



RIDER ON THE STORM

In the mind of Doug Kelly, the *Post* of the future will further divide readers and critics. But can a niche audience support a national newspaper?

By Katie Hewitt

Illustration by Kagan McLeod

Betty's, a downtown Toronto bar, is all warm wood tones and squeaky floors, its seafoam walls barely visible through a collection of framed sports memorabilia. Last October, it was the site of a celebration commemorating the *National Post's* 11th anniversary. Once the spoiled child of media baron Conrad Black, the paper had more extravagant parties in its infancy. The first birthday bash in October 1999 was a blur of the owner's friends, advertisers, free booze and "freaking excess" at the Royal Ontario Museum. As one *Post* reporter recalls: "The thing was like a Roman circus." At its second anniversary, half-naked newspaper boys posed for pictures to the delight of Black's wife, Barbara Amiel.

Tonight's event is considerably more low-key. Betty's has 30 beers on tap and an open mic night every Wednesday. A dozen reporters and editors share an evening of laughs and a few pints. But there's a half-empty glass of dark ale warming where the editor-in-chief should be sitting. Doug Kelly is on the sidewalk under a street light—smoking, pacing, scribbling notes and fiddling with his BlackBerry.

The guy running one of the country's most troubled newspapers is fielding calls from corporate executives. The *Post* will transfer from its holding company, Canwest CMI (which filed for creditor protection), to the subsidiary Canwest LP (which is in a forbearance agreement with its lenders). In retrospect, this is the first sign of a seismic change. (The move will ensure that Canwest's broadcast and newspaper assets are sold separately.) Other newspapers bank *Post* obituaries—and one headline on *The New York Times* website declares, "Canada's Cheeky Conservative Paper May Close." Kelly retaliates with a front-page editorial and the newspaper that seems to defy Darwinian law lives to see another day, even if that new day will dawn under new ownership.

A few weeks after the party, sitting in his office atop the *Post's* three-storey low-rise in suburban Toronto, Kelly looks tired and slightly defeated while he fiddles with an empty Starbucks venti. (Full disclosure: I worked

as an unpaid intern at the *Post* for four weeks in the summer of 2009, but did not meet Kelly until I showed up uninvited at Betty's to report on this story.) Dressed casually in a Friday uniform of jeans and a black sport-coat, his hair silver at the temples, the pressure of the job shows. One *Post* columnist describes him as having the look of a second-term president. But if Kelly's *Post* were a nation, it would be in a state of unrest.

And one with a checkered history. In the late 1990s, Kelly was assistant managing editor at the *Financial Post*. The weekly tabloid (then owned by Sun Media) struggled to compete with *The Globe and Mail's* gold mine, Report on Business. The paper went daily in 1988, and 10 years later was making a modest annual profit of \$15 million. Black bought *FP* in July 1998 to anchor his soon-to-be-launched broadsheet, confirming that his plan for a flagship national paper was more than just an industry rumour. By the time it launched three months later, Black's paper had inherited a name, a profitable brand and a base of 100,000 national subscribers.

The *Post* started a newspaper war that cost the industry \$1 billion to shore up newsrooms and marketing defences. A fierce competitor, the paper would pursue any story at any cost, sending reporters on the last flight of the Concorde, to India to ride the trains for a week and to Finland to attend a snowball fight. It once bought a plot of land on the moon.

Lunar real estate may have come cheap (at \$10 an acre from moon-landregistry.com), but it wasn't the best investment—the site no longer exists. And it wasn't the only financial misstep. When Canwest CMI filed for creditor protection last fall, a court-appointed monitor released details of the company's staggering debt, including that of its flagship national paper. The *Post* had lost \$139 million under Canwest ownership.

Back in 2001, two years after graduating from assistant managing editor at *FP* to assistant deputy editor at the *Post*, Kelly became executive editor. It was a modest promotion with a superior sounding title—and one of the worst jobs in journalism. That year, the paper's losses were

\$65 million. Canwest had purchased most of Black's publications, including half of the *Post*, for \$3.2 billion in 2000. In August 2001, Canwest took full ownership. Less than a month later, on "Black Monday," 120 employees lost their jobs.

Promoted to editor-in-chief in 2005 (following a purge of upper management and severe downsizing), Kelly is first to admit he was never the heir apparent—it's not a job he consciously went after. And it wasn't an enviable position either; the *Post* had conceded the Toronto newspaper war and morale was dismal. The new editor's default role would be caregiver.

But after years of hubris-induced debt, Kelly's pragmatism might be exactly what the paper needs. Distribution has shrunk and the news boxes are almost extinct, but Kelly is after a specific—and intensely loyal—readership. The one-time vanity project is finally running like a business venture and, according to the publisher, is closer to profitability than it's ever been. Without a rich founder's money and with the hype of the newspaper war behind it, the *Post* is defining itself by carving a deeper niche and establishing an identity that even Kelly admits won't appeal to everyone. And if anyone is going to lead the paper into the black, it could be the dark horse whose appointment caught everyone by surprise.

Splashy poster board displays of old *Post* layouts, some of which ran in a retrospective for the anniversary issue, crowd the corner of Kelly's office. The furnishings are understated: a glass-topped coffee table, four white chairs, a plush grey sofa and a matching club chair, into which he now

next day, the lead story will be: "Is Jesus a Capitalist?" Hardly a departure from the *Post*'s trademark irreverence. Regular readers will notice a surge of marginal science ("In Denmark, only three Muslim women wear the burka, study finds"; "Smoking cigarettes, low back pain linked in study") and feature stories both charming and absurd (a five-part series on human memory; a two-page spread celebrating National Punctuation Day).

Staff call the paper alternative, niche, contrarian, a dissonant voice amidst conventional views in mainstream media. As the house organ for climate change skeptics, its 27-part 2007 series, "The Deniers," looked at scientists who "buck the conventional wisdom on climate science." Columnist Terence Corcoran maligns the Suzuki Foundation and its "big green lies" and when *FP* editor-at-large Diane Francis wrote a column defining the planet's real problem—overpopulation—her solution was novel: In a paper that promotes less government interference in almost everything, she suggested the universal adoption of China's one-child policy.

Elsewhere, columnist Lorne Gunter laments an excess of political correctness that "will be the death of Western civilization" and Barbara Kay calls Mattel's Burka Barbie a "travesty of multiculturalism." Women's studies courses, according to an editorial, have "done untold damage to families, our court systems [and] labour laws." And a study, funded by a Florida-based Evangelical church, that suggested homosexuals might be "reoriented" made the front page.

Kelly says "robust opinions" are part of what makes a great newspaper. And with four pages of daily commentary, the *Post* is provocative, but also

By the time Kelly married fashion reporter Nancy Gall, "conservative to the roots of her hair," he'd dropped the leftist politics, took off the proverbial lampshade, and left Ottawa to report on Bay Street

sinks. The faux living room set-up looks rarely used, but his desk is strewn with papers, both loose-leaf and newsprint.

Laughter outside his perennially open door suggests the morning news meeting has formed in the hallway. Normally Kelly would join them, but today he's inside speaking to me, and my presence there, he says, would "make people act differently." There's that, and the fact that Kelly started the interview with a list of things reporters tend to get wrong: the process surrounding the paper's transfer, its financial situation and the possible closure, for instance. With the *Post* getting so much bad press lately, it's no wonder he's loath to welcome outsiders.

"There's very little hierarchy here—there's very little politics," says Kelly. "I know it sounds like Management Speak 101, but it's true." On his first day as editor-in-chief, Kelly stood in front of the newsroom and offered everyone an open invitation to his office. It's since become a mark of his management style. One senior editor, who doesn't want to be named, says, "In a typical newsroom, office politics are cranky and clannish, the top ranks addled by un-firable cronies and hangers-on who did their best writing in the Trudeau era, and everyone wondering who has been admitted into the editor-in-chief's inner cabal. There is none of that at the *National Post*."

Still, Kelly is difficult to read. During our two-hour conversation, he is both pensive and defensive, as though he has something to prove: "You know I usually go to those meetings, right?" he points to the one taking place outside his office. It's less a question than a statement. The meeting is about Saturday's edition, which is mostly formatted already. The

divisive. "Some people think there's too much commentary in this paper. I suspect they're not our readers," he says. "And I'm fine with that."

Critics hone in on the paper's pro-Israeli bent, which they say translates to an anti-Islam agenda. *Post* columnists scoffed at pundits who denied a link between radical Muslim views and the shooting deaths at Fort Hood, Texas, in 2009. One editorial referred to Naomi Klein and the entourage of celebrities who boycotted an Israeli film retrospective at the Toronto International Film Festival as "Palestinian Authority sock puppets." Kay criticized Quebec politicians who attended a demonstration in support of Lebanon during its conflict with Israel in 2006. She argued that in a sovereign Quebec, "supporters of terrorism would find a place offering little resistance to burgeoning Islamism amongst its Muslim immigrants."

This brashness gives it a distinct identity, but the paper seems conflicted in its geographic loyalties. As the only Toronto presence in the Canwest chain, it has a heftier city section than the *Globe* and sometimes offers more inspired local coverage than the crime and car crashes in the *Toronto Star*. Last summer, for instance, Peter Kuitenbrouwer wrote a walk-across-Toronto series, a tribute to the urban experience reminiscent of Jane Jacobs. And the paper's blog, *Posted Toronto*, regularly adopts creative local angles.

But as a national paper without its own foreign bureaus, the paper relies heavily on Canwest for international coverage, supplementing this with in-house commentary. It also cut distribution in Atlantic Canada in 2006, prompting jokes about the paper's dubious "national" moniker. Kelly was more concerned with fiscal restraint and the ultimatum: risk offending

East-Coast readers or “slash the newsroom again and weaken the product for the entire country.” NADbank’s interim report says the paper’s print and online readership increased by four percent between 2008 and 2009.

For all the bleak projections, none of the employees I spoke to expressed concern over the state of the paper, even when Canwest teetered on the precipice of bankruptcy. It’s unlikely they’re in a collective state of denial: The paper’s been in worse shape—many with weaker stomachs left voluntarily long ago. The hard-core staff that remains is intensely loyal. Toronto editor Rob Roberts has been at the *Post* since its launch, and there’s a special status that comes with such stamina. “‘Us against the world’ is probably too strong,” he admits, without offering an alternative. But even a loyal following needs a leader.

Doug Kelly was born in 1958 and raised in Scarborough, Ontario. His father was a firefighter; his mother stayed home with her three boys. Kelly’s brothers aren’t part of the *Post*’s target demographic. Ron Kelly, a counsellor in community services, is a devout Green Party volunteer. Brian Kelly is one of the founders of Pollution Probe, a 41-year-old activist organization. He’s also a consultant and director of the Sustainable Enterprise Academy at York University’s Schulich School of Business in Toronto—one of his specialties is climate change. Meanwhile, in a “Rethinking Green” series last year, *Post* headlines chanted: “Eat global, not local,” “Save the environment. Don’t take transit” and “How your blue bin hurts the environment.”

“I must admit I’m not a regular reader of the paper,” Brian jokes. “It’s not good for my blood pressure.”

Though he admits to “razzing” the editor-in-chief about his columnists, he’s careful (perhaps hopeful) to keep the paper’s ideology separate from his brother’s: “I suspect his heart is not entirely reflected by the views of the columnists,” he says, making a point of mentioning Corcoran.

Kelly became interested in party politics as a teenager in the mid-1970s. His close friend, David Hill, now an investment software consultant, remembers him as an NDP supporter avidly reading the biography of David Lewis, Tommy Douglas’s successor as party leader. Influenced by big brother Brian—already an activist—Kelly had a “fuck big American corporations” attitude that was fashionable at the time.

He was curious, but “wasn’t by any means the brightest kid in high school,” says Hill, who often helped Kelly with his homework. A veterinary school hopeful at the University of Guelph, Kelly dropped out after three months. (He’d gone on the advice of his guidance counsellor, who told him there were no jobs in journalism.) He then enrolled at Ryerson Polytechnical Institute where, as part of the journalism program, he interned at the *Ottawa Citizen*. The internship morphed into a full-time reporting gig. But since he pursued social antics more doggedly than his career, his colleagues underestimated him and editors assigned him accordingly. He earned the nickname “Shopper Doug” for his regular coverage of supermarket specials for the consumer section. And his general assignments were peculiar. “I call it the asshole beat,” says Kelly. “Every time they needed a reporter to embarrass himself, I, apparently, had a knack for writing that kind of story.”

When I ask him to name one, he leans back in his chair, hedging a bit. “Which ones do you know about?” he asks. Well, he covered an open audition for *Playgirl* magazine—by entering it. His audition photo ran on the front page.

He burnished that image out of print, too. One former colleague recalls a scantily clad Kelly jumping out of a cake at a birthday party. And there was an incident at the home of newspaper bigwig Murdoch Davis, a notoriously hot-tempered city editor who’d just taken charge of the *Citizen*’s early edition alongside Neil Macdonald. Kelly’s efforts to operate a hot tub without the host’s permission (it wasn’t a pool party) resulted in it splattering water like a blender without a lid.

A nice kid, if a little reckless—hardly a candidate to run a national newspaper, says Jay Stone, who was among the legions of former colleagues stunned by Kelly’s appointment as editor. Even Kelly says he’s never mapped out a career trajectory. “I wouldn’t describe myself as a classically ambitious person.”

But at dawn on March 12, 1985, he jumped out of bed when he heard an explosion. He lived across from the Turkish Embassy in Ottawa, where three Armenian terrorists had just wounded the ambassador, killed a

Print Readership

2000

1,337,800

2005

1,015,400

2009

872,200

Post readership as measured in the six largest markets—Toronto, Montreal, Vancouver, Ottawa, Calgary and Edmonton.

Readership provided is the number of adults 18+ who read at least one printed edition of the paper in a given week.

Source: NADbank

security guard and taken 11 hostages. Kelly Egan, his roommate and fellow cub reporter at the time, went back to sleep, while Kelly rushed to the crime scene, arriving before the cops. Trapped within police lines before the ubiquity of cellphones, he couldn’t file his breaking story. He stayed to gather details from a prime vantage point and proved he could be quite enterprising, even if he did forfeit the front-page byline.

Egan, now a *Citizen* columnist, says there were other indications that Kelly aspired to greater things, including his decision to take the Canadian financial securities course, a prerequisite for stockbrokers—and *FP* reporters. Looking back, says Egan, it seems obvious that Kelly was preparing to move up in the industry.

And he met a girl: then-*Citizen* fashion reporter Nancy Gall, a stylish woman with quick wit and steadfast values—“conservative to the roots of her hair.” Even before they were married, Kelly dropped the leftist politics, took the proverbial lampshade off of his head and left suburban Ottawa to report on Toronto’s Bay Street. (For his part, Kelly denies that Gall had an influence on his political stance.)

In 1990, Kelly joined *FP* as a securities and Bay Street reporter. Five years later he was investment editor and, by 1998, when Conrad Black bought the paper, he’d already been named assistant managing editor. A year later, Kelly launched the paper’s own investment portfolio index. He expanded the breadth of coverage and helped define *FP* as an investor’s newspaper. This caught the attention of the *Post*’s founding editor Ken Whyte, who took Kelly to lunch one day. The pair came back walking elbow-to-elbow, Kelly adorned with a stupefied grin. Whyte had just made him assistant deputy editor of the newly launched paper.

Hand-picked by Black for the start-up, Whyte was widely respected in the newsroom. Despite a strident marketing campaign featuring cheeky billboards and cinema ads by the infamous theatrical producer Garth Drabinsky, the *Post* had difficulty securing initial advertisers. Still, thanks to Black, Whyte had a seemingly bottomless budget, lavishly bankrolled to the point that competitors were convinced rationality was no longer a factor in Black’s decision-making. *Globe* publisher Phillip Crawley was one of them. In interviews, he accused Black of pursuing his conservative political agenda instead of a business venture.

“The great thing about the *Post* at that time was that it didn’t want to be mired in rules or overly hierarchical and stuck in routine,” says Kelly, adding that it was also the paper’s weakness. “The operational stuff needed some work.” Assistant deputy editor was largely a thankless position—Kelly fired staff, tightened budgets and attended to administrative details.

Whyte left in 2003. His departure—along with that of his skillful Fleet Street import, deputy editor Martin Newland—left a management void. Few understood the new choice for editor-in-chief. Matthew Fraser was

a difficult, acerbic man with little newspaper experience. By all accounts, he was not right for the job.

One *Post* insider says Kelly picked up the slack as Fraser's executive editor, but by the time he took over as editor-in-chief in 2005, the paper was at the losing end of the newspaper war, hemorrhaging both money and talent. It had also burned through seven publishers in as many years (a period Kelly refers to as "publisher's clearing house"), so it's not surprising that he hesitated before accepting the job. The offer was oddly informal, like a scene from a mafia movie. Then-publisher Les Pyette "tugged on my ear, like this,"—Kelly grips his earlobe with a thumb and index finger—"and said, 'You're the guy. I told him I had to think about it.'"

After a long pause, he clarifies, "Because it's not a job that I've consciously gone after. I had to ask myself: 'Is this in the best interest of the paper, if I'm editor-in-chief?' I didn't think long, but I didn't say yes right away." This loyalty to the institution, this company-man attitude, suited the *Post's* circumstances exactly. "People were always coming up to me and asking me if I was okay, like I had cancer or something," says religion reporter Charles Lewis.

Kelly took over a half-empty newsroom and, although the paper wasn't doing any better financially, Lewis adds, "There was a palpable sense of relief, like, thank *God*." For his part, Kuitenbrouwer told Kelly, "It's nice to have a newsman back in the oval office." Staff drank champagne at his inauguration, a throwback to all the free booze handed out over the years—the hair of the dog that bit them.

latter on A1. The paper's online rendering of religion reports, *Holy Post*, bears the slogan "Get down on your knees and blog."

Devoting a warm body to a specialty beat at an already shrinking newsroom is a risk, one with the potential to alienate secular readers—but Lewis has been the religion reporter since 2007. "A lot of people hate religion," says Lewis. "Specifically, they hate the Catholic church. We recognize that a lot of our readers are religious, but we also recognize that these are important institutions. All the more reason to treat them seriously instead of like an oddity." The religion reporter designation—as opposed to Stuart Laidlaw's broader faith and ethics beat at the *Star*—is a testament to this, and to the paper's traditional Western values. The *Post* ran a full-page image of the Virgin Mary and the baby Jesus on the front page last December 24. In the midst of political correctness during the "holiday season," it was a blatant display of Roman Catholic iconography: religion with a capital R.

The *Post* is less tolerant of politically progressive faith—editorials regularly assault the United Church of Canada. When the Church's General Council considered a proposal to support a national economic boycott of Israel, it touched on three of the paper's pet obsessions—liberals, religion and Israel. In the following weeks, editorials attacked it even after the proposal had been rejected.

When I ask the *Post's* longest-serving editor what his legacy will be, the weight of his thoughts seems to push him further into his chair, as if he's

A skeptic says Kelly won his job by default. "At the end of the day, you look around at who you've got. And there's Doug Kelly, so let's give him a shot. He got where he is through a lot of stumbling on the company's part"

But the *Post* had lost the newspaper war, so did it even matter who was running the thing? Tim Pritchard, *FP's* managing editor from 1995 until Black bought it in 1998, left acrimoniously (he sued for wrongful dismissal and won a settlement). He believes Kelly won the appointment by default. "At the end of the day you look around at who you've got. And there's Doug Kelly, so let's give him a shot," says Pritchard. "He got where he is through a lot of stumbling on the part of the company."

Apparently he gained his footing. After marking five years as editor-in-chief in February, Kelly has outlasted both previous editors (and three times as many publishers).

"Take faith," says Kelly, unprompted. "Faith is interesting. It's interesting intellectually, it's interesting from a religious perspective."

I'm sitting in his office at mid-morning on a Friday and I've just discovered that Kelly is more comfortable talking about the paper when he hasn't been asked about it directly. Faith and religion are subjects the *Post* tackles regularly; in fact, it's one of few Canadian newspapers with a religion reporter. One reader's e-mail called the paper "a glorified national church letter" and Kelly relays the story with bemused pride. It's a sign that the *Post* covers religion more fervently than any other mainstream daily. "The *Star* will do a religion segment on Saturdays and relegate it to one page with the Christian and the Jewish viewpoints," he says. "I say put that up front." An investigation at the Vatican involving the dwindling number of American nuns and a decision from Rome to allow Anglican practices in Catholic places of worship both made the *Post* news pages recently, the

never even considered it. "That's a tough one..." Kelly finally says. "I think I've unleashed a lot of creativity... One thing I think we do particularly well is alternating story forms." He gets up mid-sentence and, in three strides, retrieves today's *Post* from his desk, spreading it out on the table and flipping through it. In his characteristic deadpan manner, he says, "Oh, too many ads, that's a problem..."

He puts his finger down firmly on "Obama's Options," a page A17 headline about the United States president's Afghanistan strategy. "Now, obviously Obama has a few options," he says. "So we did this." It's a simple chart with bullet points outlining Obama's alternatives, concerns and fears. The visuals are eye-catching and easy to digest, but hardly revolutionary.

Now standing and gesturing periodically, Kelly's more animated than he's been since we began talking, as if he's making a formal presentation. "You can't treat every story the same way," he says, referring to a "sameness," of which he believes the *Post* had previously been guilty. "Look back through the original issues. There are a lot of 16-inch stories. You can't give everything equal weight." Kelly reads the paper as if he's standing over his own shoulder to determine which stories deserve a few words and which are worthy of extensive treatment. "Papers shouldn't be a chore to read," he says. "They should be surprising and heavily design-driven."

In 2007, Kelly and his managing editor of design, Gayle Grin, revamped the *Post* in six weeks. And they did it all internally, which is, Kelly says, "the way we do things around here." A cost-cutting measure, no doubt, since Conrad Black's days of headhunting expensive, sometimes international

talent are history. The redesign was the genesis of the paper's front-page vertical nameplate, now a visual trademark.

The *Globe's* last redesign, also launched in 2007, was two years in the making—and the *Post* has won more accolades for its unique aesthetic. It often resembles a magazine, which Grin says is the point. In a front-page feature about the hundred-mile diet, a huge tomato encroaches on the nameplate like a celebrity's head would on the cover of *Vanity Fair*. It's bright, simple and engaging. It looks like pop art.

Stephen Komives, executive director of the Society for News Design, says the organization gives the *Post* more nods annually than it does any other Canadian paper—for substance as much for style. "Design is content," he says. The *Post* is a paper "without a comfort level," and risk-taking is something he notes while judging, in both design and storytelling. "They'll blow out an entire front page for a year-in-review. They'll go with one photo and few words," says Komives. Sometimes they'll use typography as art: A giant "0%" was the only graphic accompaniment to a front-page story about historically low lending rates from the central bank in the U.S.

Kelly's seated again and I'm struck by the image of a psychiatrist's office. There are plants in the window—part of the unobtrusive design—and a white-collar guy in a club chair staring into middle space while I sit, upright, taking notes. Kelly is alternately confessional while talking about layoffs ("There is blood on my hands and that's something I'll have to live with") and defensive about corporate matters ("There are certain things I just can't talk about"). The paper's future is a sensitive subject that leaves him without comment, since it's been only a few weeks since the transfer from Canwest CMI to Canwest LP. I ask him if there are any potential buyers. He says the paper isn't for sale (officially), that it isn't going anywhere. He tells me with a strange severity in his voice that he's "genuinely optimistic."

The *Post* has been subject to all kinds of apocalyptic predictions, each of them wrong so far. Before the official transfer, a procedural move already in place the night of the anniversary party at Betty's, rival media jumped on one caveat in a 33-page court document relating to the move: the possible closure of Canada's conservative paper. It was the first public admission from Canwest that the *Post* might not be around forever.

Two days after the media frenzy began, Kelly's editorial appeared on the front page. "I usually don't write editorials, but this one came out like lightning," Kelly says. Entitled "The rumours of our demise," it was a rant about the "firestorm of uninformed speculation" that, he believes, had subtext: Some news outlets wanted the paper silenced because of its conservative voice.

"I don't begrudge the *Star* the right to seek an audience," Kelly says, referring to the unapologetically liberal paper, which he argues would never invoke such positive feedback with its closure. Sure, the *Star* has critics (they're probably *Post* readers), but there's little evidence Canadians think they'd be better off without it. Kelly's editorial, however, suggests the *Post* has a different reputation. It doesn't appeal to everybody; it stirs antipathy. Some Canadians, he says, "didn't want it to survive."

But he can't imagine the *Post* courting the widest possible audience. "Why would you want to do that?" he asks. "Aren't we moving into an age of specialization? What you want is a loyal readership." Make no mistake: The *Post* is not a general interest publication. That strategy, he says, makes little sense today. "The idea of speaking to a more select group of readers has been an anathema to the industry." He cites *FP Executive Blog*, which showcases business practices, and *Legal Post*, which is directed at corporate lawyers. "That content doesn't appeal to everybody, but it does appeal to a definable chunk of people and a desirable chunk of people." Kelly says a discernable identity is crucial to online survival. "The *Post* is not in competition with the *Globe* or the *Star*. The *Post* is in competition, through the web, with all media. We'd better have a reason for being."

Still, he believes the death of print has been greatly exaggerated, and the medium's monetary value misjudged. The industry should charge more for subscription and single-sale copies, both of which have been "massively underpriced" for too long in order to boost circulation numbers. It's a bold move to side with tradition in the face of massive shifts in the industry. Kelly won't comment on potential paywalls, but says he plans to push more content online as readers migrate there. Web

Editorial Staff

200

Online Readership

2007/2008

318,300

2008/2009

421,400

Post online readership as measured in the six largest markets—Toronto, Montreal, Vancouver, Ottawa, Calgary and Edmonton.

Readership provided is the number of adults 18+ who read at least one online edition of the paper in a given week.

Source: National Post (Editorial staff); NADbank (Online readership)

readership is up over 100 percent in year-over-year unique visitors, according to the paper's vice-president of digital media. But, as Kelly points out, it's a business of "not just how many, but who many."

The *Post* has been carving a niche since its launch, when it targeted prime postal codes with free trial subscriptions. Former publisher Don Babick touted an early ad campaign for its irreverence—a dog peeing on a competitor's newspaper box. He liked the ad's message, saying, "If you don't like us, piss on you. You don't have to read us."

The *Post* continues to court well-educated, affluent conservatives, now with more infamous editorials and fewer high-priced marquee names (former *Post* writers include Mordecai Richler, Mark Steyn and Christie Blatchford). Kelly plans to appeal to advertisers with the paper's select audiences. At the business end, he and publisher Gordon Fisher are slowly salvaging a financial shipwreck. The last fiscal year saw single-digit losses of \$9 million, which Fisher predicts will be less than \$5 million by next year. It's the best financial position the *Post* has ever been in.

During Kelly's time as editor, the paper reduced its national distribution to focus on six major cities, reduced the number of news boxes on streets and temporarily struck Mondays from its publishing schedule to cut production costs. Like a low-profile antidote to Conrad Black's grandstanding, Kelly has tried to maintain the original vision of the paper with none of the resources.

Still, there are skeptics. On the *Post's* 11th birthday, I ask John Honderich, who was on the front lines during the newspaper war as publisher of the *Star*, if Canada still needs the *Post*. He laughs, and then goes silent before finally asking: "Well, how long can you run a money-losing paper?"

The Canwest papers are up for auction and by February there were a few suitors prepping bids for an early March deadline. After two decades at *FP* and the *Post*, Kelly will have yet another administration to contend with. That is, if he still has a job. After all, the paper has a history of revolving doors. For now, he remains stoic. "Everyone has a master, whether it's a corporation, an institution, an individual or shareholders," Kelly says. "So you have to operate within that. It's out of our hands."

Anxious to end a follow-up phone conversation, he asks: "Do you have many more questions? I'm trying to woo someone, job-wise." He pauses and adds, "Yes, we do hire."

On the *Post's* anniversary at Betty's, Kelly is a shadowy figure under the street light, balancing paper, a pen and a cigarette, smoke curling up toward his face. On his wrist is a Roots watch, inscribed: *Your roots are at the Post*. As Kelly scribbles away, he might be a stenographer, taking notes about forces beyond his control. Or he might be an architect, quietly drafting a blueprint. ■■■