

The Washington Lone Star?

What does it take to save Washington's oldest newspaper—a millionaire Texas Democrat or a conservative Republican from Michigan? Last week, it was revealed that two politically at-odds suitors were battling for control of the deficit-plagued Washington Star-News. First, directors of the 122-year-old paper agreed in principle to accept an offer from Houston banker Joe L. Allbritton for a controlling interest in Washington Star Communications Inc., which owns the Star-News, six TV and radio stations and a news syndicate. Then John P. McGoff, president of Panax Corp., which owns 51 small papers, bid an equivalent amount—reportedly some \$25 million—for the Star-News alone.

Losses: Whoever wins, more than a century of family control of the Star-News seems to be at an end. The Star's three founding families—the Kauffmann, Noyes and Adams clans—still own approximately equal shares of the parent company, and a dozen Kauffmann and Noyes relatives hold executive positions on the Star-News, including editor Newbold Noyes and company president John H. Kauffmann. In 1972, The Star tried to reverse its circulation losses by acquiring its afternoon competitor, The Washington Daily News. But the combined Star-News has never prospered. Weekday circulation has dropped from 520,000 after the merger to 413,000 currently—compared to 532,000 for the archrival Washington Post. "Everyone expected us to reach the break-even point by midwinter," says one Star-News copy editor. "When we didn't, the apprehension level got extremely high."

The 49-year-old Allbritton, whose bid must be formally accepted by the directors and stockholders of Star Communications and by the Federal Communications Commission, is chairman of the Houston Citizens Bank and Trust Co. He has a taste for fine art and symphonic music and describes himself as "a lifelong Democrat." In 1972, he attended the Democratic National Convention as a Muskie delegate, and when many other wealthy Texas Democrats switched their support to President Nixon later in the campaign, Allbritton stood by his party's ticket. He plans to buy approximately a one-third interest in the Star-News's parent company, which would make him the largest single shareholder. Allbritton indicated that he would take an active part in running the Star-News, and a Houston acquaintance observed: "Joe doesn't go into anything that he doesn't participate in up to his armpits."

Vote: McGoff is also a take-charge executive, and he runs his newspapers with a tight hand. The Panax papers have attacked the Eastern press for its handling of Watergate, and recently they were ordered to organize seminars on such themes as "What's Right With America." The 49-year-old executive maintained that he still had a chance to take over the Star-News. "I know that the [directors'] vote for Allbritton was not unanimous," he said.

But McGoff may have alienated some of the stockholders when he announced his plans for the Noyes and Kauffmann relatives on the Star-News payroll. "The day I take over, I expect all of their resignations on my desk," he declared, "and that's not a formality." For that and other reasons, most observers expected Allbritton to win out. As one veteran Star-News reporter put it: "A lot of people here are trying out Texas accents."