

#NineFairfax deal end of an era for Australia's media titans

Written by Bridget Griffen-Foley, Director of the Centre for Media History, Macquarie University

Competition and co-operation. The former may seem an obvious aspect of the Australian media landscape, but it has always gone hand-in-hand with pragmatic co-operation.

Since the 1920s, the Packer and Murdoch media companies have been entwined with the oldest of Australia's "old media" firms, Fairfax Media, which has its origins in the 1841 endeavours of printer and journalist [John Fairfax](#) .

When a young Frank Packer and his business partner, former Queensland Labor Premier and federal Treasurer [E.G. Theodore](#) , re-launched the Sydney Telegraph as the [Daily Telegraph](#) in 1936, the Dickensian [Sydney Morning Herald](#) responded by hiring new editorial staff, using more pictures, encouraging tighter writing, and improving its coverage of horse racing.

Read more: [***Paul Keating unleashes vitriolic attack on Nine's takeover of Fairfax***](#)

For decades the two newspapers – The Telegraph a tabloid from 1942, and the Herald with (finally) news on its front page from 1944 – vied for scoops.

But while there was genuine competition for news supremacy, the Telegraph repeatedly tried and failed to break the Fairfax company's stranglehold on classified advertising, the famous "rivers of gold" that fuelled the Herald until that great disrupter, the internet.

Even if the Fairfaxes, and [Sir Keith Murdoch](#) in Melbourne, failed to regard the pugnacious Packer as a gentleman, there was a kind of gentlemanly code of honour, and understanding, between the knights of the Australian media.

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When Christmas choristers performed “Hark! The Herald Angels Sing” outside his Bellevue Hill mansion, Sir Frank offered them money to go down the road and perform “Hark! The Telegraph Angels Sing” outside Sir Warwick Fairfax’s residence.

Early competition between the three groups focused on daily and Sunday newspapers, and magazines, but their expanding media interests also led to co-operative agreements.

Before the Australian Broadcasting Control Board’s 1958 hearings for applications for television licences in Brisbane and Adelaide, the main Sydney and Melbourne television proprietors – Packer, [“Rags” Henderson](#) from Fairfax, and [Sir John Williams](#) from the Herald and Weekly Times – met at Fairfax headquarters to “carve up the empire”. They agreed to combine their interests to ensure an equitable program-sharing arrangement if there should only be one licence awarded in each city.

In 1960 Murdoch’s only son, Rupert, entered Sydney by the back door by buying the suburban newspaper chain Cumberland Newspapers for £1 million. Vowing not to let this invasion go unchallenged, Fairfax and Packer contributed equal capital to form a new joint company, Suburban Publications.

Vigorous, at times farcical, competition between the two companies did not last; as Fairfax historian Gavin Souter noted, “war was being waged in the suburbs, but it was limited war”.

In 1961 Cumberland Newspapers and Suburban Publications concluded a non-compete agreement that would not have been permitted under the Trade Practices Act that became law in 1974.

By the 1960s the press tentacles of Fairfax, Packer and Murdoch had stretched into radio, television and newsprint, if with different emphases.

Fairfax Media was a titan, not just in Sydney, as it launched the [Australian Financial Review](#) nationally in 1951, purchased the [Canberra Times](#)

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in 1964, and secured a major interest in

[The Age](#)

in 1966. It also controlled the powerful Macquarie radio network (headed by

[2GB](#)

) and ATN7 (Sydney's Channel Seven). Fairfax figures appeared on Channel Seven current affairs programs, while TCN9 and GTV9 in Melbourne were known as the Packer/Telegraph stations.

In 1972 Sir Frank finally acceded to the pressure of his sons, Clyde and Kerry, to sell the Daily and Sunday Telegraphs. Rupert Murdoch's News Limited now had the "economies of scale" that came with publishing an afternoon newspaper (the Daily Mirror) as well as a morning newspaper.

In 1990, young Warwick Fairfax's disastrous bid to privatise John Fairfax & Sons resulted in [the Herald](#) and associated interests being lost to the family.

Kerry's son, James, chose the timing of his family's exit from the media, selling off Australian Consolidated Press and Channel Nine to private equity between 2006 and 2012.

Read more: [**A modern tragedy: Nine-Fairfax merger a disaster for quality media**](#)

Now, following last year's [changes to media control and diversity rules](#), Nine and Fairfax Media have "merged". It seems more like a takeover, with 51.1 per cent of equity to be held by Nine. The CEO, Hugh Marks and chair of the board, another former Treasurer, in this case Liberal Peter Costello, will come from Nine. The new company will be known as NEC (Nine Entertainment Co.).

If shareholders and the Australian Competition and Consumer Commission approve the transaction, the Fairfax name will be gone from the Australian media.

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Two companies, with very different histories and cultures, will be forced to work together in the never-ending search for efficiencies and revenue in a brutal landscape for newspapers, magazines and television.

Frank and Kerry Packer (whose 1990s attempt to gain control of John Fairfax & Sons was stymied) are no doubt dancing a jig in heaven (or in hell), as the television company they founded is on the cusp of gaining control of the press assets they envied. Rupert Murdoch remains Australia's last media titan.

On this landmark day for the Australian media, I can report one unqualified piece of good news.

After years of uncertainty and negotiations, the [Fairfax Media Archive has been acquired](#) and sorted by the State Library of New South Wales. More than 2100 boxes of priceless material, ranging across the press, radio and television, and the dynasty, companies, outlets and workers, are now accessible to researchers.

While the focus is principally on the period before 1991, the collection will in time presumably document what led to what was quickly dubbed, by social media, the #NineFairfax deal.

Bridget Griffen-Foley is a Professor of Media at Macquarie University, and the editor of [A Companion to the Australian Media](#). She is keynote speaker at the [Fairfax Media Archive Symposium](#) at the State Library of New South Wales on 10 August.

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