



# media



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Carol Felsenthal

## Hard Copy

*It wasn't easy getting the poop on publishing's top dog.*

BY KARI LYDERSEN

**S**i Newhouse isn't the sort of person you'd want as an enemy. While researching her biography of the billionaire publisher, Carol Felsenthal wrote to over a hundred of Newhouse's employees and associates to request interviews. She received only one reply, her own letter sent back with a message scrawled in the margin: "I can't talk."

Newhouse's influence over the publishing industry seemed over-

"It's terribly incestuous and all about people covering their backs," says Felsenthal. "It's about journalists as careerists—if I say this about this person, how will that affect my career? In the '20s and '30s journalism wasn't a profession—journalists were drunkards and gamblers with no ethics and a brown bag of liquor in the desk drawer. Now it's trained people from Ivy League schools." When Tina Brown resigned as editor of the *New Yorker*, Felsenthal decided to add a chapter to her book, and writing it was an education in itself. "I gathered all the press coverage the day after Tina resigned," she recalls, "and you could see right away which journalists wanted to work for Tina Brown in the future. Then a few days later it was obvious who wanted to work for

selected her successor behind closed doors before telling Whitney she was retiring. "She was an excellent, highly competent editor who had turned *Glamour* into the most successful Condé Nast magazine, its cash cow," Felsenthal said. "But she wasn't a particularly glamorous woman—she wasn't Si's type."

Felsenthal considers the Newhouse empire a perfect illustration of how the publishing media have been corrupted. Si's father, Sam Newhouse, amassed his wealth by buying daily newspapers and driving their competition out of business. Even now, says Felsenthal, these papers are the lifeblood of Advance Publications: "For the most part these are mediocre papers which you wouldn't give a second thought to. But they're money

Newhouse's influence over the publishing industry seemed overwhelming. Anyone worth interviewing either worked for, hoped to work for, or was involved with someone who worked for Newhouse's Advance Publications empire, which included 26 local newspapers, the *New Yorker*, the slick magazines published by Condé Nast, and numerous subsidiaries of Random House. (Newhouse bought Random House in 1980 for \$65 million, and sold it in March to the German giant Bertelsmann AG for \$1.4 billion.) The very theme of Felsenthal's book—the clubbiness of the publishing monopolies—guaranteed a wall of silence around the neurotic, reclusive, status-hungry media titan.

future: "Then a few days later it was obvious who wanted to work for [Brown's successor] David Remnick, with these glowing puff pieces on him. It turned my stomach."

In this kind of environment a person like Newhouse wields enormous power. When angry or hurt or threatened, says Felsenthal, Newhouse will lash out by firing someone, usually in "the cruelest way possible," letting him read the news in gossip columns or hear it on TV. Grace Mirabella, the former editor of *Vogue*, didn't learn of her replacement by the stylish Anna Wintour until a friend heard the news on television. And according to Felsenthal, when Newhouse wanted to get rid of *Glamour* editor Ruth Whitney after more than 30 years, he

papers which you wouldn't give a second thought to. But they're money machines. Sam made his fortune on monopoly papers—the magazines are just ephemeral." Newhouse claimed he bought Condé Nast as an anniversary present for his wife Mitzi, who coveted ownership of *Vogue*. Now Si, and his younger brother and partner, Donald Newhouse, own a formidable array of newspapers and magazines, including the *Cleveland Plain Dealer*, the *Newark Star-Ledger*, the *New Orleans Times-Picayune*, *Vogue*, *Glamour*, *GQ*, and the *New Yorker*. Their empire is valued at \$9 billion.

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In the mid-70s, on break from her graduate studies at Boston College, Felsenthal walked into the *Chicago*

Daily News offices and landed an assignment as a book reviewer, following up with publications in the *Tribune*, the *Sun-Times*, and *Chicago* magazine. Her biography of Washington socialite Alice Roosevelt Longworth led to a 1993 book about Katharine Graham, the former owner of the *Washington Post*. *Power, Privilege and the Post: The Katharine Graham Story*, published by G.P. Putnam's Sons, dished plenty of dirt, detailing Graham's ruthlessness, screaming fits, and anti-Semitism. Before long Phyllis Grann, chairman of Putnam, heard from Graham's attorneys. "When Kay contacted Phyllis, she just freaked out," said Felsenthal. "She said she would never publish an unauthorized biography of a living person again." Felsenthal claims that Putnam failed to support her adequately against attacks from

*Newhouse: Portrait of a Media Merchant* Felsenthal signed with Viking, but in 1996 Viking's parent company, Pearson, bought G.P. Putnam, and in the reorganization Phyllis Grann wound up in charge of Viking. For a year Felsenthal hurried to complete her manuscript, worrying all the while that there would be hell to pay when Grann found out about the project. She kept asking Al Silverman, her editor at Viking, if Grann knew she was working on an unauthorized biography of Si Newhouse: "He would sort of avoid the question."

Finally Grann read the 800-page Newhouse manuscript. She had nothing but praise for the book, but she refused to publish it. "She called my agent up, invited her out to lunch, and tried to finesse it," says Felsenthal. "She praised the manuscript but she said, 'There's a friend of mine on every page—I can't get away with publishing it.' It wasn't that she read it and said, 'This is boring' or 'There are lots of potentially libelous things in here.' She said it was a good book but she didn't want to offend people by publishing it. If that's the way she thinks, she shouldn't be in publishing. She should have a hair-care products store or something."

Viking paid Felsenthal her full advance and offered to help her find another publisher, but she declined. Having always been published by major houses, she was confident she'd find another taker. But Newhouse's shadow was long indeed. "I don't think Si ever told Phyllis or anyone else to censor this," she says. "I think it was just taken for granted that they would. I went to the other usual suspects, and they said they didn't even want to see it. And I was coming to them as a credible author with a long publishing history, not like a nobody coming from the right or left wing. They're wimps. They're just protecting their bottom line, figuring, Why take on Si Newhouse? I'm sure they'll all be very interested to read it when it comes out, but they would rather have someone else publish it."

Though he ignored her interview request and she's never seen him in person, Felsenthal seems to know more about Newhouse than he does. "He's kind of likable in a strange way," she says, noting that her book is "not a hatchet job." In fact Felsenthal found many similarities between Graham and Newhouse: both were born into extreme wealth; both developed haughty, cutthroat styles to compensate for their personal insecurities and social awkwardness. "He had a very unhappy, lonely childhood, and he's a very unprepossessing, neurotically shy, tiny little guy who wants to go in a corner and look at the wall at parties. But paradoxically he has this need for prestige and glamour and

question them the whole time so they can't even eat their food, and before they can touch it he'll signal the waiter to take it away." Newhouse's work habits are equally imperious. "He'll arrive at his office at 4 AM and read every paper and trade journal from every publisher. He never uses a computer, but he takes a specific brand of blue felt-tip pen and a yellow legal pad and writes reams of memos about things that you'd never expect a billionaire publisher to ever think about. He'll ask production why this page bled over, or he'll notice [Condé Nast's competitor] *Cosmopolitan* has an ad that *Glamour* doesn't have, and ask the editor how that happened. People come to work in the morning afraid of the 'yellow rain'—all the memos on their desk from Si."

Despite his professional fixations, says Felsenthal, Newhouse is a terrible businessman. "Donald makes the money and Si spends it," she says. In 1985 Newhouse bought the venerable *New Yorker* for \$168 million in cash. "He wanted the *New Yorker* to be like this old movie studio with a glamorous atmosphere, where the editors and writers were stars," Felsenthal said. "They started throwing these lavish parties and making it like Hollywood." Newhouse fired many of the old writers, hiring hotshot editors and writers, giving them huge salaries and unlimited expense accounts, and reshaping the magazine along the lines of *Vanity Fair*. From its inception in 1925 until Newhouse acquired it, the *New Yorker* had turned a profit almost every year; since the sale the magazine has lost at least \$12 million a year.

Felsenthal did eventually find a home for her book, turning to Dan Simon at Seven Stories Press, a small independent publisher in New York. *Citizen Newhouse* is due out in October, and Seven Stories will also publish a paperback edition of *Power, Privilege and the Post*. "Dan wants his books reviewed in the *New Yorker* as much as anyone else," says Felsenthal. "But he's in publishing for different reasons."

Now Felsenthal is considering her next project. She may write a book about the Sulzberger dynasty, which owns the *New York Times*, or about Mortimer Zuckerman, who owns the *Atlantic Monthly* and *U.S. News & World Report*. Or she might do something completely different. "The Sulzbergers are like the Grahams, intensely private," she said. "It would take ten years to do a book on them. It would probably drive my husband crazy if I got into that again." Despite her interest in the east-coast power elite, Felsenthal has no plans to leave Chicago. "It's because I live in Chicago that I can write about these things. If we lived in New York or Washington, our kids would go to school with these people's kids, and my husband [an



Si Newhouse

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Graham's lawyers; though she rebutted the lawyers' complaints with documented research, she says, Putnam stopped advertising the book and refused to bankroll a tour despite numerous store invitations.

When she turned her attention to Newhouse, Felsenthal realized that Graham was a pussycat by comparison, but she pressed on, canvassing the country and filling the upstairs office of her Lincoln Park home with hundreds of files. She managed to conduct 430 interviews, tracking down former Newhouse employees, childhood acquaintances, and high school classmates. For *Citizen*

shy, tiny little guy who wants to go in a corner and look at the wall at parties. But paradoxically he has this need for prestige and glamour and attention. He's intensely private and he doesn't want anything at all written about him, except he wants to be mentioned in the gossip column like, 'Beautiful Ms. So-and-So was seen at the Four Seasons with the glamorous billionaire Si Newhouse.'

Given Newhouse's craving for privacy, some of the revelations in *Citizen Newhouse* are likely to make his skin crawl. "People say he has the worst table manners they've ever seen," says Felsenthal. "He'll take people to the Four Seasons and order just a baked potato, which he'll inhale. Then he'll

that I can write about these things. If we lived in New York or Washington, our kids would go to school with these people's kids, and my husband [an attorney] would work with these people. I can only write this way because I'm an outsider." ■