

THE MEDIA BUSINESS

Revived Harper's Takes Its Next Step

By DEIRDRE CARMODY

Harper's Magazine is feeling confident. Even flush.

Ten years ago, Harper's was losing almost \$2.5 million a year. "Now we are balancing on the point of breaking even," the magazine's editor, Lewis H. Lapham, said.

Seizing the moment, the 142-year-old Harper's is introducing its first big change since the overhaul that brought the magazine back from near-death in 1984. Beginning with the October issue, it will publish a long essay or piece of fiction four times a year. Titled Harper's Folio, these pieces of up to 20,000 words will be printed on different-colored, heavier paper and separately bound into the middle of the magazine. It will enable Harper's to showcase writers and to offer its advertisers a premium position in the center spread.

Trying to Lure Advertisers

The Folio section will provide a counterpoint to the shorter, snappier features that have characterized the magazine for the last eight years. It represents an investment of \$150,000, with the hope, of course, that it will lure new readers and advertisers.

The first Folio piece, "Pafko at the Wall," is a novella by Don DeLillo. It takes place during the 1951 playoff game between the old Brooklyn Dodgers and the New York Giants when Bobby Thomson clinched the pennant for the Giants with what is known as "the shot that was heard around the world." The game is attended by J. Edgar Hoover, Toots Shor, Frank Sinatra and Jackie Gleason, who sit together.

John R. MacArthur, president and publisher, called the new format that he and Mr. Lapham devised in 1984 an "unqualified success." The grand old general-interest magazine became faster-paced and wittier while continuing to publish essays and criticism, like its piece by Tom Wolfe on the state of American fiction.

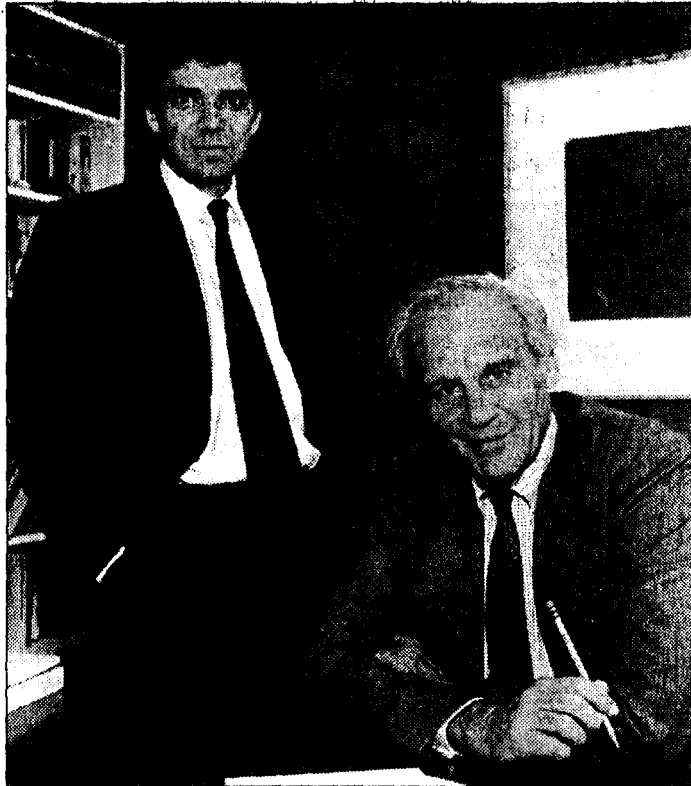
Mr. MacArthur confirmed that Harper's is nearing the break-even point. In 1992, he said, the monthly magazine expects to lose \$60,000 on revenues of \$4.6 million.

Financing a Rescue

That is a far cry from 1980 when the Minneapolis Star and Tribune Company, which then owned Harper's, decided to shut the magazine because it was losing so much money. Mr. MacArthur, then a young reporter at The Chicago Sun-Times, went to his father, J. Roderick MacArthur, and asked him to persuade the board of the family's MacArthur foundation to finance a rescue.

As a result, the Harper's Magazine Foundation was set up to acquire the magazine with a \$10-million investment — half of it from the John D. and Catherine MacArthur Foundation and half from the Atlantic Richfield Foundation. The magazine was able to continue publishing without missing an issue. Mr. Lapham, who had been the editor since 1976, was dismissed by the board in 1981 and brought back by Mr. MacArthur in 1983.

Determined to liven up the staid periodical which calls itself the oldest continuously published monthly, Mr. Lapham and Mr. MacArthur then introduced the highly successful Harper's Index, a pookish compilation of



Steve Berman for The New York Times

John R. MacArthur, left, the publisher of Harper's, and Lewis H. Lapham, the editor, who revived the 142-year-old monthly magazine.

Creating a premium space for writers and advertisers.

odd facts and statistics. (Samples: Number of the 28 millionaires in the United States Senate who are Democrats: 21. Amount the Department of Defense will spend on softballs this year: \$1 million.)

Another section introduced at the time was Readings, a selection of essays, letters, memos and writings from other publications. Compilations of the Index and two other new sections called Forum and Annotation have been published as books.

Not only did the shorter pieces turn out to appeal to younger readers, but the quality of the longer pieces also improved sharply.

"If you only publish one or two magazine pieces an issue, you can take the best," Mr. Lapham said. "Before that, I had had to publish 8 to 10 pieces of 2,000 to 3,000 words and that was unmanageable."

Mr. MacArthur has also pared the circulation, eliminating marginal readers.

In the mid-1980s, Harper's was sending out 2.7 million direct mailings a year, a very expensive way to acquire subscribers. This year Harper's will send out only 346,000 direct mailings because longtime readers are renewing at the relatively high rate of 78 percent, Mr. MacArthur

said. And since 1984, the age of the average reader has dropped to 43 years old from 50.

David Verklín, senior vice president and corporate media director at Hal Riney & Partners, said his ad agency analyzed circulation in detail to determine how well a publication performed for its clients.

"The circulation of Harper's is very clean and very pure," said Mr. Verklín, who has placed ads in Harper's for the Saturn automobile. "And the more a magazine is reaching and appealing to its readers, the better for its advertisers."

Circulation Growth

For the six-month period that ended June 30, Harper's reported a circulation of 202,076, virtually flat with the year before, according to the Audit Bureau of Circulations. Still, this is an increase of about 80,000 since 1983, Mr. MacArthur said. The magazine's main competitor is The Atlantic, which has a circulation of 465,173.

Like most other magazines, Harper's has seen its advertising decline because of the recession. Ad pages are down 12.7 percent through August, as reported to the Publishers Information Bureau. The magazine derives 64 percent of its revenues from circulation and the rest from advertising.

Tom Benelli, associate media director for the Wunderman Cato Johnson agency, said he had placed ads for BASF and Baileys Irish Cream in the magazine because it "targets leaders and people concerned about issues and influence."

"It's just an editorial product that you don't get anywhere else," he said. "There is just not another publication like it."