***Chicago Sun-Times Purchase:***

**A Model for a Struggling Industry?**

A

long shot paid off for the Chicago News Guild when an investment group led by former Alderman Edwin Eisendrath and the Chicago Federation of Labor bought the Chicago Sun-Times and the Reader in July.

The group supplanted Tronc, formerly Tribune Publishing, which originally had the inside track. Tronc already owns the Chicago Tribune, the Sun-Times’ bigger, right-wing rival.

The Chicago Local and The NewsGuild-CWA adamantly opposed Tronc’s purchase of the other properties because of the threat it posed to the independence and viability of the Sun-Times and to Guild members’ jobs.

The union challenged the sale, arguing that it would violate anti-trust regulations and urging the Department of Justice to seek out other bids.

**Way Beyond Chicago**

The significance of the sale goes far beyond Chicago, Guild leaders say. “It could be a template for organizing in other cities and looking at ways to ensure that the voice of the 99% is relayed through a responsible media outlet,” said David Roeder, who has been a member of the Chicago NewsGuild for more than two decades and is now a consultant to the union.

“It takes some people with vision, but if you’ve got a committed labor movement in a city and some committed individuals who want to put it together, I think it can be done,” he said.

Putting together an alternate group of investors who could raise the capital — and who were committed to continue publishing the Sun-Times and the Reader — was no small matter. Both the Department of Justice and the sellers required investors to place $11.2 million in escrow, enough to sustain the papers for a two- to three-year period. (The actual sale price was just $1.)

Fortunately, the union had laid some of the groundwork well in advance. “The Chicago Sun-Times was the historical heart of the Chicago News Guild operation,” Roeder said, but faced with ongoing cutbacks in content and declining subscription rates, union members had grown concerned about its future over several years.

A year and a half ago they reached out to Chicago Federation of Labor (CFL), which was also “alarmed by the trends in media ownership and wanted to help preserve vigorous and competitive journalism,” Roeder said.

“We worked very hard to get the group [of investors] together and to alert the Department of Justice to the importance of media competition in Chicago,” Roeder said, but the Guild itself is not an investor.

“Eisendrath and the CFL put in many long hours raising the money and negotiating the sale,” Roeder said. “This was a vital civic project, and they hope to show that a company can be turned around in cooperation with its workers.”

**Giving Voice**

They were also motivated by a desire to give voice to Chicago’s working men and women more broadly.

“Great journalism in a great democracy means that the 99 percent should recognize themselves in what gets written,” Eisendrath told media commentator Robert Feder.

The Chicago News Guild also worked to win support from the people, launching an online petition drive. Support for the Reader, a free, weekly alternative paper that focuses on the arts, music and politics — and is known for holding the mayor’s feet to the fire — was also an important factor.

“The little guy won here,” said CFL President Jorge Ramirez. He is the chairman of the new company, and Eisendrath is its CEO.

Cutline:

CFL President — and new Chicago Sun-Times chairman — Jorge Ramirez, center, and former Chicago Alderman and new CEO Edwin Eisendrath, right.

AP Photo/Charles Rex Arbogas