

# THE RASCALS GO TO PRESS

“... 250,000 shares were offered, and \$750,000 came rolling in. The first issue of *Scanlan's Monthly* was ready to go...”



Over on West 44th Street, between the Golden Lion Pub and the Avon Theatre advertising “mature adult films,” is a freshly painted black door with a sign that says, simply, “Scanlan’s.” Inside, up a flight, is Scanlan’s Literary House, Inc., the New York launching pad for Scanlan’s Literary Supplement, a book-packaging operation, and a new national magazine called *Scanlan’s Monthly*. The magazine is due on the newsstands February 24. And no one can believe it.

Warren Hinckle III, the former editor of *Ramparts* who gracefully bailed out when the magazine was \$1.5 million in debt, is vice president of the company, and a rascal of national stature Sidney Zion, who quit the *New York Times* for *Scanlan’s* (“It’s a nice feeling to write what I want to write”), is president and an apprentice rascal. John Leo, also a *Times* dropout (“I was hired by the *Times* supposedly to be their ‘intellectual’ reporter. When the *Times* ran ‘What Intellectuals Think of April Fool’s Day,’ I left. I didn’t want to wait around to find out ‘What Astrophysicists Think of the Fourth of July’”) is secretary-treasurer and, according to Victor Navasky of *Monocle*, “the only honest man in an unholy trio.” The chairman of the board is listed as “The

Late Howard Gossage.” Howard Gossage, who died last summer of leukemia, was the advertising genius who dreamed up the International Paper Airplane contest for *Scientific American*, the memorable Irish whiskey campaign, and those Beethoven sweat-shirts. *Scanlan’s* has its California office in his converted firehouse in San Francisco, along with Friends of Earth, a conservation group that will have a regular column in the magazine.

The name *Scanlan’s Monthly* came out of a grand tour of Ireland’s pubs last summer which Paul O’Dwyer (a member of the board of directors) had arranged for Hinckle and Zion. At one pub, the sort where any member of the Irish Republican Army would feel at home, everyone was passing around the mass card of one John Scanlan and raising endless glasses to his memory. Hinckle and Zion naturally assumed he was a hero of the Uprising. Not at all. He turned out to be a pig farmer so universally loathed that they were joyously toasting the anniversary of his death. Later, when Hinckle and Zion were agonizing over a name for their new magazine, they hit upon poor old John Scanlan. Add yet another rascal to the group.

The magazine itself will be hard pressed to live up to the reputations of its founders. According to John Leo, *Scanlan’s Monthly* will have a strain of *Ramparts* in it, but it won’t be all muckraking because almost all magazines have gotten into the muckraking business and the public is getting tired of it. Instead, *Scanlan’s* will return to the “old journalism, before dependence on the advertising dollar emasculated American journalism.” *Scanlan’s* is going to try living by Howard Gossage’s first rule: spend no money on mailings to drum up circulation and advertisers. In fact, Gossage claimed that advertising was the most creative form of communication around and wanted the magazine to buy ads and run them for free instead of luring advertisers into buying space in the magazine.

Well, *Scanlan’s Monthly* hasn’t gone

that far, but it has no present plans to solicit advertising. “In fact,” John Leo went on to say, “we have projections, advice and analyses that say we can make it on just subscriptions and newsstand sales. But we don’t know if that’s true. *Scanlan’s* is going to be strong, personal journalism. We’re going to write and publish what appeals to us. We’re not going to be the house organ for any particular group, and we’re not going to dance for the kids.” At \$1 per copy, Zion thinks the magazine might reach the break-even point within a year if it can get, and hold, a total circulation of 110,000.

Switch to the bar at Sardi’s. Sidney sneezing and wheezing with a cold. He has been up almost 24 hours writing and editing galleys for the first issue. He is touting his magazine. “We’re not going to run a bunch of essays,” he says. “That’s homework and I hate magazines that are homework. We’re going to run pieces we like. Like in the very first issue we’ve got an unpublished piece Ben Hecht wrote on Mickey Cohen. And we’ve got a piece called ‘The Lost Tribe of Alabama’ about the Cajuns which Richard Severo wrote so tough that no one would buy it. Then there’s a piece on the rock festival in California which no one would buy because everyone wants to stick with the love-peace bit at Woodstock. Saul Stern wrote it and we called it ‘The My Lai of the Woodstock Nation.’ Then we bought a piece on Jean-Claude Killy that Hunter Thompson wrote for *Playboy*, just blasting how commercial the guy is. So obviously *Playboy* kills it, and we’re running it plus an aggrieved letter Hunter wrote to us. Isn’t that beautiful? The first issue was supposed to be 80 pages, but we’re already up to 136 pages because we just didn’t want to kill the stuff.”

The terpin hydrate, the Scotch and the subject are really warming Sidney up now, and he’s talking about the coverage of crime and the law, which was his beat on the *Times*. “*Life* magazine is an arm of the government,” he says. “They get all their information from the Feds. And Ralph Salerno, the guy who wrote *Crime Confederation*,



Sidney Zion and Warren Hinckle toasting Scanlan—the magazine and the pig farmer.

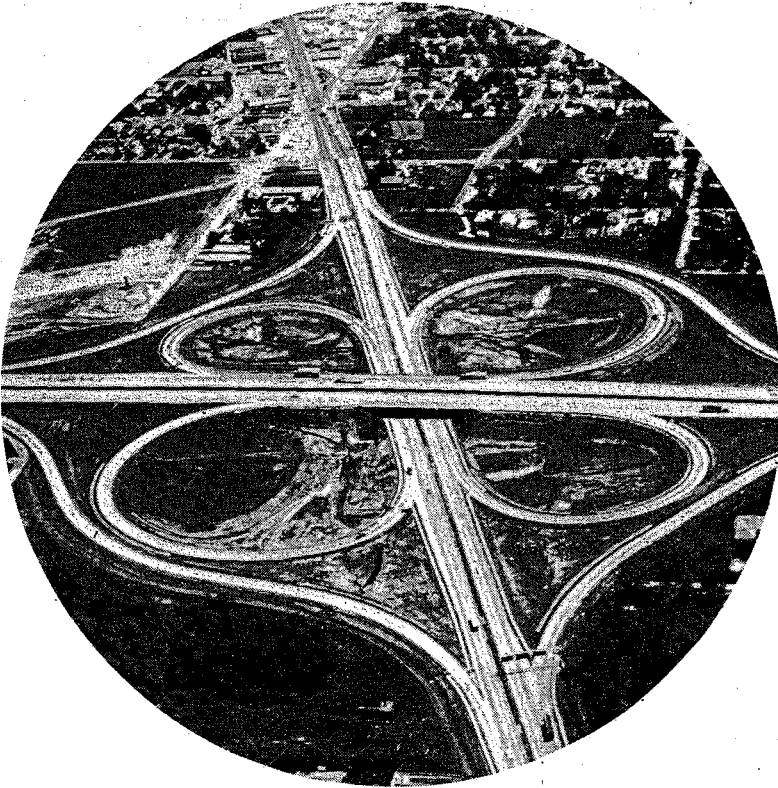
was the Mafia expert at the police department and no one's going to talk to him but a third-rate informer! Christ, we've got Izzie Schawartzberg, who's a law clerk and who really knows what's happening. He once did time for fixing basketball games. Izzie knows who killed Anthony (Tony Bender) Strollo. Those Newark tapes don't mean anything. Those guys are always bragging. The guy told Izzie he killed him. I know who killed him, too. Izzie really knows, so he's going to be a consulting editor for *Scanlan's*."

The big question among magazine people is how these guys ever raised the

money to get *Scanlan's* off the ground. Warren Hinckle is nobody's idea of a prime credit risk. Remembering *Ramparts'* unpaid bills, one literary agent said, "Don't write a thing for *Scanlan's* until you see the money." (Actually, *Scanlan's* thus far is paying on acceptance, and paying better than most new magazines.) They set about raising money privately and rounded up \$62,500 in bars around town, and another \$30,000 or so in assorted speaking tours. But that wasn't nearly enough. So the rascals discussed going public with Bob Aram, Cassius Clay's lawyer. According to Zion, Aram said, "Hinckle? Forget it. With

his pro-Arab policies, no one would touch it." But when Zion reminded Aram that he had equal say, Aram said, "Then let's go public." And public they went in November, just three months, it turns out, before the first issue.

The prospectus, written by Paul O'Dwyer's law office and underwritten by Charles Plohn & Co., reads like a black comedy written by a lawyer. The prepublication costs of the magazine, one reads, ran some 87 per cent of the total assets of the company, causing the accountants to state that they "are not in a position to, and do not, express an over-all opinion on the financial position of the company . . ." The prospectus



# INDIANAPOLIS IS INTERSTATE

- Seven Interstate highways converge on Indianapolis to give you more limited access highways to more major market areas than any other city in the U.S. In addition, 12 U.S. highways are linked to the Interstates via circum-urban 465. An abundance of planned plant sites and developments adjacent to the 465 loop put you within 30 minutes of any other part of the city.

- In Indianapolis, over 100 established motor truck lines offer shippers first morning delivery to cities within a 300-mile radius, including Chicago, Detroit, Louisville and St. Louis; second morning delivery to cities within a 600-mile radius, and third morning delivery to cities within a 1,000-mile radius.

- For complete information and assistance on sites, buildings and other data, including computerized site selection services, write John Hardy, Area Development Director, Dept. H210 or call collect 317 635-6868.

INDIANAPOLIS *Power & Light* COMPANY

INDIANAPOLIS, INDIANA 46206

then goes on to say, in the gloomy way of all prospectuses, especially those for risky ventures, "Although *Ramparts* magazine achieved a substantial circulation during Mr. Hinckle's period as its editor, and received extensive publicity for many of the articles which appeared in that magazine, such editorial success was not attended by a commensurate financial success." At present, *Ramparts* is repaying its creditors at the rate of about 2 cents on the dollar.

The prospectus then warns potential investors—those who are still reading—that "the editorial freedom to be exercised by the company and the controversial points of view that may be expressed in the company's publications could have an adverse effect on the advertising revenue potential of the magazine." Then it warns anyone *still* reading that the postage increases for second-class mail scheduled for the seventies "may adversely affect the company's earnings." Add to all these tollings of doom a few other facts—(1) Howard Gossage had died; (2) the firm of Charles Plohn and several partners had had a fine of \$150,000 levied against them in 1969 for several violations of New York Stock Exchange rules; (3) Jim Ridgeway's tough article "*Ramparts* and the Demise of Warren Hinckle" had recently come out in the *New York Times Magazine*, and (4) the parlous state of the stock market—and you've got a stock offering that not even an underwriter's mother could love.

On November 13, 250,000 shares were offered, and \$750,000 came rolling in (\$80,000 of which went to the underwriters). Warren Hinckle was back in business. Scanlan's Literary House, Inc., was ready to roll on its monthly magazine, its literary supplement (due next fall) which will come out every two weeks with reviews of 70 to 80 books, and a book-packaging operation whose properties and profits, it is hoped, will help support the magazine.

There's a lot of scuttlebutt about *Scanlan's* around Elaine's these days, where the prospectus has been framed and hung in the back room, and where Hinckle and Zion frequently hold court late at night. ("If you want me," Sidney says, "try the office first. Then Gallagher's, Frankie and Johnny's, Sardi's, Broadway Joe's and Elaine's.") Elaine herself is another director of the company. So are Bobby Short, Stan Freberg and Carl Ally. And so is Slim Silver, a mutual clerk at Aqueduct. The other night, Elaine stopped toting up the chits long enough to say, "Warren Hinckle's the Mike Todd of the journalism world." "Sidney's a rascal," writer Nora Ephron added, "and I adore him." Elaine paused again. "Scrape the muck-muck off Warren," she said, "and you've got a beautiful person."