

John R. Walsh became an empire builder. With his store on State Street, a chain of newsstands and the Western News Company, Walsh was established in both the distribution and retail sales aspect of the industry which made his company an embryonic vertically integrated supply chain business. With the most efficient distribution operation, Walsh made the Western News into a regional monopoly that could dictate terms to the content providers. In 1883 John R. Walsh bought the *Chicago Herald* from its founders which included accomplished Chicagoans such as David Henderson and Slason Thompson. The erstwhile newsboy had realized his dream of being a newspaper publisher and the empire building continued. Eventually John R. Walsh would own some eighteen different companies including three Chicago-based banks and several railroads in Indiana but the financial panic of 1907 would be his undoing. Walsh could not meet the bond payments for his railroads and the Federal Government would accuse him of using the depositor's money in his banks for his own business operations. After a long trial, John R. Walsh would be sent to Leavenworth prison and two years later die of poor health just eight days following his release from prison.



John R. Walsh started with a store on State Street and built a distribution company that dominated the Midwest. Magazine consumers are rarely aware of how important the distributor is in the industry that it serves.

What Walsh had done in Chicago with the Western News Company, other entrepreneurs were doing in the East on a larger scale as it was a more populated region. Sales of magazines was changing from predominately mail delivered to newsstands, from subscription to single copy sales. One historian estimated that there were 1500 newsstands in America in 1857 and two years later just one New York-based company, American News Company, controlled twice that number. The American News Company of New York built a national distribution system and controlled the majority of urban newsstands. John Walsh sold part ownership of his Western News Company to the American News Company and Western News became a branch operation.

Later when the Walsh empire came asunder, the American News Company gained complete ownership and Chicago content creators became vulnerable to a New York-based company with market hegemony. The conglomeration and centralization of the American periodical distribution industry in the 19th century would herald the same process that occurred in all the cultural and entertainment industries from theater booking to the networks of radio and television in the 20th century.

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At the turn of the new century Chicago had become a teeming city of two million at the center of a nation that was also growing in size and wealth. While much of the population growth stemmed from poor and illiterate European immigrants, the native literate middle-income sector was still burgeoning with a desire for enlightenment and entertainment. With radio and motion pictures still technologies yet to come, the medium for conveying entertainment to the home was the printed page and technological advancements abetted the increased use of written material. The illuminated Columbian Exposition had introduced the country to the wonders of Mr. Edison's electric light bulb. Within ten years following the Fair, there were an estimated 25 million incandescent light bulbs in use in America. No longer in the long dark Northern winters would it be necessary to place flammable paper adjacent to the candle's flame or coal gas lamp. Edison's electric illumination was instrumental in the genesis of a golden age for written fiction.

In the evolving literary marketplace, newspapers played a prominent role in Chicago as elsewhere across the country. It was early in the 20th century when the number of daily newspapers in Chicago was at its peak at ten highly competitive newspapers. Many of these newspapers were published with a dual purpose as purveyor of current news and information as well as of literary entertainment including original poetry, short stories and serialized fiction. The newspapers in Chicago that excelled at the publication of original literary material were the *Daily News*, the *Tribune*, the *Inter-Ocean*, the *Evening Post* and the *Record Herald*. It was from Chicago's newspapers near the turn of the century that literary historians would claim a new unique movement of literature was begot by writers using the American argot to write about American characters. Europe's literary colonialism of America ended with the new literature of Chicago newspaper writers like Joseph Kirkland, Eugene Field, George Ade and Finley Peter Dunne. The publishers who employed these writers were just trying to sell newspapers not write a chapter in American literary history; and fiction was selling. The magazine that became the lodestar of the new century for many publishers was the *Saturday Evening Post* edited by a failed erstwhile Chicago businessman named George Horace Lorimer.

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Unfortunately for the visionaries at *TV Forecast*, there were others who possessed the same vision and with deeper pockets to manifest the vision as well. Before the syndicate

incorporation documents were finalized, another publisher, Walter Annenberg, had surreptitiously purchased *TV Guide* and *TV Digest*. Walter Annenberg owned the *Philadelphia Inquirer* and Triangle Publications which published a number of general circulation magazines. With their partners engulfed and devoured by Annenberg, the publishers of Chicago-based *TV Forecast* saw no option but to do the same: take Annenberg's offer to sell. The founders of *TV Forecast* made a handsome profit for a five year investment, but in the end, it was a pittance compared to the fortune Walter Annenberg made by buying out the regional pioneers of the television schedule weekly magazine. *TV Guide* would quickly become the economic foundation for Triangle Publications. For Chicago, it was the loss of another economic and cultural asset. Ironically, it was a double loss as the Philadelphia-based Triangle Publications had been founded in Chicago as well.

The founder of Triangle Publications and the father of Walter Annenberg was Moses "Moe" Annenberg, whose life was a true American Horatio Alger story with several very dark chapters. Moses Annenberg immigrated to Chicago from East Prussia (now Russia) in 1884 with no knowledge of English, American culture and with no money. He dropped out of school in the fifth grade to make money for his family as a messenger boy in an era before child labor laws or telephones. Moses Annenberg was a hard worker and a fast learner. He worked his way up to manager of the cabstand for the Drake Hotel and after a couple of unsuccessful ventures into business with his older brothers, he followed his older brother, Max, into newspaper distribution for William Randolph Hearst. Moses would start a journey not unlike the one taken by John R. Walsh half a century earlier that would take him from newspaper boy to wealthy and powerful press baron to disgraced and bankrupt felon.