



Henry R. Luce and the Business of Journalism

James L. Baughman

In the highly competitive field of magazine publishing, Henry Luce enjoyed remarkable success by creating distinctive editorial products, beginning with *Time* in 1923. Luce's publications carefully cultivated the new American middle class and, in the case of *Fortune*, the new managerial class. These were Luce's preferred readers, those he believed would welcome his instruction on matters of culture and public policy.

Henry R. Luce's publications are no longer what they once were, deeply influential arbiters of politics, business, and culture for the American middle class. Yet that so much of his publishing empire remains is no small achievement. His first magazine was born during the Warren Harding administration, when most homes lacked radios and dairies delivered milk in horse-drawn wagons. Some eighty-eight years later, the milk wagons are long gone, yet *Time* remains. Indeed, of the four major publications created during his lifetime, only one, *Life*, is no longer published.

The longevity of Luce's publications is remarkable given the high volatility of magazine publishing. For the period 1885 to 1905, Frank Luther Mott estimated, there were some 7,500 periodical start-ups, with about half that number ceasing publication or merging with others.¹ Of the ten top circulating magazines published in 1922, the year before Luce and Briton Hadden pasted up the first *Time*, only one, *Ladies' Home Journal*,

¹ Frank Luther Mott, *A History of American Magazines, 1885-1905* (Cambridge, Mass., 1957), 11.

James L. Baughman <baughman@wisc.edu> is a professor in the School of Journalism and Mass Communication at the University of Wisconsin, Madison.

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URL: <http://www.thebhc.org/publications/BEHonline/2011/baughman.pdf>

is still being published.² “The really significant characteristic of the magazine industry in the twentieth century was its fluidity,” wrote one historian of the American periodical. “Magazines with circulations of more than a million could vanish with scarcely a trace.”³

Magazine publishing in the twentieth century was, in fact, the most competitive media industry. The owners of circulation-leading daily newspapers in, say, 1950, had to be really incompetent (a few were) not to be earning solid profits a half century later. Until fairly recently, the regulatory structure of broadcasting made operating a network or broadcast station highly profitable. As the famous rock DJ Wolfman Jack reputedly cracked, “All you have to do is open the door.”

Such comparisons remind us that Luce excelled at the business of journalism. And reading Alan Brinkley’s fine biography of the founder of Time Inc. offers some clues as to why. Luce was both a journalist *and* a businessman. In writing my much less ambitious treatment of Luce more than twenty years ago, I had not appreciated his attraction to business. I was certain that Luce had always intended to be a journalist. Yet Luce, Brinkley found, planned to go into business not long after graduating from Yale. Romance had overtaken him. Luce had fallen in love with Lila Hotz, from a wealthy Chicago family. Luce, the son of missionaries, very much liked her upper-class world. But his college friend Briton Hadden persuaded him to make a go of his idea of a news magazine. Without access to Mott’s data, Luce himself had no illusions about the risks. Starting *Time*, he wrote Lila, was “the gamble of our lives on which everything depends, everything . . . the crazy half-romantic thing that has ruined thousands before us.”⁴

Luce would ultimately make his fortune, and *Fortune*, but, as Brinkley tells us, the social world that he had found so enchanting while he was courting Lila soon bored him. As did Lila eventually. All but ignoring his family, Luce for thirteen years following the debut of *Time* busily started and acquired magazines. His track record, as I noted, was extraordinary.

I would suggest several factors that explained Luce’s triumphs. One has to do with his target audience, which I will discuss in a moment. The second relates to his ability to identify, especially as his publishing empire expanded, the right individuals to carry out his plans for new periodicals. These included Ralph Ingersoll of *Fortune* and John Shaw Billings, the first editor of *Life*. As Ingersoll not immodestly recalled, Luce possessed

² The departed include *American Weekly*, *Saturday Evening Post*, *American Magazine*, *Collier’s*, *Fashion Book*, *McCall’s Monthly Fashion Sheet*, *Pictorial Review*, *Women’s Home Companion*, and *McCall’s*. N. W. Ayer & Son’s *Newspaper Annual and Directory* (1922), 1224-26. My thanks to Deborah Barber for assembling these data long ago.

³ Theodore Peterson, *Magazines in the Twentieth Century*, 2^d ed. (Urbana, Ill., 1964), 68.

⁴ Alan Brinkley, *The Publisher: Henry Luce and His American Century* (New York, 2010), 84-87.

“very real—and really extraordinary—executive judgment. He has the highest batting average I know in picking men who can do for him what he wants done.”⁵

Even more, Luce’s success owed much to his rather straightforward approach to creating periodicals. Long before the concept gained currency, Luce adhered to niche theory in putting out magazines, or what Theodore Peterson, in his history of the twentieth-century magazine, dubbed “the Big Idea.”⁶ Luce’s four magazines—*Time*, *Fortune*, *Life*, and *Sports Illustrated*—were each distinctive editorial products—that is, distinctive from existing publications. When Luce and Hadden sought investors for *Time*, some thought what they proposed too much resembled *The Literary Digest*, a popular if soulless weekly compilation and summary of news stories.⁷ The young men emphatically disagreed. *Time* would not merely summarize the news but interpret it in a consistent, knowing, or omniscient voice. “If we can work it out,” Luce wrote a family benefactor, “I am sure it will be a truly significant contribution to modern journalism.”⁸ By comparison, establishing *Fortune* in 1930 constituted less of a struggle, even if, given the onset of the Great Depression, Luce’s timing could not have been worse. *Fortune* took business journalism seriously, very seriously indeed, in terms of layout and length. And *Fortune* dwarfed its few competitors.⁹ In the case of *Life*, Luce had rivals working on comparable, inexpensive picture magazines, and he hurried the launch to beat all others to the news stand. *Sports Illustrated* claimed to be the first weekly sports magazine of the twentieth century.¹⁰ It offered readers a far richer, more wide-ranging exploration of sporting competition than appeared in established rivals like *Sport* and *The Sporting News*.

Each of these publications have had different histories. *Time*’s circulation grew slowly if steadily in the 1920s, while demand for *Life*

⁵ “The Father of Time (As Others See Him),” *New York Post*, 4 Jan. 1957.

⁶ Peterson, *Magazines in the Twentieth Century*, 68. See also John Dimmick and Eric Rothenbuhler, “The Theory of the Niche: Quantifying Competition Among Media Industries,” *Journal of Communication* 34 (Winter 1984): 103-19. An able application of niche theory to journalism history is Richard B. Kielbowicz, “News Gathering by Mail in the Age of the Telegraph: Adapting to a New Technology,” *Technology and Culture* 28 (Jan. 1987): 26-41.

⁷ One journalism educator in 1924 incongruously praised *The Digest* for being “a non-partisan, non-sectarian organ of opinion.” John E. Drewry, *Some Magazines and Magazine Makers* (Boston, 1924), 13-18.

⁸ Luce to Nettie Fowler McCormick [postmarked 26 Feb. 1922], McCormick Papers, ser. 2B, box 182, Wisconsin Historical Society.

⁹ Kevin S. Reilly, “Dilettantes at the Gate: *Fortune* Magazine and the Cultural Politics of Business Journalism in the 1930s,” *Business and Economic History* 28 (Winter 1999): 215.

¹⁰ *Sports Illustrated* advertisement, *Time* (5 July 1954), 64. See also SI mini-dummy or prototype, c. January 1954, in Robert Desmond Papers, box 84, Wisconsin Historical Society.

proved so overwhelming from the start that it almost bankrupted the company because of a too modest circulation guarantee to advertisers. *Fortune* changed during its first decade, becoming more a business periodical than a magazine for enlightened businessmen.¹¹ And *Sports Illustrated* lost money for many years before becoming profitable. Luce never wavered in his belief that SI would prosper. “We’re going to make it,” he told his writers. “We just need time and people.”¹² SI, like his other major magazines, eventually succeeded because it found room in the magazine marketplace.

Consider some of Time Incorporated’s missteps after Luce’s death in 1967. Although *People*, which debuted in 1974, proved very popular, it was the exception rather than the rule at Time Inc. Successes were highly specialized publications like *Cooking Light*.¹³ That did not stop Luce’s successors from spending many millions trying to come up with another Big Idea magazine. Their most spectacular failure, *TV-Cable Week*, ceased publication after twenty-five issues in 1983. Niche theory had been violated in that *TV-Cable Week* could not distinguish itself from *TV Guide*. Time Inc. lost \$47 million on the venture and suffered a temporary loss of \$750 million in stock market value. The journalist John Brooks called *TV-Cable Week* “Time’s own Edsel.”¹⁴

By comparison, Luce’s editorial judgment was intuitive. Well into the twentieth century, men and women like Luce launched or reinvented magazines not on the basis of elaborate market research, but on a hunch.¹⁵ The sportswriter Jim Murray told me that Luce started *Sports Illustrated* after realizing how interested many of the world’s leaders were in sports.¹⁶ Although Luce did not share their enthusiasm—indeed, one contemporary judged him “almost totally uninformed” about sports—he was smart enough to realize a market might exist for a sports periodical that coveted

¹¹ Dwight Macdonald, “‘Fortune’ Magazine,” *Nation* (8 May 1937), 528-29; Michael Augspurger, *An Economy of Abundant Beauty: Fortune Magazine and Depression America* (Ithaca, N.Y., 2004). See also Andrew L. Yarrow, “The Big Postwar Story: Abundance and the Rise of Economic Journalism,” *Journalism History* 32 (Summer 2006): 58-76.

¹² Gerald Holland, “Lunches with Luce,” *Atlantic*, 227 (May 1971): 64.

¹³ Robin Pogrebin, “At Struggling Time Warner, Time Inc. Is Money,” *New York Times*, 3 Feb. 1997.

¹⁴ John Brooks, “The Time Machine,” *Columbia Journalism Review* 25 (May/June 1986): 57; “Time strikes the flag on ‘TV-Cable Week,’” *Broadcasting* (19 Sept. 1983), 38. See also Geraldine Fabrikant, “A Media Giant Loses Its Swagger,” *New York Times*, 1 Dec. 1985.

¹⁵ On re-inventing a magazine based entirely on an editor’s judgment, see Jennifer Scanlon, *Bad Girls Go Everywhere: The Life of Helen Gurley Brown* (New York, 2009).

¹⁶ Telephone interview, 9 Dec. 1986. Murray was involved in the preliminary planning of *Sports Illustrated*.

the better educated and well-to-do.¹⁷ Or, as Dan Jenkins once cracked, the sports magazine for the two-yacht family.¹⁸ Thirty years later, the *TV-Cable Week* fiasco could be attributed not to casual interactions with friends but to MBA planners' over-reliance on research and theory. As one witness to the planning for *TV-Cable Week* remarked, "We started to believe we could produce magazines in a laboratory, wearing white coats."¹⁹ It was a stunning contrast to the simple intuition of Luce and Hadden, who believed that newspapers contained too much news, and that consumers needed a weekly summary that smartly explained what really mattered.²⁰

They prevailed despite a pronounced geographical bias and a common mass communicator's conceit. Luce and Hadden essentially confused their target audience with themselves. Their imagined readers would consist of younger, better educated members of the middle and upper class who were too busy to read *The New York Times* very closely. They were only partly right. Most of *Time's* eventual audience lived outside the circulation area of *The Times*. (In late 1956, *Time* had just under one-third the circulation of the *Wall Street Journal* in New York City.) Put differently, at some point in the 1930s, Luce realized that he was not publishing a magazine for Yale graduates living in and around New York City, but for those living far from New York City who had attended Ohio State and Indiana University. Unlike *his* cohorts, they took newspapers that, instead of reporting too much news, offered *too little*, certainly too little national and international news.²¹ *Time's* influence, one former editor recalled, "is felt least in New York. The farther I went from New York while I was on *Time*, the more impressed I found people were at meeting a *Time* editor."²² The geographical bias of *Time's* audience, by the way, remains true today. When I told Mark Halperin several years ago that my mother, who has lived her entire life in the Buckeye State, has been a *Time* subscriber since the 1940s, he replied, "We're very big in Ohio."²³

¹⁷ Richard Hoffer, "1954, A Great Year for Sports . . . and a New Sports Magazine," *Sports Illustrated*, 14 July 2003; Holland, "Lunches with Luce," 54, 63.

¹⁸ "An April Fools' Day Hoax," *Editor & Publisher* (20 April 1985), 8.

¹⁹ Quoted in Richard M. Clurman, *To the End of Time: The Seduction and Conquest of a Media Empire* (New York, 1992), 76. Christopher M. Byron, *The Fanciest Dive* (New York, 1986), is the definitive account of the *TV-Cable* catastrophe. See also James K. Glassman, "A Waste of 'Time,'" *New Republic* (21 April 1986), 9.

²⁰ Isaiah Wilner, *The Man Time Forgot* (New York, 2006), 79-84.

²¹ Baughman, *Henry R. Luce and the Rise of the American News Media*, rev. ed. (Baltimore, Md., 2001), 39-40, 50-51; "The Story of Time," *New York Post*, 24 Dec. 1956.

²² "The Story of Time," *New York Post*, 24 Dec. 1956.

²³ Interview with Mark Halperin, 5 Nov. 2009.

Luce came to understand—and welcome—the class bias to his readership. “Our journalism,” he remarked in 1939, “is concerned mainly with the middle and upper middle class.”²⁴ Even *Life* magazine, his most popular publication, had a middle-class demographic.²⁵ When he contemplated creating a sports weekly, his editors assured him that only blue-collar Americans enjoyed reading about sports. An in-house survey had suggested that most sports fans were “juveniles and ne’er-do-wells.” Luce disagreed. *Sports Illustrated* would prove that a middle-class, even upper-class, audience existed for sports journalism.²⁶ As Jonathan Yardley wrote in his review of *The Publisher*, Luce “understood the needs and interests of the middle and upper-middle classes and used that knowledge to create magazines to which those classes responded eagerly.”²⁷

Middle-class America, Luce assumed, was more serious about information and would be more likely to take his instruction. Who was Luce? So wondered a *New York Post* reporter as he prepared to interview him in 1956. “A schoolmaster. That’s who’s running the show.”²⁸ Luce insisted that *Life* magazine run features on history and high culture, between features on young women in swimsuits.²⁹ “Like the university,” he remarked at a celebration of *Time*’s twentieth anniversary, “we are in the teaching business.”³⁰ Reaching *too* broad an audience unnerved him. He resented the popularity of “The March of Time” newsreels and disdained broadcasting.³¹

In an address to the American Association of Advertising Agencies in 1937, Luce decried the tendency of newspapers “to give the public what it wants,” which he termed “the prevailing theory of publishing today.” That promised a healthy circulation and pleased retailers, but Luce insisted that a publisher was not a department store owner. Publishers had a duty both to entertain and to inform their readers. *Life* “has published pictures of

²⁴ Luce speech, 27 May 1939, p. 12, copy in John Shaw Billings Papers, Time-Life-Fortune Collection, University of South Carolina.

²⁵ James L. Baughman, “Who Read *Life*? The Circulation of America’s Favorite Magazine, 1936-1972,” in *Looking at Life*, ed. Erika Doss (Washington, D.C., 2001), 41-51.

²⁶ Michael MacCambridge, *The Franchise: A History of Sports Illustrated Magazine* (New York, 1997), 4, 69.

²⁷ *Washington Post*, 18 April 2010.

²⁸ “The Father of Time,” *New York Post*, 3 Jan. 1957.

²⁹ Brinkley, *The Publisher*, 328-30.

³⁰ John K. Jessup, ed., *The Ideas of Henry Luce* (New York, 1969), 59.

³¹ Brinkley, *The Publisher*, 184-85. Time Inc. did purchase some television stations, which, in 1960, accounted for 18% of the corporate pretax earnings at Time Inc. But Luce kept such diversification to a minimum. See “Luce Moves into Broadcasting,” *Business Week* (15 March 1952), 20; Curtis Prendergast, *The World of Time Inc.: The Intimate History of a Changing Enterprise* (New York, 1986), 8-9.

corpses, of nudes, of snakes, of the rear of a hippopotamus and a lecture on How a Wife Should Undress,” he confessed. But “we propose to put into [*Life*] all the wisdom and understanding of which we are capable.” Ultimately, “journalists are still something other than efficiency engineers or buyers for cosmetic counters.”³² Luce, recalled one of his *Time* staffers, “acted on the conviction, quaint-sounding nowadays, that a journalistic enterprise should be run for profit, yes, but also for the public good.”³³

Luce’s writers could be teachers, as opposed to department store buyers, because so many of the younger middle-class coveted cosmopolitan instruction. By that I mean that the first, possibly the first two, generations of readers of Luce’s magazines, especially *Time*, were self-conscious about their place in their communities and the nation. They were too removed from the great metropolitan center (read, New York, at the time), a distance they understood too well.³⁴ “New York is not America,” Luce shrewdly remarked in 1939. “It is the fascination of America.”³⁵ He came to admire his middle border audience. “New Yorkers are often extraordinarily provincial,” he commented in 1944. “The man in Indiana may not always be as well informed but he is more likely to be a more serious citizen.”³⁶

Above all, many of Luce’s readers sought to be “in the know,” a desire that *Time* played upon in its earliest advertising. “Do you recognize the kind of man who never quite knows what he is talking about?” a *Time* ad asked in December 1923.³⁷ Put differently, they did not want to appear uninformed. What should they be reading? What is going on in France? They did not want to be struck dumb at a cocktail party when someone asked what they thought of Mussolini.

Many older members of this audience can remember when the arrival of *Time* magazine in the mail was a big deal. A new issue of *Time* was read immediately, often cover to cover.

³² Jessup, ed., *The Ideas of Henry Luce*, 37, 40, 43.

³³ Christopher Porterfield, “The Many Sides of Henry Luce,” *New Leader* (March/April, 2010), 17.

³⁴ This was a time, I have argued elsewhere, when New York City was the cultural marker for most middle-class Americans. “California is great, if you’re a grapefruit,” Fred Allen cracked. See Baughman, “Take Me Away from Manhattan: New York City and American Culture, 1930-1990,” in *Capital of the American Century: The National and International Influence of New York City*, ed. Martin Shefter (New York, 1993), 118.

³⁵ Quoted in Robert T. Elson, *Time Inc.: The Intimate History of a Publishing Enterprise, 1923-1941* (New York, 1968), 373-74.

³⁶ Kenneth Stewart, “Henry Luce Talks About His Brand of Journalism,” *PM Picture News* (3 Sept. 1944), M10. Luce later extolled “the American desire for self-improvement”; lecture, University of Oregon School of Journalism, 20 Feb. 1953, reprinted in Jessup, ed., *The Ideas of Henry Luce*, 77.

³⁷ *Time* (24 Dec. 1923), 33.

Gradually that dependency weakened, as the American middle class overcame anxieties about not knowing. Most Americans had access to many new sources of information, including television, then cable news channels, then the Internet. Between 1989 and 2009, *Time's* circulation fell from 4.4 to 3.4 million.³⁸ More readily available news sources did not, I am certain, make Americans that much better informed than their grandparents—but they made them *think* they were. Some simply no longer cared, as the rise of more specialized magazines suggested.³⁹ Nevertheless, for a period of perhaps forty years or more, Luce and his writers and editors could educate the middle class and profit nicely from their labors.

In that regard, Luce published magazines during an era when a skillful mass communicator enjoyed great autonomy, an autonomy only to be envied by those trying to manage media companies today. Journalism had become a business, Luce declared in a 1931 Yale lecture, a condition to be celebrated—and not scorned. With the success of the great metropolitan newspapers, “it became possible for the press to make money simply by satisfying public taste.” Advertisers, who had replaced political parties as patrons of the press, had to follow. “The advertiser wants the eye of the public, not the ear of the editor.” Not all publishers “were noble, brave and free,” he admitted. But “they are quite as free as college professors, and quite as brave as politicians, or . . . at any rate there is nothing in the circumstances within which they operate to prevent them from so being.”⁴⁰

“Those circumstances” have changed enormously. And Luce would have been very uncomfortable having to oversee his magazines today. New technologies have empowered consumers and marketers who covet them, as opposed to editors and publishers.⁴¹ He would not know who Jennifer Aniston is and wonder why she graces so many *People* covers. After all, when a *Time* editor suggested naming The Beatles Men of the Year in 1965, Luce did not appear to recognize the group. General William Westmoreland, commander of American forces in South Vietnam, netted the honor instead.⁴² It may well have been one of the last times a Luce publication behaved like a publication, rather than a department store.

³⁸ http://www.stateofthemediamedia.org/2010/magazines_audience.php. See also Jack Shafer, “What’s Not Hot? Newsweek,” *Slate.com*, 7 March 2011.

³⁹ David Abrahamson, *Magazine-Made America: The Cultural Transformation of the Postwar Periodical* (Cresskill, N.J., 1995), 25-31, 37-43.

⁴⁰ Luce, “The Press Is Peculiar,” *Saturday Review of Literature* (7 March 1931), 647. Walter Lippmann was similarly optimistic about this new order. See “Two Revolutions in the American Press,” *Yale Review* 20 (March 1931): 439-41.

⁴¹ Alan takes a much more positive view of Luce’s possible response to today’s radically different media environment. See Brinkley, “What Would Henry Luce Make of the Digital Age?” *Time* (8 April 2010).

⁴² David Halberstam, *The Powers That Be* (New York, 1979), 457.