Mass Circulation Periodicals and the Harmsworth Legacy in the British Popular Magazine Industry

Howard Cox
University of Worcester

Paper prepared for the European Business History Association Annual Conference, Bergen, Norway, 21-23 August 2008. This is a working draft and should not be cited without first obtaining the consent of the author.

Professor Howard Cox
Worcester Business School
University of Worcester
Henwick Grove
Worcester WR2 6AJ
UK
Tel: +44 (0)1905 855400
e-mail: h.cox@worc.ac.uk
Mass Circulation Periodicals and the Harmsworth Legacy in the British Popular Magazine Industry

Howard Cox
University of Worcester

Introduction

This paper reviews some of the main developments in Britain’s popular magazine industry between the early 1880s and the mid 1960s. The role of the main protagonists is outlined, including the firms developed by George Newnes, Arthur Pearson, Edward Hulton, William and Gomer Berry, William Odhams and Roy Thomson. Particular emphasis is given to the activities of three members of the Harmsworth dynasty, of whom it could be said played the leading role in developing the general character of the industry during this period. In 1890s Alfred Harmsworth and his brother Harold, later Lord Northcliffe and Lord Rothermere respectively, created a publishing empire which they consolidated in 1902 through the formation of the £1.3 million Amalgamated Press (Dilnot, 1925: 35). During the course of the first half of the twentieth century, Amalgamated Press held the position of Britain’s leading popular magazine publisher, although the company itself was sold by Harold Harmsworth in 1926 to the Berry brothers in order to help pay the death duties on Alfred Harmsworth’s estate. Used by the Berrys largely as a cash cow to support their newspaper publishing activities, the Amalgamated Press business deteriorated significantly after about 1950. In 1958 Cecil King, the chairman of the Daily Mirror and a nephew of Alfred and Harold Harmsworth, acquired his late uncles’ firm from the Berry interests and set in train a series of events that culminated in the formation of the International Publishing Corporation (IPC) in 1963; a company which for a short period claimed to be the world’s leading publishing organisation and which constituted the dominant producer of popular magazines in Britain for over two decades.

The Popular Magazine Industry before 1914

The portfolio of periodical titles that IPC controlled following its formation in 1963 comprised the outcome of over 50 years of consolidation within the British magazine industry. Central to this had been the activities of Amalgamated Press, which had been founded in 1902 by Alfred Harmsworth (1865-1922) (cr. Viscount Northcliffe in 1918). After
a brief period as editor of *Youth* in 1882/3 (a title owned by the Ingram family and published from their *London Illustrated News* office) Harmsworth began to contribute material to George Newnes’ (1851-1910) successful weekly *Tit-Bits* magazine (Thompson, 2000: 7-8). Newnes had created *Tit-Bits From All the Most Important Books, Periodicals and Contributors in the World* in 1881 and had supported its initial success with various innovative forms of promotion although not, at least initially, by including advertisements (Shaw, 1985: 437). After relocating from Manchester to London in 1886, George Newnes & Co. (floated in 1891) launched a number of successful magazines including the extensively illustrated monthly *Strand Magazine* (1891), the *Review of Reviews, Country Life* (1897), *Ladies Field* and *Woman’s Life*. His only newspaper venture, the *Westminster Gazette* (launched 1893) was not a success however.

In 1886 Alfred Harmsworth was asked by William Iliffe, who had founded the publishing concern of Iliffe & Sons in 1879, to edit the company’s ailing *Bicycling News* title. Harmsworth relocated to Coventry, centre of the bicycle industry in Britain, and achieved a great success (Thompson, 2000: 9). In 1888 he formed a partnership with Dargaville Carr and two others under the title of Carr & Co. and in June launched the inaugural edition (no. 3) of *Answers to Correspondents on Every Subject Under the Sun* - one of approximately 200 new British periodicals of 1888 (Thompson, 2000: 11) - as a direct rival to *Tit-Bits*. Harmsworth followed Newnes’ ideas of promoting the magazine through competitions, raising circulation to 48,000 by the end of the first year. In partnership with his more business-savvy brother Harold (1868-1940) (cr. Viscount Rothermere in 1919), he transferred control of *Answers* from Carr & Co. to the Answers Company Ltd and Harold assumed the role of company secretary. *Answers* ultimately broke through into the mass circulation market when, in October 1889, the magazine launched a competition offering £1 per week for life to the person who came closest to guessing the amount of gold in the Bank of England. Entries numbered 718,218 and, since each entry needed to be “witnessed” by five people who were neither relatives nor living at the same address, the competition succeeded in bringing the new magazine to the attention of millions of potential readers. Although the circulation of *Answers* quickly reached 200,000, it fell short of the half million readers who purchased *Tit-Bits* each week (Thompson, 2000: 12-14).

The management of *Tit-Bits* had been assumed in 1885 by Cyril Arthur Pearson (1866-1921), who had gained his initial appointment at Newnes’ firm the previous year by winning one of
the weekly magazine’s many competitions. Despite also being appointed as Business Manager of the Review of Reviews in 1889, Pearson broke with Newnes in 1890 and started Pearson’s Weekly as yet another direct rival to Tit-Bits. As the first in a number of cheap weekly magazines put out by his company (C. Arthur Pearson Ltd, formed in 1896), Pearson’s Weekly reached a peak of circulation 1.25 million in 1897 (Porter, 1985: 575). Along with Tit-Bits and Answers, these three magazines were the best selling titles in Britain during the early twentieth century and, over time, grew to become even more similar in their approach and content than had been the case at the outset (Reed, 1997: 94). Moving into newspapers, Pearson launched the Daily Express as a halfpenny daily in 1900 but the title suffered early losses. In 1904 Pearson purchased the Standard and the Evening Standard from James Johnstone for £700,000, and after floating shares in the two Standards during 1908 he sold them in 1910 to Tory MP Davison Dalziel and Sir Alexander Henderson, who in turn sold them to Edward G. Hulton in 1914. These titles, together with a number of provincial newspapers (such as the Birmingham Daily Gazette), were sold between 1910 and 1912 as his sight failed (Porter, 1985: 576). Hulton closed the morning Standard in 1916 and in the same year Beaverbrook acquired Pearson’s Daily Express (ketupa.net/illiffe2.htm).

Like Pearson, Alfred Harmsworth also branched into other areas of publishing following the success of Answers. In 1890 he and his brother established the Pandora Publishing Co. and launched a halfpenny humour weekly entitled Comic Cuts, followed quickly by Illustrated Chips featuring the comic-strip character Chips. This astute move enabled the Harmsworth concern to wrest control of a substantial readership amongst juvenile and adolescent males who had previously been adherents to the “penny dreadful” genre of low-cost magazine publishing. Comic Cuts soon amassed a circulation of 300,000 and became dubbed by critics “the halfpenny dreadfuller” (Springhall, 1994: 568). Further examples followed during the early 1890s, including Marvel, Wonder, Union Jack and the Boy’s Friend. By 1893, the total circulation of Harmsworth’s weekly publications neared 1.5 million (Thompson, 2000: 18).

Harmsworth moved into the market for women’s magazines too, but still with an eye to providing enhanced value for money. In 1891 his Answers’ company launched Forget-Me-Not, a penny magazine aimed at the growing female market designed as a low-price alternative to existing offerings such as Lady’s Pictorial and Queen (Thompson, 2000: 15). When, in 1896, Harmsworth launched the Daily Mail as a halfpenny daily newspaper aimed at a national market, the first issue contained a section called “Woman’s Realm” (Thompson,
2000: 35). This attempt to attract a female readership for a national daily newspaper was not successful. Nor again, with the launch of the *Daily Mirror* in 1903, did the effort to target a female audience meet with success (Martin, 1993: 341). However, the creation of *Women’s Weekly* magazine in 1911, the first issue of which sold over 500,000 copies (Reed International, n.d.: 28), did finally provide Harmsworth with a publication of outstanding importance for a female readership (Norton, 1993: 244).

By 1897 the newly-titled firm of Harmsworth Brothers Ltd was earning net profits of £197,000 (Thompson, 2000: 45). The following year the company established a new £500,000 London headquarters on Carmelite Street and brought into operation a £40,000 printing works in Lavington Street, Southwark, to complement its existing printing facility in Gravesend. The additional printing capacity provided the Harmsworth press with more rotary presses than any other publisher (Pound and Harmsworth, 1959: 238), equipped with the innovative Linotype automated typesetting machines that had been developed during the second half of the 1880s (Thompson, 2000: 35,58). When Alfred Harmsworth transformed Harmsworth Brothers into Amalgamated Press in 1902, capitalising its value at £1.3 million, the new firm was publishing a total of twenty four journals with an aggregate circulation of over 5 million per week (Dilnot, 1925: 35).

Harmsworth’s failure to successfully position the *Daily Mirror* as a paper for women led to its relaunch in 1904 as an illustrated paper for the general public. Under the guidance of Arka Sapt, an expert in the printing of illustrations and photographs, and equipped with the most advanced Hoe rotary press, capable of printing 24,000 pictures per hour (Thompson, 2000: 113), the newspaper’s circulation expanded to beyond one million (Martin, 1993: 341). Printing the illustrations required a new grade of fine newsprint that was provided by Albert E. Reed & Co. Ltd. By 1914, with the *Daily Mirror* now the largest selling daily newspaper in the world, the link between Harmsworth and Reed had become of great mutual benefit to the two firms (Swan, 1991: 665).

**The Inter-war Years**

The inter-war years witnessed a sharp rise in the sales of mass circulation daily newspapers. As an increasing proportion of the revenue generated for newspaper proprietors began to derive from advertising rather than the cover price, so the battle for circulation figures became of paramount concern. Fuelled by a circulation war sparked by Julius Elias (1873-
The phenomenal rise in daily newspaper circulation acted to deflate the growth in magazine titles that had marked the era of Newnes, Harmsworth and Pearson. Coupled with this growth in newspapers came new forms of mass entertainment to add further competition for the magazine-purchasing public’s disposable income, such as radio broadcasting and the cinema (in the late 1930s for every person who bought a daily newspaper, two bought a cinema ticket (Stevenson, 1984: 396, 403, cited in Hobsbawm, 1994: 193)). Whilst these new leisure activities themselves provided scope for launching linked magazine titles – the Radio Times providing one such example – on balance their impact seems to have been to deflect expenditure away from weekly magazines.

One magazine that proved enduringly popular between the wars was John Bull. The title had been launched in 1906 by the journalist, financier and Liberal MP Horatio Bottomley (1860-1933). The printing firm of Odhams had collaborated with Bottomley in the publication of the title and, as Bottomley’s fortunes unravelled, the two enterprises merged in 1920 to form Odhams Press Ltd. (Odhams, 1935: 54). Between the wars, Odhams expanded their publishing interests into both newspapers – it published the weekly People as well as taking over the Daily Herald - and magazines. Of particular importance amongst its magazine titles were Horse and Hound (originally founded in 1884), Illustrated News Review, Sporting Life and Ideal Home. The latter title had been conceived in 1920 by William Morris (1877-1963) (cr. Viscount Nuffield in 1938) and became increasingly influential between the wars under the guidance of its first editor Captain G.C. Clark (Reed International, n.d.: 26).

The death of Alfred Harmsworth in 1922 led to the partial break-up of his publishing empire, which now fell under the control of his brother Harold (Lord Rothermere). The Amalgamated Press magazine group was sold off in 1926 to the Allied Newspapers consortium, which had been formed in 1924 by William and Gomer Berry (later Lord Camrose and Lord Kemsley respectively) in collaboration with Sir Edward Iliffe. The following year Allied Newspapers also acquired Edward G. Hulton’s substantial chain of publications from the Rothermere
group, who had acquired them via Lord Beaverbrook at the time of Hulton’s death two years earlier (Murdock and Golding, 1978: 136).

By the outbreak of the Second World War, therefore, three large groupings of popular magazine titles were established in Britain, namely Odhams, Amalgamated Press and the Newnes-Pearson Group. Odhams, under the control of Julius Elias (Lord Southwood), developed a string of periodicals including John Bull, Passing Show and Picturegoer. To these Elias added in 1937 the titles owned by Illustrated Newspapers Ltd, which he acquired for £3.2 million from the Inveresk paper manufacturing company, bringing into the group titles such as Illustrated London News and Tatler. Amalgamated Press meanwhile continued to operate as a distinct entity within the Allied Newspapers group, but in 1937 it fell under the control of Lord Camrose when the Berry consortium as a whole broke into three groups. At this stage the Amalgamated Press had an authorised capital of £6.2 million and published 58 weekly and 21 monthly periodicals, as well as owning the Imperial Paper Mills of Gravesend. The combined interests of George Newnes and C. Arthur Pearson made up the third main grouping of popular magazine titles, which by this stage were under the control of Sir Frank Newnes and Sir Neville Pearson. This group continued to publish well-established titles such as Tit-Bits, Strand Magazine, Country Life and Homes and Gardens (Political and Economic Planning, 1938: 96-105).

Of the three leading magazine publishers in the 1930s, Odhams emerged as the most progressive, spearheading an important shift in the technology of printing from the widely established letterpress to the more sophisticated intaglio process of gravure, which allowed for the development of high quality, high volume colour printing. In the mid-thirties, the Odhams’ weeklies, Picturegoer, Weekly Illustrated and the Passing Show were being printed by Sun Engraving in Watford on their gravure presses and Elias made an unsuccessful bid to buy control of the company. Unable to expand via acquisition, in 1936 Odhams purchased the British rights to the gravure printing processes developed in America by the Alco-Gravure company, and proceeded to build its own printing operation at Watford (Reed, 1997: 150). In 1937, Odhams used the new print works to launch Woman, Britain’s first weekly title featuring full colour illustrations. Although Newnes had introduced Woman’s Own in 1932 with a gravure supplement and Amalgamated Press brought out Woman’s Illustrated in 1936, which was also partially printed using gravure, it was the Odhams title that revolutionised the
twopenny woman’s weekly market and helped to establish women’s weekly titles as the mainstay of the popular magazine market in postwar Britain (Reed, 1997: 180).

Post-war Consolidation and the formation of IPC

Conditions in the industry during the immediate postwar period were made problematic by the exigencies of paper rationing, which was only completely lifted in January 1950 (Reed, 1997: 207). Nevertheless, rationing was not without its benefits: the elimination of promotional expenses and the sale of all available copies (avoiding the expenses of returns along with the cost of printing and then transporting them to and fro) meant that the profits of the leading firms increased substantially (Reed, 1997: 205). Indeed, for a decade or so after the end of the war, Britain’s three leading magazine publishers - Odhams, Newnes and Amalgamated Press – seem to have consolidated their position, particularly in relation to the leading women’s weekly segment. One important barrier to entry to new firms was the tight controls established by the various print unions in the typesetting and printing stages of the process. Closed shop arrangements in typesetting houses and machine printing establishments restricted the ability of independent publishers to gain access to expensive, state of the art machinery. At the same time, however, restrictive working practices and over-manning meant that many of the leading publishers of newspapers began to look for ways of cutting costs (Taylor, 1998: 196).

Between 1958 and 1961, a series of mergers took place within Britain’s magazine industry leading to the formation in 1963 of the International Publishing Corporation (IPC) as Britain’s leading periodical publishing company. The chief mover in this process of consolidation was another member of the Harmsworth dynasty, Cecil Harmsworth King, nephew of both Alfred and Harold. King had assumed control of the Mirror in 1951 from Guy Bartholomew, with whom he had pioneered a tabloid revolution in the British popular press through the Daily Mirror (Cudlipp, 1953: 282). In the immediate postwar period the circulation of the Daily Mirror had risen from 2 million to over 4.5 million copies per day, and by 1950 it had overtaken the Daily Express as Britain’s largest selling daily newspaper. However, this growth subsequently stalled, particularly during the latter part of the 1950s, and in 1958 King took the opportunity to expand the Mirror’s sphere of activities into magazines through the acquisition of his late uncle Alfred’s erstwhile Amalgamated Press from the Berry interests. Although at this time the popular magazine segment as a whole was suffering a period of decline, and Amalgamated Press was consequently performing quite
badly, the company owned a number of trade and technical periodical titles (*The Times*, 28/11/58: 12) and this segment had been expanding. King therefore seems to have sought to both enlarge and rebalance the Mirror’s periodical publishing activities. Subsequent to the merger, King closed three of Amalgamated Press’ under-performing popular magazine titles, including *Home Chat* which Alfred Harmsworth had founded in 1895 (Dilnot, 1925: 22-3), and disposed of its shareholding in the American-based publishing house Condé Nast to S.I. Newhouse (*The Times*, 13/3/59: 8; 24/3/59: 12). In 1959 the corporate title of Amalgamated Press was altered to Fleetway Publications.

During the negotiations for Amalgamated Press, the Mirror had been forced to raise its original bid by £2 million in order to foil a threatened counter-bid (*The Times*, 13/12/58: 6). The potential rival bidder had been Odhams, led now by chairman A. C. Duncan. Odhams’ popular colourgravure weekly magazine titles *Woman* and the newly launched *Woman’s Realm* were market leaders and the company’s publishing operations were extremely profitable (*The Times*, 15/6/59: 17). Thwarted in its efforts to acquire Amalgamated Press, Odhams instead bought control of the two remaining significant British-owned magazine publishers during the first half of 1959.

In March, Odhams successfully made a share offer valued at around £1.8 million for the Hulton Press. Hulton Press had been set up by Edward G. Hulton’s son Edward H. Hulton in 1938. That year the company had launched the iconic *Picture Post* weekly illustrated magazine, one of the few successful popular magazines introduced in Britain during the interwar period. Having recruited Stefan Lorent from Odhams, where he had been editor of the *Weekly Illustrated*, Hulton’s *Picture Post* attained a circulation of 1.35 million within just four months (Jenkins, 1976: 182). The company’s fortunes rose and fell in line with the *Picture Post* which had prospered particularly during the late 1940s. By June 1957, however, its circulation had declined to the point where it was no longer viable, and the company’s ordinary dividend was suspended following the magazine’s closure. Although Hulton Press had been a public company since 1948, the directors still held 59 per cent of the ordinary shares and were thus able to effectively agree a price with Odhams for the sale of the business (*The Times*, 16/3/59: 10). Barely two months later, Odhams further expanded their share capital in order to outbid an offer by the *News of the World* to purchase the entire shareholding of George Newnes (*The Times*, 21/5/59: 10). By the end of 1959, therefore,
Odhams and the Mirror between them held the predominant share of Britain’s market for popular magazines.

1959 had also witnessed the acquisition of Lord Kemsley’s publishing empire, including the *Sunday Times*, by the Canadian Roy Thomson to form Thomson Newspapers (Goldenberg, 1985: 35). Having established a newspaper and media group in North America, Thomson had entered the British publishing industry through his purchase of *The Scotsman* in 1953 and four years later had obtained Scotland’s first commercial television franchise as he set about developing an international media empire. Early in 1961, Odhams’ new chairman Sir Christopher Chancellor and Roy Thomson called a joint press conference to announce a merger between their two companies. Under the terms of the deal, Odhams were to place a bid for the shares of Thomson Newspapers which, given the effective control exercised by the Thomson family, would allow a merger to proceed unopposed. The objective of the merger was stated to be financial security, rather than one of industrial rationalisation (*The Times*, 26/1/61: 10; 27/1/61: 12).

Odhams’ merger strategy with Thomson had been provoked by an approach to the company from Cecil King. Shortly before, King had sought to gain Odhams’ agreement to a scheme whereby they would purchase the Mirror’s women’s magazines and other publications from Fleetway Publications, together with the buildings and plant used for their production, in exchange for an allotment of Odhams’ shares to the value of £10 million. When the directors of Odhams indicated their unwillingness to collaborate, King proposed a merger between Odhams and the Daily Mirror Newspapers which, in their view, would effectively constitute a takeover (*The Times*, 10/2/61: 5). The proposed merger with Thomson was therefore an attempt by Odhams’ management to foil to the Mirror bid. Unfortunately, as a form of financial protection, the merger strategy was flawed. Any bid by the Mirror for the Thomson-Odhams company could not be blocked by the Thomson family holding alone, since this would amount to no more than 30 per cent of the total share value of the newly formed company (*The Times*, 28/1/61: 6).

Immediately following the joint Odhams/Thomson press conference, therefore, King’s Mirror Newspapers tabled a £33 million takeover bid for Odhams. The bid caused a furore in both political and industrial circles. In political terms, the combination of the Mirror and Odhams organisations threatened to bring the concentration of press ownership in Britain to
unacceptable levels. A particularly thorny issue was the continued security of Odhams’ publication of the *Daily Herald*. Since the 1929 agreement, Odhams had owned 51 per cent of the *Herald*, set up by the trade unions as the popular voice of the Labour party, with the other 49 per cent owned by the TUC. Although it was well known that the *Daily Herald* was a loss-making operation, subsidised by Odhams’ successful magazine arm, King sought to allay fears that the takeover would lead to a merger of the *Herald* and the *Mirror*, eventually pledging that he would keep the *Herald* in press for at least seven years if the merger took place (*The Times*, 30/1/61: 10; 10/2/61: 5). At the same time as the political machinations continued, with questions in Parliament and discussion within the Cabinet, the National Union of Journalists lobbied strongly against the potential rationalisation that might follow in the wake of the takeover.

The MacMillan government, having deliberated the potentially adverse consequences of the Mirror takeover, were not persuaded to mount an inquiry or to refer the deal to the Monopolies Commission - still at this point concerned only with “monopoly positions” rather than the processes through which such positions came into being. Thus, with regard to the high degree of concentration in the publishing of popular magazines which the combined businesses would generate, Prime Minister Harold MacMillan indicated to Parliament that only consequential rises in cover prices or reductions in the degree of choice would justify a reference to the Monopolies Commission (*The Times*, 1/2/61: 12). Outflanked by King, and in the absence of any specific opposition to the Odhams takeover from the government, Thomson signalled his intention to withdraw from the merger scheme with Odhams following the parliamentary debate (*The Times*, 2/2/61: 12). Although the Odhams board advised its shareholders to reject the Mirror bid, this advice was rescinded when an improved offer increased the value of the deal by £5 million (*The Times*, 9/2/61: 12; 18/2/61, 8).

The seven year commitment offered in relation to the publication of the *Daily Herald*, together with a series conciliatory meetings with the trades unions, proved sufficient for King to overcome the majority of opposition to the deal within the labour force and the takeover was completed in March 1961 (*The Times*, 2/3/61: 12; 15/4/61: 5; 18/4/61: 17). The limited rationalisation within the magazine portfolio which followed the takeover merely involved the merger of Fleetway’s moribund *Woman’s Illustrated* with its far more successful Odhams counterpart *Woman*, and the combination of two of Newnes’ titles, *Woman’s Day* and *Woman’s Own* (*Newspaper Press Directory*, 1962: 23-4).
When IPC was incorporated on 31st December 1962, therefore, it was by any measure a monopoly producer of popular magazines in Britain. In April the following year IPC became the holding company for the various publishing interests of the Mirror Group. Six operating divisions were created, one of which handled the publishing of newspapers, two of which published trade journals (Kelly-Iliffe Holdings - acquired by the Amalgamated Press in 1938 - and the National Trade Press), and three which were primarily concerned with popular magazine publishing (Fleetway, Odhams and George Newnes) (IPC Annual Report and Accounts, 1963: 3). A Harmsworth, in the shape of Cecil King, now presided over the world’s largest publishing enterprise (Cudlipp, 1976: 272).

References


Reed International (n.d), *Chapters from Our History* (London: Reed International plc).


Newspapers/Websites

*The Times*

www.ketupa.net