

## Post Media: When No News is Good News

I woke up one morning last week wondering what would happen if I Googled for news and information, and there wasn't any, because news is dead.

That was the big story last week: the proposed merger between Postmedia and the *Toronto Star*. A merger — or takeover — that should destroy what's left of the newspapers in this country.

In case you think this is not a local story, look around. PEC is ringed with Postmedia publications. They are on every side. The *Belleville Intelligencer*. The *Trentonian*. The *Kingston Whig-Standard*. Our very own *County Weekly News*.

These are venerable, well-established papers with long histories. And all had the misfortune to be bought up or acquired by one corporate chain or another until finally falling victim to Postmedia as "assets" somewhere between 2010 and 2015.

And now all are very nearly at the end of their lives.

Jack Evans is 88 years old. He started his career in radio, had a stint at this paper, and retired from full-time reporting for the *Intelligencer* in 1999, when it had a staff of 30. He still works there, though, as a freelancer called out of retirement to cover its many staffing losses.

The four Postmedia papers in the neighbourhood employ just two editor-reporters, Derek Baldwin and Tim Meeks. Who works for four newspapers at once? Your local journalists. All two of them.

What is this Scrooge, this Postmedia? It was created in 2010 by a U.S.-based hedge fund, Chatham Asset Management LLC, which acquires newspaper chains for their debt. It uses the newspaper profits to pay the interest on the debt, earning money from debt. The newspapers also earn money, at least at first, but those are beside the point.

Postmedia survives, if one can call it that, by making interest payments on its real asset, \$288 million in debt. It doesn't pay down this debt. It pays 10 per cent interest on it. That keeps its hedge-fund owners happy.

Those payments, on the other hand, prevent the business from making any of the kinds of investments that might mean it thrives. Since 2017, Postmedia has spent \$180 million on interest payments. Postmedia's share price peaked just after it was created, at \$2,550. It now hovers at about \$1.50. A decline of 99.9 per cent in just over a decade.

Don't feel sorry for it. Postmedia spent the pandemic crowding about all the bailout money it was taking from the Cana-

dian government. In 2020, it took \$10.8 million from the media bailout, \$40.3 million from the Canada Emergency Wage Subsidy, and \$1 million from the Quebec government's media subsidy program. Yet it still shuttered 15 community newspapers and cut 70 jobs. It then reported a \$52.8 million net profit by the end of 2020. Guess where that money went?

Postmedia is not the slightest bit interested in news, or its newspapers, and certainly not in the communities they once served. It is interested in wringing as much money out of them as possible. When they fail — no business does well for long without regular capital investment — it closes them.

This system is particularly hard on small local newsweeklies like the one you are reading.

Postmedia does not, for example, employ a local ad sales team. It doesn't care about local ads or small businesses. It likes big national ads it can run in every paper it owns. Much easier that way and much more profitable. It has a centralized sales force in Toronto for its local papers. It uses them to deliver this national advertising: flyers and such.

The editors are just there to put some stuff in around the ads. They use large fonts, big margins, lots of photos, to try to make something that looks like a newspaper.

Don't be fooled. These are not newspapers. They are advertising flyers that masquerade as newspapers. They remind me of cigarettes: when selling highly addictive and/or life-threatening products to people went from being normal to a matter of public debate, cigarettes got outed as what they are: nicotine delivery systems. Likewise, Postmedia publications are advertising delivery systems.

The morning after the Postmedia merger was announced, I learned that Google, angry that Canada's Online News Act was going to make it pay for the news it takes from what's left of our newspapers, was going to block me from reading the few shreds that remain.

Hard not to sympathize. Why should Google pay for news when nobody else does?

What we pay for now is ads. One of the reasons advertisers shunned news during the pandemic, no matter how popular it was — newspapers were on a roll then, nobody could get enough news — was because they did not want to be associated with bad news.

In the smoky dystopia after the pandemic, no news is the good news. Thank you, Postmedia. Thank you, Google.

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## Stories From Our Past

### 1933

■ "Point Traverse has become a port of customs. On Monday, Mr. W. J. Ostrander, lighthouse tender, was appointed customs officer here. This port is the clearing point several times a week for a large fishing tug to Oswego, with other callers occasionally. In the past it has been necessary to go to Picton to secure clearance papers."

■ "Mr. Ray German, Cherry Valley Road reports a grey pigeon with black and green markings, ending its flight at his place. The bird bore on its right leg a metal band and on its left leg was a rubber marker. The bird remained about the German home for several days before continuing its flight."

### 1953

■ "A short, sharp electrical storm hit several parts of the county Sunday. Heaviest loss was suffered by Roy Clark, Greenbush, whose large barn burned after being hit. In addition to the building, two horses, some hens and 15 loads of hay were lost. Several other homes had electrical service interrupted when lightning followed wires."

■ The new hospital announces the site of its location, at "the George Miller property on Main Street East in the Town of Picton. Recommendation of the architects was based on accessibility, topography, provision for possible future expansion, freedom from noise, orientation of the Memorial Hospital building, and other factors."

### 1963

■ The County welcomes Premier John Robarts at Lake on the Mountain with a summer festival attended by 700, featuring strawberries and ice cream. "It was a non-political meeting as far as speeches were concerned." The audience applauded when Robarts reassured the crowd the "Deseronto Bridge" project "is under way and will be completed."

■ Hundreds of Royal Canadian Army Cadets are arriving at Camp Picton for training. "In addition to regular training, their stay is highlighted by programs of supervised sports, swimming at Outlet and Cove Park Beach and tours of interesting places in Quinte and Kingston areas."

### 1983

■ "The keys to a newly equipped emergency rescue vehicle which the Hallowell Firefighters Association bought and refurbished with their own money were recently turned over to the Township. A 1973 Ford tanker was rebuilt and outfitted by the association on their own time."

■ North Marysburgh-Wilkinson Memorial Park officially opens. The five acre park was the idea of Frank Wright, whose father Colin, used to have a farm on the shoreline and one of the pastures was used as a ball field. Local softball teams made up of boys and girls from Cressy and Waupoos will play an exhibition game.

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