Chicago newspapers for the first nine months of this year are as follows:

	Daily	Sunday	Total			
Sun	11,163,339 (1)	5,587,625 (1)	16,750,964 (1)			
Tribune	9,637,517 (4)	4,823,000 (2)	14,460,517 (2)			
HerAm.	9,653,676 (3)	4,641,672 (3)	14,295,348 (3)			
News	10,128,495 (2)		10,128,495 (4)			
Times	5,266,886 (5)	2,671,699 (4)	7,938,585 (5)			

5. Sun readers look to the Sun for help in their day-to-day problems.

To date they have bought over 125,000 Sun leaflets for which they paid 3ϕ each; nearly 20,000 silver service stars; 10,000 booklets costing 10ϕ or more. They asked for 130,000 copies of Vice President Wallace's "A Century of the Common Man"; 84,000 dress and needlework patterns—all these and more swell the total to well over half a million requests for service.

6. Advertisers have been quicker to place their stamp of approval on the Sun than on any other new newspaper in the history of publishing.

Highly competitive, quick and accurate in checking results, insistent that these results be profitable, department stores are today more than ever the bellwether of newspaper advertising—in Chicago as in other metropolitan cities.

Chicago's Loop department stores have shown enough confidence in the Sun to give it more advertising linage than any other paper in Chicago except the 95-year old Tribune*. And department stores know what they're buying.

[fol. 1204] Chicago Women's Clothing Stores, among the world's smartest and most fashionable, have given the Sun more advertising linage than any other paper in Chicago, except the Tribune*—further proof of the high regard in which advertisingwise merchants hold the Sun.

Turn around at the end of any month of this year and look back at the record to date, and you will find the Sun has *never* dropped below second place in Classified Advertising *.

As of October 21st, 513 local advertisers, 904 national advertisers, 268 advertising agencies and thousands of classified advertisers have already shown their confidence in the Sun by placing in it

^{*} Media Records.

a total of 6,702,617 lines of advertising in less than eleven months.

Total advertising linage in Media Records' "52 Cities" showed a loss of 6.2% for the first nine months of this year compared with the first nine months of last. The loss in the four other Chicago papers combined was 14.9%; but when the Sun is included in the picture, the loss is only 1.1%.

Four months ago the Sun passed the Times in national advertising linage; and is now running the Herald-American close * * * if you forget about the 35% to 40% of their national linage that is carried automatically because it is running in the American Weekly and Puck.*

During the first six months of 1942 the Sun carried a larger percentage of Chicago's total daily retail linage than the Herald and Examiner carried in the first six months of any of the last four years of its existence, except the freak year, 1938, when they were selling evening American advertisers space for as little as 8¢ a line.*

We repeat * * *

1205] Chicago needed a new morning newspaper.

Chicago wanted a new morning newspaper. Chicago has received the Sun with open arms.

Sun readers get more for their money.

Sun readers look to the Sun for help in their day-to-day problems.

Advertisers have been quicker to place their stamp of approval on the Sun than on any other new newspaper in the history of publishing.

THE SUN IS CHICAGO'S G-R-O-W-I-N-G ADVERTISING MEDIUM

From The Chicago Sun Promotion & Research Dept. 139 October 25, 1942.

Media Records.

HONEST, WE HATE TO BRAG . . .

But we wouldn't be fair to the people of Chicago if we didn't tell you about the tremendous progress we have made (thanks to you) in the nine short months we've been in existence!

LISTEN TO THE EVIDENCE...

- ★ Even before we started publication you took us to your bosom 100,000 strong—with 100,000 advance subscriptions.
- * Today one out of every three morning newspaper readers
 in Chicago and immediate suburbs reads The Sun. Seven out of ten of
 our daily readers read no other daily marries assured.
- * The Sun prints more lines of news matter every day
 than any other Chicago newspaper—as a matter of fact more than any
 other paper in the country except three.
- \star To date we've received from readers over half a million requests for booklets, reprints, etc. (Keep 'em coming, folks.)
- * Advertisers have given us their approval—but quick!

LOOK AT THIS ...

- * Loop department stores (canny buyers) give The Sun more advertising lineage than any other paper in town with one exception This is also true of Chicago's leading women's wearing apparel shoos!
- * No matter when you stop and look back at the record to date you will find that The Sun has never dropped below second place in classified advertising—an unheard of record for a new paper!
- * Approximately 500 local and 850 national advertisers have shown their confidence in the Sun to the tune of six and one-quarter million lines of advertising placed in less than ten months!

WE COULD GO ON AND ON with evidence like this.

But you get the idea. Chirago needed a new morning newspaper. Chiraga wanted it.

And Chicago GOT it.

Chicago people like The Sun. They trust it.

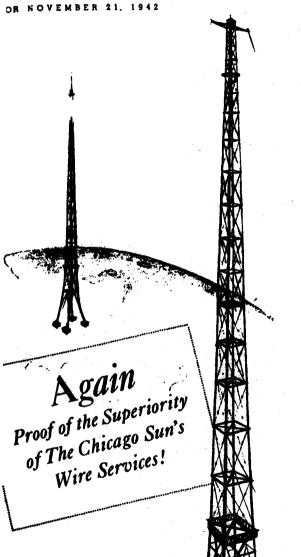
They think it's a darn good paper to read.

As a result, The Sun today has more circulation
than any new newspaper ever had; has carried more advertisin
than many an old newspaper will ever run!

Better get The Sun habit-NOW!

THE CHICAGO SUN

XHIB



The 11-month-old Chicago Sun Syndicate announces the addition of Great Britain's largest publishing chain, Allied Newspapers Limited, to its fast-growing list of clients.

Included in this group of newspapers, which have a circulation of nearly 7,000,000 are:

England

LONDON
The Boily Steech
The Sunday Graphic
The Sunday Chronicle
The Sunday Times

MANCHESTER
The Dolly Disputch
The Evening Chronicie

MIDDLESHOROUGH The Evening Garette NEWCANTLE (Continued) The Evenine Chronicle The Sunday Sun

NHEFFIELD The Telegraph & Independent

Scotland

ABERDEEN
The Evening Express
The Front & Journal

GLASCOW
The Bully Record
The Evening News
The Sonday Mail

Allied augmented their already thorough and reliable news coverage, not for the sake of quantity (they now have A.P., U.P. and Reuters), but because their editors are keenly alert to the fact that, at a time when English newspapers are restricted to 4 and 6 pages, they need added QUALITY.

The Chicago Sun Wire Services, Washington and Foreign, give them just that! An exclusive "extra" in The Chicago Sun's Washington Bureau, largest in America, staffed by 18 experts... and added "plus" in the star-studded roster of foreign correspondents composed of famous writers like Knickerbocker, Kuh, Morrison, Dowling and Angly... men who come through with consistent news heats from the thick of battle on war fronts the world over.

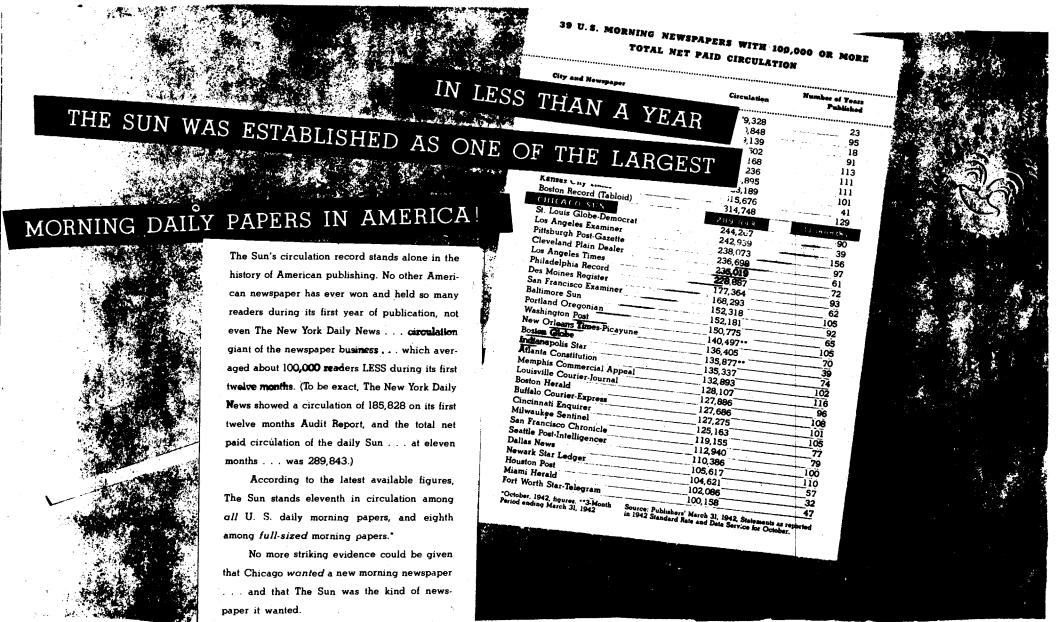
Take a tip from Allied Limited . . . "hire" these men for your newspaper, We will be glad to send further information immediately.

THE CHICAGO SUN

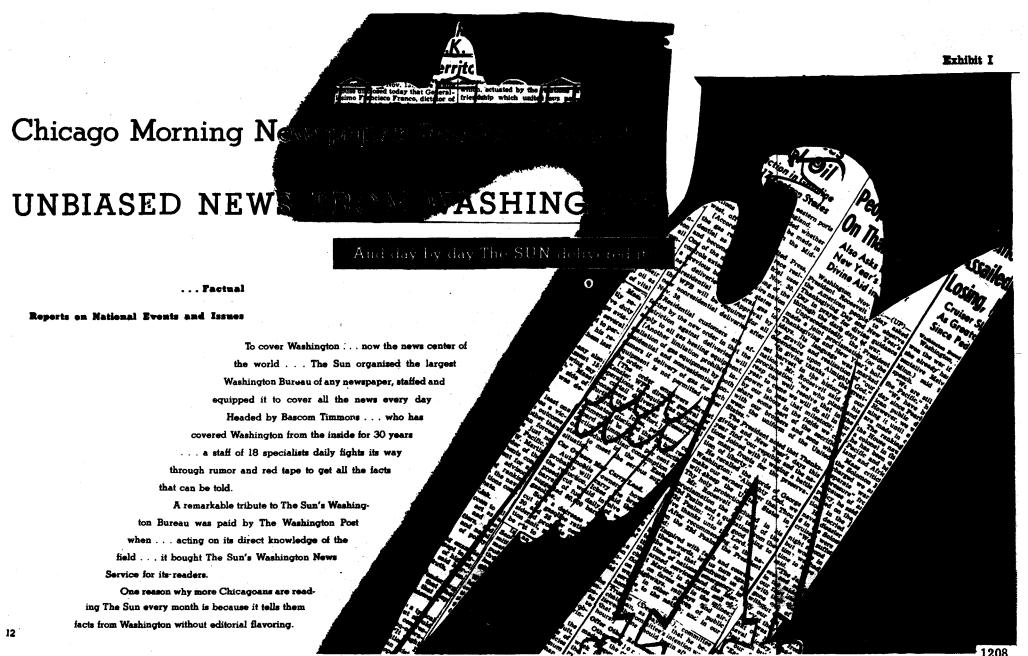
SYNDICATE

400 West Madison . Chicago, Illinois

EXHIBIT H.



1207



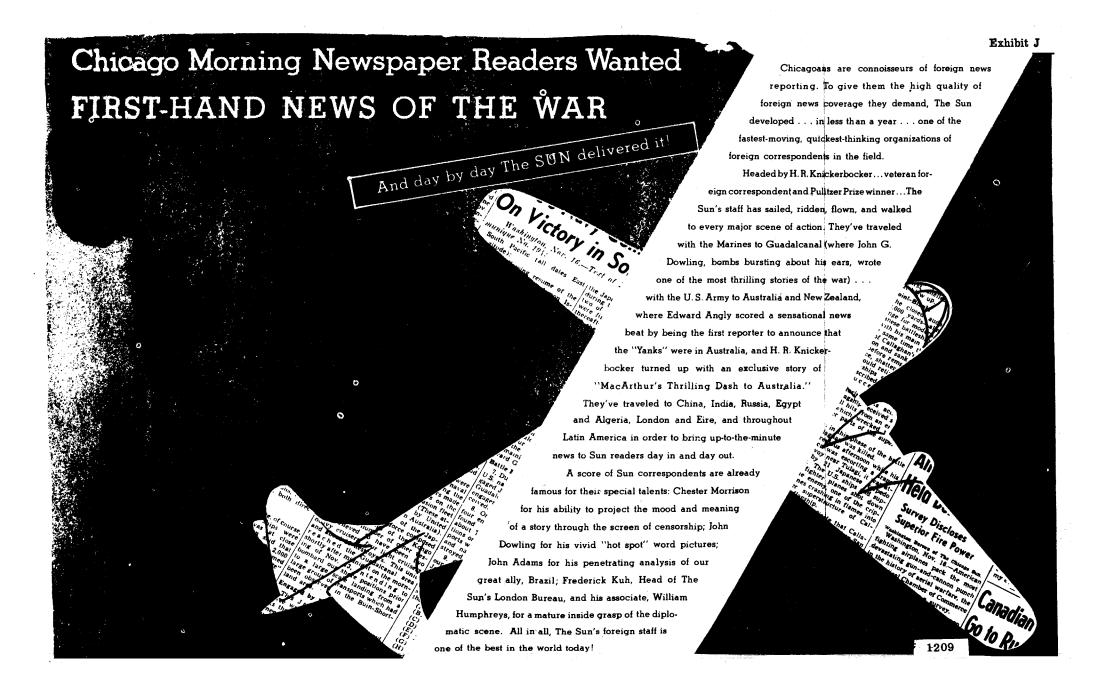


Exhibit K

IT GAVE CHICAGO MORNING NEWSPAPER READERS WHAT THEY WANTED... Day by Day... Weekdays and Sundays ...THE SUN ACCOMPLISHED MORE IN ITS FIRST YEAR...in

ESTABLISHED FREE AMERICAN JOURNALISM IN 1789! ANY NEWSPAPER EVER DID SINCE THE BILL OF RIGHTS

building circulation, influence, and advertising linage... THAN

The facts...in figures...

of The Bun's accomplishments are shown on the following pages

1210 YALE LAW LIBRARY



THE SUN IS RISING FAST in the Chicago Morning Newspaper Field

Before December 4, 1941, New York and Boston each had four morning newspapers; Philadelphia, Washington, Los Angeles and San Francisco had two morning newspapers apiece; but Chicago ... second city of the nation ... had only one. The Tribune stood alone in the morning field with 100% of the circulation and advertising.

The field was open to establish a second successful morning newspaper in Chicago . . . to meet the expressed demand of Chicagoans of

every income group for a new type of morning newspaper . . . and to give national and local advertisers a new front door to Chicago's huge market.

It was because The Sun satisfied an existing need that 100,000 Chicagoans subscribed to it before publication . . . and hundreds of advertisers gave it early recognition and acceptance. Today, the circulation trend and the advertising linage record show that there is a definite shift towards The Sun.

1211

The SUN'S daily circulation shows A STEADILY RISING TREND

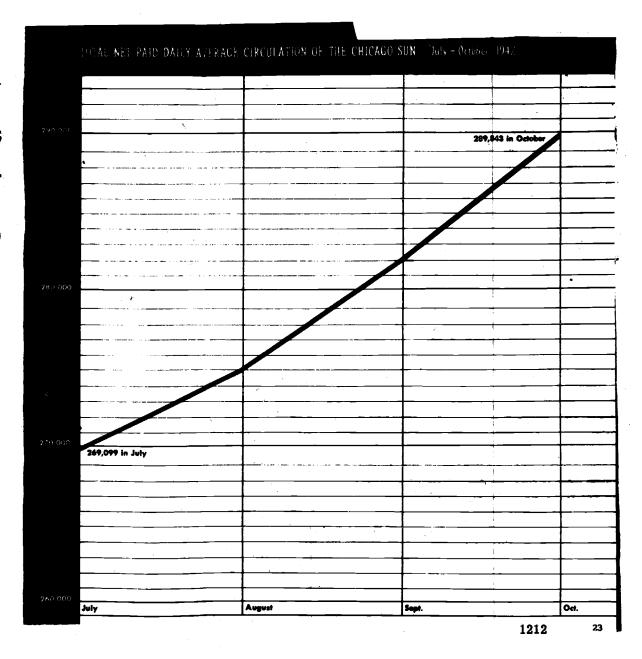
When The Sun broke into the Chicago morning field, some possimists said, "They'll never lick the circulation problem." It WAS a tough one... perhaps the toughest ever faced by a new newspaper.

The Sun was determined to secure efficient cerrier distribution . . . and a full and equal share of newstand display space . . . on a bests of fair competition

The problem of carrier distribution was solved two months after publication . . . as announced February 4th, 1942 . . . when The Sun obtained the services of the "Official Carriers" . . . long-established Newspaper Distributors' Association of Chicago.

Fall newsstand display space was secured and announced less than five months later . . . on June 26th.

As a result of overcoming these obstacles, and constantly improving the paper itself. The Sun's circulation has shown consistent increases, until today it ranks as the 11th largest daily morning newspaper in the United States.



Sundays too, The SUN'S Circulation Follows a

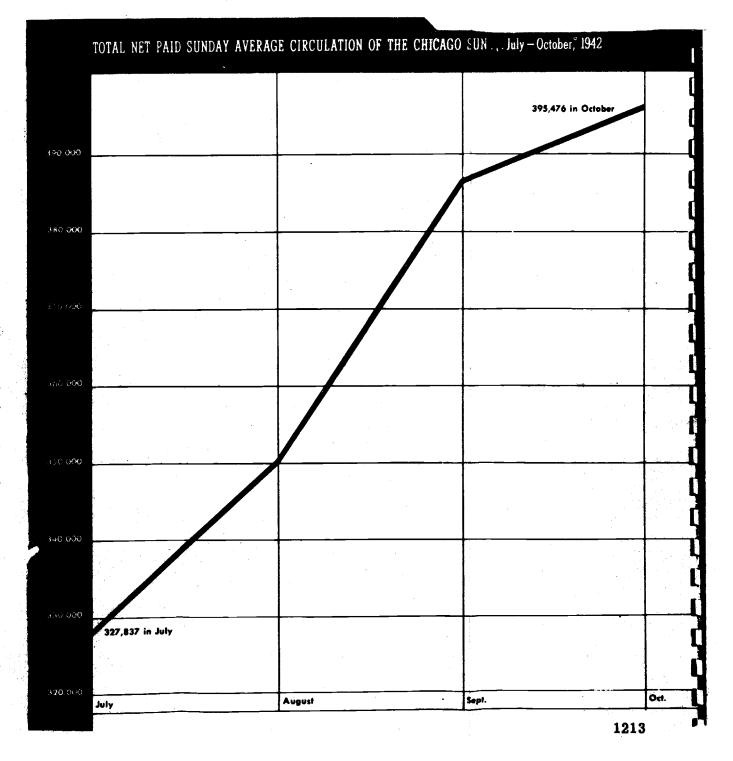
RISING CURVE!

The Sun gives Sunday readers in Chicago and subarhs more for their money . . . Parada, Book Week, a complete novel, two sections of standard-stand color comics as well as a comic book for the children, an abundance of news, grantful standard, and a large quantity of well-diversified advertising.

A feature by feature comparison between.

The Sunday Sun and other Chicago Sunday newspenses supports the idea that The Sun makes the housest editorial appeal to all classes of Chicago Sunday readers.

As a result, The Sun's Sunday circulation image on climbing.



THE AMAZING

FIRST YEAR



ADVERTISING RECORD

OF THE SUN

stands as a striking proof of the strategically concentrated responsiveness of The SUN'S circulation

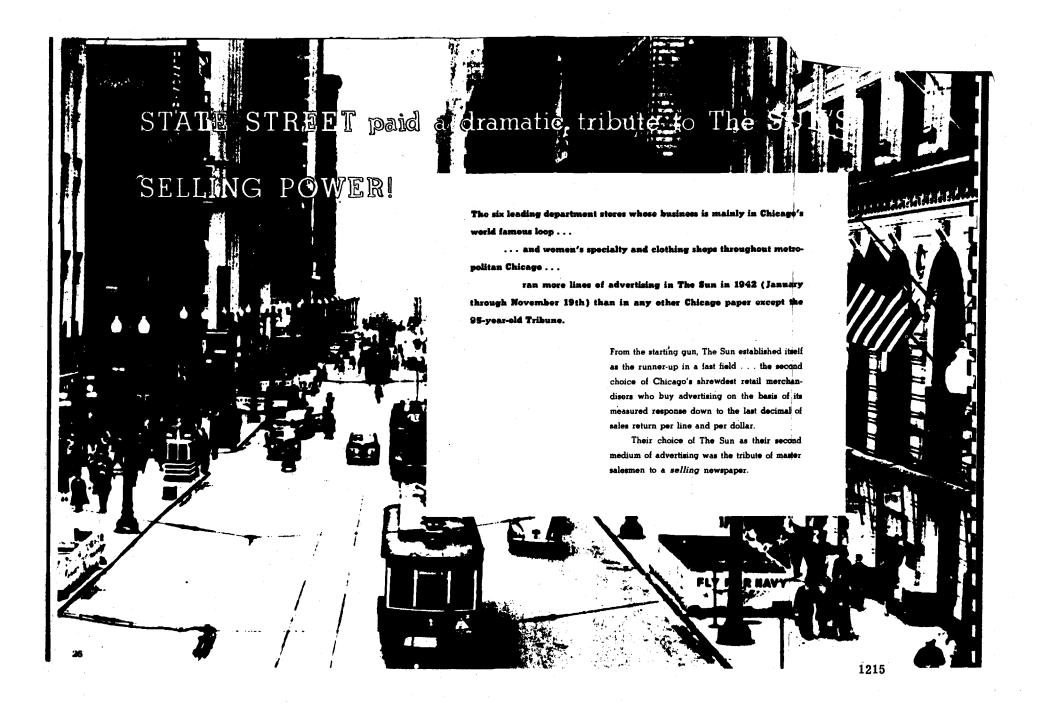
7,439,706 Ines

541 LOCAL ADVERTISERS including Chicago's leading Loop department stores and women's specialty stores...

949 NATIONAL ADVERTISERS and their 276 Advertising Agencies...

and more than 600 amusement advertisers and thousands of classified advertisers

1214



Any way you figure it ...

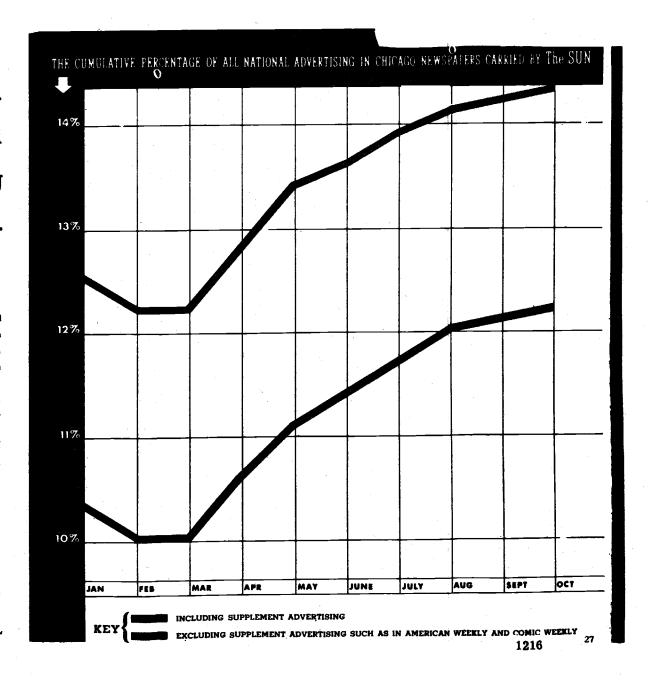
The SUN Strengthened its National Advertising Position...menth after menth... in 1942!

In the face of a shrinking total volume of national advertising in American newspapers, The Sun has consistently acquired a growing proportion of the national advertising linage placed in Chicago newspapers.

This is true whether or not the national advertising linage that is carried automatically in weekly "supplements" is included.

There is one basic reason for the growing preference among national advertisers for The Sun. The Sun readership supports Sun advertisers... and many of the 949 national advertisers who used The Sun in 1942 have learned this fact by experience.

The confidence that The Sun has earned from all classes of Chicago newspaper readers by fairness, accuracy, and public-spirited service ... assures Sun advertisers of the highest degree of responsiveness.



THE SUN held SECOND PLACE in

Total Classified

Advertising Linage

From its first month . . .

... an incredible accomplishment for a new newspaper in a highly competitive metropolitan field ... and striking evidence of the buying vitality of The Sun's circulation

Every classified advertisement is, in effect, a EEYED advertisement . . . a direct test of reader responsiveness. Classified advertisers buy sales results.

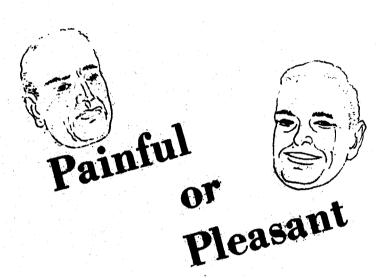
The Sun started with more classified advertising lineae than any Chicago paper except The Tribune . . . and The Sun has held its position as Chicago's second classified medium by delivering results.

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1217

FOR APRIL 24, 1943

23



The TRUTH

the tresh - whether it hurs or soothes. The Truth - whether it alarms or allays. The Truth . . . the whole Truth . . . nothing but the Truth. This is the platform and policy of The Sun.

Telling the truth is <u>Selling The Sun</u> to nearly 300,000 readers a day. This is a terrific record for a lusty young paper not yet a year and a half old—and this policy of telling the Truth has already resulted in making The Sun America's eleventh largest morning newspaper.

THE CHICAGO SUN

CHICAGO'S MORNING TRUTHPOPOR

THE BRANIEM COMPANY, Vational Representatives: Atlanta, Charlotte, Chicago, Dullas, Detroit, Kansas City, Los Angeles, Memphis, New York, Sr. Louis, San Francisco, Seattle. [fol. 1219] In the District Court of the United States for the Southern District of New York

[Title omitted]

RESPONSES OF PLAINTIFF TO REQUEST FOR ADMISSIONS OF DEFENDANTS (EXCEPT TRIBUNE COMPANY AND ROBERT RUTHERFORD McCormick)

The plaintiff, for the purposes of this action only and subject to all pertinent objections to admissibility which may be interposed at the hearing, makes the following Responses to the Request for Admissions served upon counsel for the plaintiff on May 18, 1943.

Request No. 1. Attached hereto and marked Exhibit A is a true and correct copy of a letter dated March 12, 1915, signed by T. W. Gregory, Attorney General of the United States, and sent to James M. Beck, Esq., counsel for The Sun Printing and Publishing Association, following the filing with the Department of Justice of a complaint by The Sun Printing and Publishing Association against The Associated Press for alleged violations of the Federal Anti-Trust Act.

Response. Admits.

[fol. 1220] Request No. 2. For forty-two years last past, the United States of America has not brought to any court or governmental body any complaint that the provisions of the by-laws of The Associated Press constituted an undue or unreasonable restraint of trade, or that The Associated Press had monopolized or attempted to monopolize the collection of news.

Response. Admits.

Request No. 3. The Associated Press is a mutual, cooperative association of over 1,200 members who are the owners of newspapers publishing in the United States, territorial possessions thereof and in certain other parts of the western hemisphere.

Response. Admits that The Associated Press is a membership corporation with over 1,200 members which are owners of newspapers published in the United States, in territorial possessions thereof and certain other parts of

the Western Hemisphere, and for the character of The Associated Press refers to its charter and by-laws, true copies of which are of record in this case.

Request No. 4. The comprehensiveness of the news coverage by The Associated Press is dependent in large part upon the willingness of its members to expend time, effort and money in gathering the news of their respective vicinages and in furnishing it to The Associated Press.

Response. Admits that the comprehensiveness of the news coverage, particularly of domestic news, by The Associated Press, is dependent in large part upon the gathering by its members, and in their furnishing to The Associated Press, the news of their respective vicinages, but has no knowledge of the extent to which the members' willingness to do so accounts for such comprehensiveness of news cov[fol. 1221] exage and asserts that it is a minor factor because of the members' contractual obligation to do so, their economic self-interest in doing so, and the methods which The Associated Press has adopted to insure that they deso.

Request No. 5. The comprehensiveness of the news coverage by The Associated Press is dependent in large part upon the loyalty and cooperation of its members in furnishing all the news of interest of their respective vicinages to The Associated Press.

Response. Admits that the comprehensiveness of the news coverage, particularly of domestic news, by The Associated Press is dependent in large part upon the furnishing by the members to The Associated Press of all the news of interest in their respective vicinages, but has no knowledge of the extent to which the members' loyalty and cooperation account for such comprehensiveness of news coverage and asserts that they are minor factors because of the members' contractual obligation to furnish news to The Associated Press, their economic self-interest in doing so, and the methods which The Associated Press has adopted to insure that they do so.

Request No. 6. The comprehensiveness of the news coverage of The Associated Press would not be materially enhanced by the election into membership of a newspaper in

a locality adequately covered from a local news standpoint by an existing member or members.

Response. Cannot admit, because plaintiff believes that it is important to news agencies (including The Associated Press) to have as many sources of news as possible, so that, in addition to mere adequacy of coverage in any particular locality, the news agency will have the assurance, which more than one competing source provides, that news events will be fully reported with utmost speed, and that [fol. 1222] the greater the number of such sources the greater the likelihood the local news reports will be accurate and free from bias.

Request No. 7. No by-law, rule or resolution of The Associated Press prescribes that The Associated Press members may not purchase or otherwise obtain the services of rival or competing news agencies, such as the United Press Associations or International News Service.

Response. Admits, but states that under the present by-laws of The Associated Press, while a newly elected member may be required to relinquish to the existing members competing with him any exclusive rights he may have to news or news picture services, the by-laws do not impose any reciprocal obligation upon such existing members to relinquish to the new member any similar exclusive rights they may have.

Request No. 8. Over four hundred members of The Associated Press subscribed to the services of United Press Associations or International News Service, or both, in September, 1941.

Response. Admits.

Request No. 9. The value of news lies in its exclusiveness, reliability and newness.

Response. Admits that a large part of the value of news to newspapers or news agencies lies in its exclusiveness, reliability and newness.

Request No. 10. News is a report of the happenings of an event.

Response. Admits.

[fol. 1223] Request No. 11. The original source of news lies in the event itself.

Response. Admits that the original source of news is the event itself, in the sense that, without the happening of the event, there could be no report thereof (i. e., news), but states that it is not the original source of news in the sense that original source of news is the person or agency who first makes the report (i. e., news) of the event.

Request No. 12. The Associated Press does not, nor does it attempt to, prevent non-member newspapers or rival or competing news agencies from obtaining access to the original sources of news.

Response. Admits that The Associated Press does not prevent, or attempt to prevent, non-member newspapers or competing or rival news agencies from obtaining access to events, except by making exclusive contracts with the news reporting instrumentalities which as a practical matter have the only access to many events, but states that The Associated Press attempts to, and does, prevent such newspapers and news agencies from obtaining access to the first or earliest report (i. e., news) of events.

Request No. 13. The growth of competing news agencies has been fostered as a result of the restriction of The Associated Press's service to its own members.

Response. Admits that the growth of competing news agencies has been fostered to some extent as a result of the restrictions of The Associated Press' service to its own members, but states that other restrictions imposed by The Associated Press have hampered and impeded the growth of competing news agencies and of newspapers competitive with members of The Associated Press.

[fol. 1224] Request No. 14. The facilities for the transmission of news and pictures, such as telephone, telegraph, radio and cables, are available to all on an equal basis.

Response. Admits that the public utility facilities for the transmission of news and pictures are, subject to the limitations imposed by restricted physical capacity, available to all on an equal basis. Request No. 15. The United Press Associations, International News Service or any other person or organization interested in transmitting news or pictures can, individually, if they so desired and were willing to assume the cost, utilize transmission facilities similar to those utilized by The Associated Press.

Response. Admits that United Press Associations, International News Service, or any other person or organization interested in transmitting news or pictures can, individually, if they so desire and are willing to assume the cost, utilize transmission facilities provided by public utilities, subject to the limitations imposed by restricted physical capacity, similar to those utilized by The Associated Press.

Request No. 16. The term "leased wire" as commonly used by news agencies means a subscription to a service furnished by telephone, telegraph or cable companies, under which such companies agree for a fee to provide facilities for sending news reports and news pictures to specified points. The arrangement is similar to that of the ordinary telephone subscription.

Response. Admits the statement contained in the first sentence. Denies the statement in the second sentence and states that a subscriber for leased wire service obtains the rights to use the facilities for a specified time and pays the [fol. 1225] public utility on the basis of the time contracted for, whereas a subscriber to ordinary telephone service pays the public utility on the basis of the time actually used on each call.

Request No. 17. The Associated Press does not have the exclusive right to use any particular telephone or telegraph or cable wire. The control of the wires and cables and the particular route over which news and pictures travel at any given time is exclusively in the discretion of the respective utility companies providing the transmission facilities.

Response. Admits.

Request No. 18. The cooperative character of The Associated Press is directly responsible for the excellence, completeness and unbiased nature of its news reports.

Response. Admits that the "cooperative character" of The Associated Press, in the sense that it is owned by, and undertakes to serve, a large number of newspapers of different character widely situated, is conducive to lack of bias in its news reports, but states that it has little or no bearing upon the otherwise excellence or completeness of these reports. If "cooperative character" is used in the sense of loyalty, willingness, or cooperativeness of AP members in furnishing The Associated Press with their local news, plaintiff denies that it has any bearing whatever on AP's reports of foreign news and for its bearing upon AP's reports of domestic news, refers to its answers to Requests Nos. 4 and 5.

Request No. 19. Daily newspapers in the United States have existed for many years and still do exist without membership in The Associated Press.

Response. Admits.

[fol. 1226] Request No. 20. Daily newspapers in the United States subscribing to the services of the United Press Associations have existed for many years and still do exist without membership in The Associated Press.

Response. Admits.

Request No. 21. Daily newspapers in the United States subscribing to International News Service have existed for many years and still do exist without membership in The Associated Press.

Response. Admits.

Request No. 22. A number of large metropolitan newspapers and small groups of newspapers gather and distribute a large proportion of the news of outstanding world events printed by them and by others to whom such newspapers in turn sell the news so gathered and transmitted by their individual effort and initiative. Among such newspapers are: The Chicago Sun, The New York Times, The New York Herald Tribune, The Chicago Tribune and The Chicago Daily News.

Response. Admits that a few large metropolitan newspapers and a few small groups of newspapers gather, by their individual effort and initiative, a considerable propor-

tion of the news of outstanding world events printed by them, and admits that such newspapers sell such news to other newspapers, but the plaintiff is without knowledge as to whether the news so purchased by other newspapers constitutes a large proportion of the news of outstanding world events which they print, and further states that regular members of The Associated Press are prohibited by contractual arrangements with The Associated Press from selling to others than The Associated Press and its members local news of spontaneous origin gathered by their individual effort and initiative.

[fol. 1227] Request No. 23. The data relating to newspapers and news agencies published by Editor and Publisher in its International Year Books is accepted and relied on by newspapers and news agencies as substantially accurate and reliable.

Response. Admits, subject to correction.

Request No. 24. Circulation data relating to newspapers published by the Audit Bureau of Circulations is accepted and relied on by newspapers and news agencies as substantially accurate and reliable.

Response. Admits, subject to correction.

Request No. 25. The data concerning newspapers, newspaper features, pictures and news syndicates contained in N. W. Ayer & Son's Directory of Newspapers and Periodicals is accepted and relied on by newspapers and news agencies as substantially accurate and reliable.

Response. Admits, subject to correction.

Request No. 26. The list of the members of the press and the newspapers and news agencies represented by them, entitled to admission to the Press Galleries of the House of Representatives and the Senate of the United States on May 26, 1942, contained on pages 709 to 719, inclusive, of the June, 1942 Congressional Directory is true and correct.

Response. Plaintiff has been advised by the secretary of the Standing Committee of Correspondents, Congressional Press Galleries as follows: "So far as I know the answer is 'Yes' but because of the rapid turnover in the lists of correspondents and the press services and newspapers they represent it is impossible to say that [the] list is actually correct."

[fol. 1228] Request No. 27. A true and correct list of the newspapers and news agencies represented in the Press Galleries of the House of Representatives and the Senate of the United States on May 26, 1942 is contained on pages 720 to 729, inclusive, of the June 1942 Congressional Directory.

Response. Plaintiff has been advised by the secretary of the Standing Committee of Correspondents, Congressional Press Galleries as follwos: "So far as I know the answer is 'Yes' but because of the rapid turnover in the lists of correspondents and the press services and newspapers they represent it is impossible to say that [the] list is actually correct."

Request No. 28. A true and correct list of the members of the White House News Photographers' Association and the organizations represented by them as of May 26, 1942 is contained on pages 731 to 734, inclusive, of the June, 1942, Congressional Directory.

Response. Admits.

Request No. 29. The following is a true and correct copy of the rules governing the Press Galleries of the House of Representatives and the Senate of the United States as of May 26, 1942:

"Rules Governing Press Galleries

"1. Persons desiring admission to the Press Galleries of Congress shall make application to the Speaker, as required by rule XXXV of the House of Representatives, and to the Committee on Rules of the Senate, as required by rule IV for the regulation of the Senate wing of the Capitol; and shall state in writing the names of all newspapers or publications or news associations [fol. 1229] by which they are employed, and what other occupation or employment they may have, if any; and they shall further declare that they are not engaged in the prosecution of claims pending before Congress or

the departments, and will not become so engaged while allowed admission to the galleries; that they are not employed in any legislative or executive department of the Government, or by any foreign Government or any representative thereof; and that they are not employed, directly or indirectly, by any stock exchange, board of trade, or other organization, or member thereof, or brokerage house, or broker, engaged in the buying and selling of any security or commodity or by any person or corporation having legislation before Congress, and will not become so engaged while retaining membership in the galleries. Holders of visitor's cards who may be allowed temporary admission to the galleries must conform to the restrictions of this rule.

- "2. The applications required by the above rule shall be authenticated in a manner that shall be satisfactory to the standing committee of correspondents who shall see that the occupation of the galleries is confined to bona fide correspondents of reputable standing in their business, who represent daily newspapers or newspaper associations requiring telegraphic service; and it shall be the duty of the standing committee at their discretion, to report violation of the privileges of the galleries to the Speaker, or to the Senate Committee on Rules, and pending action thereon the offending correspondent may be suspended.
- "3. Persons engaged in other occupations whose chief attention is not given to newspaper correspondence or to newspaper associations requiring telegraphic service shall not be entitled to admission to the Press Galleries; and the Press List in the Congressional Directory shall [fol. 1230] be a list only of persons whose chief attention is given to telegraphic correspondence for daily newspapers or newspaper associations requiring telegraphic service.
- "4. Members of the families of correspondents are not entitled to the privileges of the galleries.
- "5. The Press Galleries shall be under the control of the standing committee of correspondents, subject to the approval and supervision of the Speaker of the

House of Representatives and the Senate Committee on Rules.

"Approved.

Sam Rayburn, Speaker of the House of Representatives.

Approved by the Committee on Rules of the Senate."

Response. Admits.

Request No. 30. Attached hereto and marked Exhibit B is a true and corect copy of the Final Decree entered in the office of the Clerk of the United States District Court for the Southern District of New York on or about May 19, 1919, in an action brought in said court entitled "Associated Press vs. International News Service."

Response. Admits.

Request No. 31. Attached hereto and marked Exhibit C is a true and correct copy of a letter dated November 15, 1941, signed by Marshall Field and sent to J. D. Gortatowsky.

Response. Admits.

[fol. 1231] Request No. 32. The Washington, D. C. Times Herald has been published as a daily paper since 1939.

Response. Admits.

Request No. 33. The daily average circulation of the Washington, D. C. Times Herald has risen from over 180,000 copies in 1939 to over 220,000 copies in 1942.

Response. Admits.

Request No. 34. The Chicago Sun has been published continuously since December 4, 1941.

Response. Admits.

Request No. 35. The Chicago Sun attained a daily average circulation of over 277,000 in less than one year after commencing publication.

Response. Admits.

Request No. 36. The average monthly Sunday circulation of The Chicago Sun for the months of July, 1942, to March, 1943, inclusive, was as follows:

July,	1942	327,837
August,	"	350,353
September,	66 .	386,467
October,	"	395,476
November	66	402,732
December,	"	404,413
January,	1943	405,741
February,	"	406,271
March,	"	406,822

Response. Admits.

[fol. 1232] Request No. 37. The Chicago Sun as of September 30, 1942 had the eleventh largest morning circulation in the United States.

Response. Admits.

Request No. 38. Excluding tabloids, The Chicago Sun as of September 30, 1942 ranked eighth in circulation among the morning papers in the United States.

Response. Admits.

Request No. 39. On January 17, 1943, Marshall Field stated in The Chicago Sun as follows:

- "Since last July The Sun's circulation has increased every month.
- "This record of first year growth has never been approached by any newspaper in the entire history of American journalism.
- "As a matter of fact, The Sun stands today eleventh among all the 356 morning newspapers in the United States.

"We established The Sun on fundamental business principles and after a reasonable initial investment we expect and know that the paper, like any other successful business enterprise, will show a profit." Response. Admits that the sentences quoted in Request No. 39 are excerpts from a statement of Marshall Field published in The Chicago Sun on January 17, 1943, a true copy of which statement, marked Plaintiff's Exhibit A, is annexed hereto as part hereof.

[fol. 1233] Request No. 40. The statements made by Marshall Field referred to in the previous paragraph were true when made.

Response. Admits that the statement referred to in plaintiff's response to Request No. 39 was true when made.

Request No. 41. Attached hereto and marked Exhibit D is a true and correct copy of an advertisement published in The Chicago Sun Monday, January 25, 1943.

Response. Admits.

Request No. 42. On January 20, 1943, in a statement published in The Chicago Sun, Turner Catledge, editor of The Chicago Sun, said:

"We are proud of the success that has met our enterprise."

Response. Admits that the sentence quoted in Request No. 42 is an excerpt from a statement of Turner Catledge published in The Chicago Sun on January 20, 1943, a true copy of which statement, marked Plaintiff's Exhibit B, is annexed hereto and made a part hereof.

Request No. 43. On or about October 25, 1942, the Promotion and Research Department of The Chicago Sun issued a statement entitled "Let's Look at the Record," a true and correct copy of which is attached hereto and marked Exhibit E.

Response. Admits, except that the statement was published in November, 1942.

[fol. 1234] Request No. 44. Attached hereto and marked Exhibit F is a copy of an advertisement issued by The Chicago Sun in September, 1942.

Response. Admits.

Request No. 45. Attached hereto and marked Exhibit G is a true and correct copy of an advertisement published

by The Chicago Sun in Editor & Publisher Magazine for November 21, 1942.

Response. Admits.

Request No. 46. In a brochure entitled "Sun Rise", issued by The Chicago Sun in or about December, 1942, the following statements appear:

"Proof that The Sun was a dynamic newspaper

* * equipped to deliver the news accurately,
fairly and first-in-a-crisis * * * came on the
fourth day of publication. When the cables burned
with the story of Pearl Harbor, the Sun reacted with
veteran coolness and was on the streets first * * *
ahead of its 95-year-old rival * * * with one of
the most important war extras in Chicago history.

"Since then the Sun has consistently delivered to its readers a large number of exclusive local, national, and foreign news stories. In fact, The Sun has regularly given its readers more news for their money than any other Chicago paper, and more than all but three papers in America: The New York Times, New York Herald Tribune, and Philadelphia Inquirer.

* * * * * * *

"The steady rise of The Sun's daily circulation dur-[fol. 1235] ing recent months * * * a more consistent rise than that of any other Chicago newspaper during the same period * * * shows that Chicago morning newspaper readers have a growing appetite for facts accurately presented!"

Response. Admits, but attaches as part hereof, marked Plaintiff's Exhibit C, a correct copy of the full statement contained in the brochure of which the quotations contained in Request No. 46 are excerpts.

Request No. 47. Attached hereto and marked Exhibit H is a true and correct copy of page 8 in a brochure issued by The Chicago Sun, entitled "Sun Rise."

Response. Admits that Exhibit H referred to in Request No. 47 sets forth excerpts from the full statement contained in Plaintiff's Exhibit C.

Request No. 48. Attached hereto and marked Exhibit I is a true and correct copy of page 12 of a brochure issued by The Chicago Sun and entitled "Sun Rise."

Response. Admits that Exhibit I referred to in Request No. 48 sets forth excerpts from the full statement contained in Plaintiff's Exhibit C.

Request No. 49. Attached hereto and marked Exhibit J is a true and correct copy of page 13 of a brochure issued by The Chicago Sun and entitled "Sun Rise."

Response. Admits that Exhibit J referred to in Request No. 49 sets forth excerpts from the full statement contained in Plaintiff's Exhibit C.

Request No. 50. Attached hereto and marked Exhibit K is a true and correct copy of pages 21-28 of a brochure issued by The Chicago Sun, entitled "Sun Rise."

[fol. 1236] Response. Admits that Exhibit K referred to in Request No. 50 sets forth excerpts from the full statement contained in Plaintiff's Exhibit C.

Request No. 51. Attached hereto and marked Exhibit L is a true and correct copy of an advertisement appearing in the Editor & Publisher Magazine on April 24, 1943.

Response. Admits.

John Henry Lewin, Charles H. Weston, Charles B. Rugg, Special Assistants to the Attorney General.

Duly sworn to by John Henry Lewin. Jurat omitted in printing.

(Here follow 2 photolithographs, side folios 1237-1238.)

YALE LAW LIBRARY

A Statement by MARSHALL FIELD

Founder of The Chicago Sun

MANY people around Chicago keep asking me, "How is The Sun doing?"

The interest seems to be so general I thought it would be a good idea to answer



telling of our troubles along with our accomplishments.

that question publicly,

Just how well The Sun is doing may surprise you, if you don't happen to know the

MARSHALL FIELD

facts, but first let me clear up a few points and answer a few questions that are most frequently asked me.

Some people have been led to believe that The Sun was conceived and established as a partisan tool.

We printed our first paper December 4, 1941, and three days later came the attack on Pearl Harbor. So it goes without saying that if The Sun had been founded purely on the issue of America's participation in the war, or on any kind of political basis, we would not be in existence today, much less enjoying a healthy growth.

It didn't seem to us that one morning paper in a city of Chicago's size was properly representative of Chicago. It was an un-American situation, existing right here in the city which means so much to me personally.

Los Angeles and Philadelphia each had two morning papers. Boston and New York each had four. But Chicagoans had no choice.

At first people didn't seem to realize that what we had in mind was a superior newspaper, based on the highest standards of journalism.

Many who expected miracles were naturally disappointed, but hundreds of the

people who were standing in line the night our first issue hit the streets, and temporarily left us, are now coming back as regular subscribers.

Everybody probably remembers the trouble we had at first getting on the closely-controlled newsstands and carrier routes. Many of our friends were indignant and disappointed, but those troubles are now behind us.

Since last July The Sun's circulation has increased every month.

This record of first-year growth has never been approached by any newspaper in the entire history of American journalism.

As a matter of fact, The Sun stands today *eleventh* among all the 356 morning newspapers in the United States.

Here's another interesting fact: I keep running into people who think The Sun (now in its fourteenth month) is in its third, fourth or fifth year.

That's perfectly swell. From the beginning we have tried to give The Sun maturity in its appearance and operation, and Chicago people seem to have accepted The Sun as an established institution.

Unquestionably the major key to our success is our insistence on Truth.

We believe the news columns of a newspaper belong solely to the reader in the form of unadulterated, uncolored news, based on the Truth; that the editorial columns are the place for expressing opinions. For example, cartoons, which are a form of editorial opinion, have never appeared on the front page of The Sun.

Saturated for years with editorialized and distorted news, Chicago morning newspaper readers now may choose between news that reports the facts and news that tries to sell a personal and biased point of view. They seem to enjoy the new experience of getting the facts and forming their own opinions.

This is one basic reason for our growth, and here is another: In our editorial columns we give free play to expression of opinion in a way that is fresh and new in Chicago. It may be likened, I think, to the old town meeting where citizens were encouraged to express their own opinions, and where free speech in this country was really born.

- Right now The Sun has only one hattle cry:
 Win the war and win the peace. Any
 policy which blocks the war effort in any
 way will be condemned by this paper.
- In politics, we have no enemies to punish, no friends to reward.
- We believe in the democratic principle of majority rule and minority rights.
- We propose to bit hard and fairly for the progress of the country and the community.
- We believe in the inevitable destiny of Chicago as a world center of commerce and culture.
- We established The Sun on fundamental business principles and after a reasonable initial investment we expect and know that the paper, like any other successful business enterprise, will show a profit.
- We shall continue to treat the news objectively, without passion or prejudice, and our editorial pages will always invite free discussion and opinion.
- We propose to keep on publishing a vigorous, liberal and completely independent paper which will mirror Chicago to itself in its best light.
- We aim to belp tomorrow be a better day

Building a morning Truthpaper for Chicago

A Statement by Turner Catledge.. Editor of The Chicago Sun

The morning newspaper situation in Chicago was long looked upon as a disgrace by self-respecting newspapermen.

Long before joining The Chicago Sun, I was dumbfounded time and again by the



TURNER CATLEDGE

handling of news in the Chicago morning field, as contrasted with that of leading newspapers across the country.

. It was obvious to me and my friends in

the profession—both in Chicago and the country at large—that Chicago morning paper readers too often were getting a completely distorted picture of local, national and world events.

Could it be that the people of America's second largest city—men and women who figure things out for themselves in business, politics, and in their personal affairs—really wanted that sort of thing? I couldn't believe it.

Therefore, when I was invited to join The Sun, I welcomed the chance. It was an opportunity to do a constructive job that any sincere newspaperman would give his right arm to tackle. Here was a wide-open chance to be of public service, merely through the simple application of honest journalism.

The unfortunate thing is that many times the truth can be distorted without changing the essential facts. It's amazing how a slight change in the wording of a news item or the use of a headline can completely distort a reader's understanding of current events. As an amusingly simple example, let's take the old saying:

"AN APPLE A DAY KEEPS THE DOCTOR AWAY"

The same facts, distorted and exaggerated, could be made to read

FRUIT GROWERS DESTROYING MEDICAL PROFESSION

Seriously this example is no more farfetched than many actual distortions of the news which appear in the Chicago morning field —but not in The Sun.

If a sailor in the Merchant Marine says, "The voyage to Murmansk is dangerous," our story says exactly that—

-not that "all members of U. S. Merchant Marine are lily-livered cowards."

The blue and white Truth posters you see around Chicago are no mere boastful display. They represent the aspirations and responsibility felt by the editors and staff of The Chicago Sun. The Sun is edited on the simple premise that "news" means honest news—facts reported as straight as they can be had.

There is nothing that could so humiliate a conscientious reporter as to be asked to distort a story to please the personal bias of his publisher. And there is no one held in such low regard by other newspapermen as the reporter who submits to such a thing. The masthead on the editorial page of The Sun carries this statement:

"The news columns shall be fair and accurate; the editorial columns shall be honest and just in the expression of conscientious opinion."

On this editorial page and in our signed features, you will often find a wide divergence of opinion in the same issue. This is American.

Note the names that are now shining out of the pages of The Sun: Samuel Grafton, Walter Lippmann, K. M. Landis II, Mark Sullivan, Frank Kent, Phil Hanna, M. W. Fodor, Warren Brown, Frank Smothers, Robert Lasch and others.

These are men with independent minds, with something to say, and the ability to say it. These writers are free to give us the best they can bring, unhampered by political axe-grinding or by the personal prejudices of a dictatorial publisher.

Here is an open-minded and independent attitude that denies all political alliances.

The Sun does not wear the colors of any party.

We have one fixed editorial purpose to fight every selfish, narrow, bigoted idea that blocks or retards America's war effort.

[fol. 1239]

PLAINTIFF'S EXHIBIT C

Copy of Statements Contained in the Anniversary Booklet Prepared by The Chicago Sun

SUN RISE

Chicago, December 4, 1941-1942

Page 2

On the night of December 3, 1941

Page 3

the people of Chicago waited

Page 4

until The Sun appeared

Page 5

FIRST EDITION

The story back of this first edition is dramatic because The Sun was planned, organized, staffed, named, and coordinated as a fully functioning newspaper in only sixty days from the decision to publish. It's the only story of its kind in the 153-year history of free American journalism!

The Sun was Chicago's own idea * * * demanded by thousands of Chicagoans in petitions and mass-meetings * * * named "The Sun" by a popular majority in a [fol. 1240] naming contest that brought 220,000 entries * * subscribed to by more than 100,000 families before publication.

No wonder the crowds waiting at newsstands to buy The Sun's first edition * * * and their excitement when the first copies appeared * * * suggested an event of world importance! For Chicagoans The Sun's birthday was important. It was an expansion of their democratic privilege of free choice and opinion. For the first time in many months they could choose between two morning newspapers.

How did Chicago respond to The Sun after that first dramatic day? Turn the pages and let the facts show you.

Only 4 Days Old * * * The Sun Scoops Chicago With a War Extra!

* Proof that The Sun was a dynamic newspaper * * * equipped to deliver the news accurately, fairly, and first-in-a-crisis * * * came on the fourth day of publication. When the cables burned with the story of Pearl Harbor, The Sun reacted with veteran coolness and was on the streets first * * * ahead of its 95-year-old rival * * * with one of the most important war extras in Chicago history.

Since then The Sun has consistently delivered to its readers a large number of exclusive local, national and foreign news stories. In fact, The Sun has regularly given its readers more news for their money than any other Chicago paper, and more than all but three papers in America: The New York Times, New York Herald-Tribune, and Philadelphia Inquirer.

Chicagoans asked for a new morning Newspaper that would give them more facts fairly and accurately presented. They got it in The Sun.

[fol. 1241] Page 8

In Less Than a Year The Sun Was Established as One of the Largest Morning Daily Papers in America!

The Sun's circulation record stands alone in the history of American publishing. No other American newspaper has ever won and held so many readers during its first year of publication, not even The New York Daily News * * * circulation giant of the newspaper business * * * which averaged about 100,000 readers less during its first twelve months. (To be exact, The New York Daily News showed a circulation of 185,828 on its first twelve months Audit Report, and the total net paid circulation of the daily Sun * * at eleven months * * * was 289,843.)

According to the latest available figures, The Sun stands eleventh in circulation among all U. S. Daily morning papers, and eighth among full-sized morning papers.*

^{*} October, 1942, figures.

No more striking evidence could be given that Chicago wanted a new morning newspaper * * * and that The Sun was the kind of newspaper it wanted.

(continued)

39 U. S. Morning Newspapers With 100,000 or More Total Net Paid Circulation

City and Newspaper	Circulation	of Years Published
New York News (Tabloid)	1,979,328	23
Chicago Tribune		95
New York Mirror (Tabloid)		18
New York Times		91
Philadelphia Inquirer		113
Boston Post	371,236	111
Detroit Free Press	326,895	111
New York Herald-Tribune	323,189	101
Kansas City Times	315,676	41
[fol. 1242]		
Boston Record (Tabloid)	. 314,748	129
Chicago Sun		1 Months
St. Louis Globe-Democrat		90
Los Angeles Examiner		3 9
Pittsburgh Post-Gazette		156
Cleveland Plain Dealer	236,698	97
Los Angeles Times	235,019	61
Philadelphia Record	. 228,887	72
Des Moines Register	177,364	93
San Francisco Examiner	168,293	62
Baltimore Sun		105
Portland Oregonian	152,181	92
Washington Post	150,775	6 5
New Orleans Times-Picayune .		105
Boston Globe	136,405	70
Indianapolis Star		39
Atlanta Constitution		7 4
Memphis Commercial Appeal.		102
Louisville Courier-Journal		116
Boston Herald		96
Buffalo Courier-Express		108
Cincinnati Enquirer	127,275	101
	-	

		$egin{aligned} Number\ of\ Years \end{aligned}$
Milwaukee Sentinel	125,163	105
San Francisco Chronicle	119,155	77
Seattle Post-Intelligencer	112,940	79
Dallas News	110,386	100
Newark Star Ledger	105,617	110
Houston Post	104,621	57
Miami Herald	102,086	32
Fort Worth Star-Telegram	100,158	47

^{*} October, 1942, figures.

Source: Publishers' March 31, 1942. Statements as reported in 1942 Standard Rate and Data Service for October.

[fol. 1243] Page 9

Editorial Integrity—News-Getting Enterprise—Human Interest—Community Service

These Basic Factors of Fine Journalism Caused The Sun's Phenomenal Rise:

The Sun was born full-grown * * * a full-sized metropolitan newspaper with a hundred thousand subscribers, hundreds of thousands of readers, and a positive plan of action.

The Sun was planned to be a newspaper for the Chicago community * * * shaped to the ideals, needs, interests, and tastes of the community * * * edited to develop a strong bond of confidence and understanding between editors and readers.

No arbitrary editorial pattern was established and the only policies laid down were those basic to vigorous American journalism: a devotion to objective reporting * * * the accurate and uncolored presentation of the facts, a conscientious concern for freedom of opinion, and an equal concern for the responsibilities of editorship.

For the rest, The Sun's program was frankly experimental * * * subject to development by the impact of events. The editors were left free to learn what Chica-

^{** 3-}Month Period ending March 31, 1942.

goans wanted from The Sun, and * * * within limits of policy, time, and means * * to give them what they wanted.

How The Sun * * * within a year * * * gave Chicagoans what they wanted, is told briefly in the following pages.

[fol. 1244] Page 10

Chicago Morning Newspaper Readers Wanted the TRUTH

And day by day The Sun delivered

* * The Fair and Accurate Reporting of the Facts

From the beginning, The Sun's news policy * * * stated on its masthead * * * has been: "The news columns shall be fair and accurate."

To carry out this policy, Editor Turner Catledge and his staff hold a firm check-rein on conjecture and opinion * * check and double-check every alleged fact and quotation that comes by phone or wire. To seasoned newspaper men, The Sun's meticulous attention to factual detail is impressive. They know what accuracy costs in time, care, and money.

This policy of accuracy is not sensational * * * and builds no skyrocket circulation. It is just sound journalism which * * carried on day after day * * * wins the enduring support of intelligent citizens who do not like to be misinformed or led by the nose.

The steady rise of The Sun's daily circulation during recent months * * * a more consistent rise than that of any other Chicago newspaper during the same period * * * shows that Chicago morning newspaper readers have a growing appetite for facts accurately presented!

[fol. 1245] Page 11

Chicago Morning Newspaper Readers Wanted Well-Reasoned Editorials

And day by day The Sun delivered them

* * Fairminded Discussions of Local,
National, and Global Issues

In Chicago, as in other American cities, excess of editorial bias is not welcomed at the breakfast table. Good temper is needed for good digestion, especially in times of national strain. The Sun's sane and well-reasoned editorials came as a welcome relief to many Chicagoans weary of a morning diet of rhetorical red pepper.

When, as often happens, a question has two right sides, The Sun presents both of them. When, as in recent cases of water pollution and taxation, the rights of the community demand strong editorial speaking, The Sun pulls no punches * * and, on its record, gets results.

The Sun's masthead states: "the editorial columns shall be honest and just in the expression of conscientious opinion." Omitted from the masthead, but always present in the thoughts of editorial writers, is the declaration: "The Sun's editorials shall be rational, readable, and righteously forceful when fighting for the rights of its readers."

Page 12

Chicago Morning Newspaper Readers Wanted Unbiased News from Washington

And day by day The Sun delivered it!

* * * Factual Reports on National Events and Issues To cover Washington * * * now the news center of the world * * * The Sun organized the largest Washington [fol. 1246] Bureau of any newspaper, staffed and equipped it to cover all the news every day.

Headed by Bascom Timmons * * * who has covered Washington from the inside for 30 years * * a staff of 18 specialists daily fights its way through rumor and red tape to get all the facts that can be told.

A remarkable tribute to The Sun's Washington Bureau was paid by The Washington Post when * * * acting on its direct knowledge of the field * * * it bought The Sun's Washington News Service for its readers.

One reason why more Chicagoans are reading The Sun every month is because it tells them facts from Washington without editorial flavoring.

Chicago Morning Newspaper Readers Wanted First-Hand News of the War

And day by day The Sun delivered it!

Chicagoans are connoisseurs of foreign news reporting. To give them the high quality of foreign news coverage they demand, The Sun developed * * in less than a year * * one of the fastest-moving, quickest-thinking organizations of foreign correspondents in the field.

Headed by H. R. Knickerbocker * * * veteran foreign correspondent and Pulitzer Prize winner * * * The Sun's staff has sailed, ridden, flown, and walked to every major scene of action. They've traveled with the Marines to Guadalcanal (where John G. Dowling, bombs bursting about his ears, wrote one of the most thrilling stories of the war) * * * with the U. S. Army to Australia and New Zealand, where Edward Angly scored a sensational news beat by being the first reporter to announce that the "Yanks" were in Australia, and H. R. [fol. 1247] Knickerbocker turned up with an exclusive story of "MacArthur's Thrilling Dash to Australia." They've traveled to China, India, Russia, Egypt and Algeria, London and Eire, and throughout Latin America in order to bring up-to-the-minute news to Sun readers day in and day out.

A score of Sun correspondents are already famous for their special talents: Chester Morrison for his ability to project the mood and meaning of a story through the screen of censorship; John Dowling for his vivid "hot spot" word pictures; John Adams for his penetrating analysis of our great ally, Brazil; Frederick Kuh, Head of The Sun's London Bureau, and his associate, William Humphreys, for a mature inside grasp of the diplomatic scene. All in all, The Sun's foreign staff is one of the best in the world today!

Chicago Morning Newspaper Readers Wanted Hard-Hitting Cartoons

And day by day The Sun delivered them

The Sun has one of the most unusual teams of cartoonists of any newspaper * * * Charles Werner and Jack Lambert * * who work in two different mediums * * * brush and clay * * * to add pictorial point and humor to The Sun's editorial page.

Werner, a Pulitzer prize winner, is achieving a rapidly growing Chicago audience.

Lambert, also nationally famous, pleases Sun readers with something new—sculptured cartoons modelled in clay and photographed under special lighting to tell their story with contrasting lights and shadows.

Between the two, readers of The Sun's editorial page have consistently enjoyed a welcome daily laugh * * * an American way of exercising their democratic sense of political proportions.

[fol. 1248] Page 15

Chicago Morning Newspaper Readers Wanted Columnists of National Calibre

And day by day The Sun delivered them

* * News Commentators Whose Opinions Make News

Chicago has long had a taste for expert news analysis and interpretation. Nowhere are newspaper readers more appreciative of good columnists or critical of weak ones. To satisfy this interest The Sun worked out a balanced ration of comment and opinion based on the solid meaty stuff put out by writers like Samuel Grafton, Walter Lippmann, and M. W. Fodor.

Grafton's plain speaking and militant democracy is just what Chicago wanted. His column, "I'd Rather Be Right" is a favorite Sun feature with a steadily growing audience.

Lippmann and Fodor appeal to Chicagoans for different reasons. Lippmann is the acknowledged master of reasoned news analysis * * * a luminously clear commentator who has earned an audience of millions during the past 20 years. Fodor's masterly first-hand knowledge of Central Europe * * * recognized by leading foreign correspondents as all-encompassing * * * gives his column special interest for the large number of Chicagoans who are bound by blood ties to Europe. John Gunther, ace correspondent, paid an unusual tribute to Fodor when he wrote: "Fodor has the most acutely comprehensive knowledge of Central Europe of any journalist I know. Of all Europe, for that matter * * * he educated Dorothy Thompson and me practically from the cradle."

With Grafton to speak for democracy, Lippmann to clarify their thoughts, Fodor to give them inside facts about the war, and other nationally famous writers such as * * *

Frank Smothers, Chief of Editorial Staff, Dale Harrison, Robert Lasch, Irving Brant, Harold Taylor, W. A. S. Douglas, Warren Wheaton,

[fol. 1249] to highlight the news, Sun readers are sure of a well-rounded body of informed opinion. And every month, more Chicagoans are turning to The Sun for its famous "page-opposite-editorials."

Page 16

Chicago Morning Newspaper Readers Wanted Some New Laughs

* * New Comic Strip Personalities for Kids and Grownups And day by day The Sun delivered them

The popularity of comics is an unsolved mystery of newspaper publishing * * * (solve it, and you'll make a fortune!) * * * but it is bound up with public taste and habit. The Sun's comics evidently appeal to Chicago taste for they are creating a steadily growing group of new readers.

Youngsters and grownups * * * probably more of the latter * * * follow the daily adventures of Mr. J. J. J. O'Malley, Barnaby's erudite fairy godfather and the most whimiscal character ever to follow a leprechaun across the printed page. For those who like well-drawn adventure strips, there is Captain Midnight who thrills his audience

daily and Sunday with daring secret service exploits. Hap Hopper * * * Washington Correspondent * * * satisfies the current interest in journalistic adventure. And * * a novelty in the Chicago daily morning field * * Nancy and The Toodles are true children's strips, edited for the grammar school set. In fact, The Sun's comics span the full range of reader interest from the highest adult brow to the lowliest tousle-head.

[fol. 1250] Page 17

Chicago Morning Newspaper Readers Wanted A New Sports Picture

And day by day The Sun delivered it!

* * More Graphic, Factual, and
Complete Sports Coverage

After twenty-seven years as sports writer and editor on newspapers in San Francisco, New York, and Chicago, Warren Brown knew the kind of Sports Section that Chicagoans wanted. He came to The Sun to give it to them.

Brown's record for calling his shots goes back to 1915 when he predicted that Dempsey * * * a little-known dark horse * * * would take Jess Willard's crown. Long an intimate friend of Knute Rockne, Brown was first with his biography after the great coach's tragic death. He was also the first sports writer to appear as a radio commentator at a World Series.

Under his direction, The Sun's sports pages publish more news * * * of more sports and more games * * college, prep school, and professional * * * than any other midwest newspaper. The 12-page Sunday Sports Section has been hailed by 150 of America's leading athletic coaches as a major advance in sports journalism. Amos Alonzo Stagg—the "Grand Old Man of Football", "Fritz" Crisler, and many others have voluntarily written letters to The Sun praising the "completeness" * "pictorial excellence" * "enterprise and aggressiveness" of its sports coverage.

[fol. 1251] Page 18

Chicago Morning Newspaper Readers Wanted More Attention to Women's Interests

And day by day The Sun delivered it!

* * More Factual and Considerate Treatment of Their Problems

The Women's Pages of The Sun are quite conventional because * * * bless them! * * * most women are conventional about child-care, home economics, health and beauty, and other feminine interests. The Sun's policy is to give women readers what they want * * * and its soundness is proved by their responsiveness. More than half a million requests for Sun leaflets, many of which cost three and ten cents * * * have been received to date.

Under the editorship of Gudrun Alcock, a staff of capable women writers has worked out a pattern that is winning the approval of a steadily growing audience of Chicago wives and mothers.

Page 19

Chicago Morning Newspaper Readers Wanted a More Newsworthy Treatment of Society and Club News

And day by day The Sun delivered it!

In Chicago, society and club news is not restricted to a single clique or set. There is a broad field of social activity to be covered * * * most of it now related to the war effort. The Sun's policy is to report all the news of public interest in this field * * * factually, accurately, and fairly.

Sarah Brown Boyden, Society Editor, and Neola Northam, Club Editor, have a wide and intimate knowledge of Chicago personalities. Their treatment of Society and [fol. 1252] club news breaks completely with stodgy conventions. As a direct result, Chicago morning readers are developing a new and growing interest in The Sun's Society and Club page.

Chicago Morning Newspaper Readers Wanted Uncolored Financial Facts

And day by day The Sun delivered them

* * Especially Facts about Legislation and Industrial Trends

News affecting Chicago business men flows in from The Sun's Washington Bureau * * * supplementing the usual financial and industrial news releases. Statistics of basic interest or pictographically presented * * * a special Sun feature. And Phil Hanna * * * a favorite Mid-West commenator on business * * dips daily into his incredibly broad experience as banker, reporter, editor, and Man-About-the-Mid-West to interpret the facts as he finds them.

Phil Hanna's ambition is to make The Sun's business pages the best in America * * * and Chicagoans think he is well on his way.

Page 21

Because

It gave Chicago morning newspaper readers what they wanted * * * day by day * * * weekdays and Sundays * * The Sun accomplished more in its first year * * in building circulation, influence, and advertising linage * * * than any newspaper ever did since the bill of rights established free American Journalism in 1789!

The facts * * * in figures * * * of The Sun's accomplishments are shown on the following pages.

[fol. 1253] Page 22

Before December 4, 1941, The Tribune stood alone in the Chicago morning newspaper field * * * with 100% of the circulation.

Now * * * in 1942 * * * one out of every three newspaper readers reads The Chicago Sun.

The Sun Is Rising Fast in the Chicago Morning Newspaper Field

Before December 4, 1941, New York and Boston each had four morning newspapers; Philadelphia, Washington, Los

Angeles and San Francisco had two morning newspapers apiece; but Chicago * * * second city of the nation * * * had only one. The Tribune stood alone in the morning field with 100% of the circulation and advertising.

The field was open to establish a second successful morning newspaper in Chicago * * * to meet the expressed demand of Chicagoans of every income group for a new type of morning newspaper * * * and to give national and local advertisers a new front door to Chicago's huge market.

It was because The Sun satisfied an existing need that 100,000 Chicagoans subscribed to it before publication * * and hundreds of advertisers gave it early recognition and acceptance. Today, the circulation trend and the advertising linage record show that there is a definite shift towards The Sun.

Page 23

The Sun's Daily Circulation Shows a Steadily Rising Trend

When The Sun broke into the Chicago morning field, some pessimists said, "They'll never lick the circulation problem." It was a tough one * * * perhaps the toughest ever faced by a new newspaper.

[fol. 1254] The Sun was determined to secure efficient carrier distribution * * * and a full and equal share of newsstand display space * * * on a basis of fair competition.

The problem of carrier distribution was solved two months after publication * * * as announced February 4th, 1942 * * * when The Sun obtained the services of the "Official Carriers" * * * long-established Newspaper Distributors' Association of Chicago.

Full newsstand display space was secured and announced less than five months later * * * on June 26th.

As a result of overcoming these obstacles, and constantly improving the paper itself, The Sun's circulation has shown consistent increases, until today it ranks as the 11th largest daily morning newspaper in the United States.

A chart appeared on Page 23 entitled—

"Total Net Paid Daily Average Circulation of the Chicago Sun * * * July-October, 1942"

The figures shown:

269,099 in July

289,843 in October

Page 24

Sundays Too, The Sun's Circulation Follows a Rising Curve!

The Sun gives Sunday readers in Chicago and suburbs more for their money * * * Parade, Book Week, a complete novel, two sections of standard-sized color comics as well as a comic book for the children, an abundance of news, special stories, and a large quantity of well-diversified advertising.

A feature by feature comparison between The Sunday Sun and other Chicago Sunday newspapers supports the [fol. 1255] idea that The Sun makes the broadest editorial appeal to all classes of Chicago Sunday readers.

As a result, The Sun's Sunday circulation keeps on climbing.

A chart appeared on Page 24 entitled—

"Total Net Paid Sunday Average Circulation of The Chicago Sun * * * July-October, 1942"

The figures shown:

327,837 in July

395,476 in October

Page 25

The Amazing First Year Advertising Record of The Sun

* * stands as a striking proof of the strategically
concentrated responsiveness of The Sun's circulation.

7,439,706 lines of advertising in the first 50 weeks.

from:

541 Local Advertisers including Chicago's leading Loop department

stores and women's specialty stores * * 949 National Advertisers and their 276 Advertising Agencies * * and more than 600 amusement advertisers and thousands of classified advertisers

Page 26

State Street Paid a Dramatic Tribute to The Sun's Selling Power!

The six leading department stores whose business is mainly in Chicago's world famous loop * * *

[fol. 1256] * * * and women's specialty and clothing shops throughout metropolitan Chicago * * *

ran more lines of advertising in The Sun in 1942 (January through November 19th) than in any other Chicago paper except the 95-year-old Tribune.

From the starting gun, The Sun established itself as the runner-up in a fast field * * * the second choice of Chicago's shrewdest retail merchandisers who buy advertising on the basis of its measured response down to the last decimal of sales return per line and per dollar.

Their choice of The Sun as their second medium of advertising was the tribute of master salesmen to a selling newspaper.

Page 27

Any way you figure it * * *
The Sun Strengthened its National
Advertising Position * * *
Month after month * * * in 1942!

In the face of a shrinking total volume of national advertising* in American newspapers, The Sun has consistently acquired a growing proportion of the national advertising linage placed in Chicago newspapers.

This is true whether or not the national advertising linage that is carried automatically in weekly "supplements" is included.

^{*} General, Automotive and Financial.

[fol. 1257] There is one basic reason for the growing preference among national advertisers for The Sun. The Sun readership supports Sun advertisers * * * and many of the 949 national advertisers who used The Sun in 1942 have learned this fact by experience.

The confidence that The Sun has earned from all classes of Chicago newspaper readers * * * by fairness, accuracy, and public-spirited service * * assures Sun advertisers of the highest degree of responsiveness.

A chart appeared on Page 27 entitled—

"The Cumulative Percentage of all National Advertising in Chicago Newspapers Carried by The Sun"

Page 28

The Sun Held Second Place in Total Classified Advertising Linage from its First Month * * *

* * an incredible accomplishment for a new newspaper in a highly competitive metropolitan field * * * and striking evidence of the buying vitality of The Sun's circulation.

Every classified advertisement is, in effect, a KEYED advertisement * * * a direct test of reader responsiveness. Classified advertisers buy sales results.

The Sun started with more classified advertising linage than any Chicago paper except The Tribune * * * and The Sun has held its position as Chicago's second classified medium by delivering results.

[fols. 1258-1259]

Page 29

And so * * * with Grateful Appreciation to the Friends Who Made it Possible * * *

We Celebrate the Success of The Sun's First Year

To the thousands of Chicagoans who helped to name The Sun * * * to the 100,000 who subscribed before publication * * * and to the hundreds of thousands of Chicago families who have adopted The Sun as a favorite newspaper. * *

To the thousands of advertisers—national, local, amusement, and classified * * * and hundreds of advertising agencies * * * who had faith in The Sun as an advertising medium. * * *

Page 30

It is with mixed feelings of pride and gratitude that we watch the first year of The Sun come to a close.

Pride, in that this newspaper has in its short life been able to interest so many people.

And gratitude for all the support and encouragement The Sun has had—a sustained reception that we are sure no other city in the world could match.

It is a source of particular pleasure that so many advertisers in Chicago have confirmed our estimate of the kind of newspaper Chicago needed, and backed our effort to supply it. The public taste is usually varied, indiscriminate and often emotional, but the advertisers' selection is sophisticated, the result of reason and judgment. The evidence of value to the advertiser is convincing evidence of value to the community.

In conclusion, all we can do is offer our sincere assurance that The Sun will continue to merit more, with every coming year, the support that has been given to it in its first year.

Marshall Field, Silliman Evans.

[fol. 1260] In the District Court of the United States for the Southern District of New York

[Title omitted]

MOTION FOR SUMMARY JUDGMENT—Filed May 25, 1943

To the Honorable the Judges of the District Court of the United States for the Southern District of New York:

The United States of America, plaintiff, by its attorneys, acting pursuant to Rule 56 of the Federal Rules of Civil Procedure, moves the court for a summary judgment in this case in favor of the plaintiff.

The plaintiff moves that such summary judgment adjudge, order and decree as follows:

- 1. That the defendants have been, and are, engaged in a combination and conspiracy in restraint of interstate trade and commerce in violation of the Act of July 2, 1890, entitled "An Act to Protect Trade and Commerce against Unlawful Restraints and Monopolies," as alleged in the complaint;
- 2. That the defendants have been, and are, engaged in a monopolization of a part of interstate trade and commerce, [fol. 1261] an attempt to monopolize the same and a combination and conspiracy to monopolize the same in violation of the said Act of July 2, 1890, as alleged in the complaint;
- 3. That the defendants and each of them, and each and all of their respective agents and employees, and all persons acting or claiming to act on behalf of them or any of them, be perpetually enjoined from further engaging in or carrying out said combination and conspiracy in restraint of interstate trade and commerce, said combination and conspiracy to monopolize a part of said interstate trade and commerce, said monopolization and attempt to monopolize, or from doing any act in furtherance thereof, or from engaging in any similar combination or conspiracy, monopolization or attempt to monopolize having the same general purpose and effect;
- 4. That each and every provision of the by-laws of The Associated Press which imposes any condition, limitation, or requirement upon admission to membership in The Associated Press is illegal, null, and void, and in violation of said Act of July 2, 1890, except provisions of said by-laws that require every member to be the sole owner of a newspaper, or require that every applicant for membership, before becoming a member file proof of such ownership and proof of the "field" in which his or its newspaper is published (i. e., morning, afternoon, Sunday and/or weekly), or that the applicant sign the membership roll of The Associated Press and assent in writing to its by-laws (other than the provisions of such by-laws adjudged to be illegal.);

[fol. 1262] 5. That each and every provision of the by-laws of The Associated Press which prohibits a member from

furnishing to anyone not a member of The Associated Press news which he or it is required by the by-laws to supply to The Associated Press is illegal, null, and void, and in violation of said Act of July 2, 1890;

- 6. That the defendants and each of them, and each and all of their respective agents and employees, and all persons acting or claiming to act on behalf of them or any of them, be perpetually enjoined from further carrying out any provision of the by-laws of The Associated Press adjudged to be illegal, and from making, becoming a party to, or carrying out any subsequent provision of such by-laws of like character, effect, or purpose;
- 7. That the acquisition by The Associated Press of the stock of Wide World Photos, Inc., is illegal, null and void, and in violation of Sections 1 and 2 of said Act of July 2, 1890, and of Section 7 of the Act of October 15, 1914, known as the Clayton Act, and that The Associated Press be required to divest itself of the stock and of all interest in Wide World Photos, Inc.;
- 8. That the existing agreement dated November 1, 1935, between The Associated Press and The Canadian Press be cancelled, and that the defendants and each of them, and each and all of their respective agents and employees, and all persons acting or claiming to act on behalf of them or any of them, be perpetually enjoined from entering into any agreement with The Canadian Press, or any other press association, under which The Associated Press agrees not to deliver its news reports to any other association, news-[fol. 1263] paper, or individual in any particular territory, area or region, or under which The Associated Press obtains the exclusive right to receive the news reports of any such association, newspaper, or individual;
 - 9. That the plaintiff recover its taxable costs.

II

The plaintiff sets forth the following as the grounds for granting its motion for summary judgment:

1. The pleadings, admissions (both those made in response to plaintiff's requests for admissions and in the defendants' answers to plaintiff's interrogatories), deposi-