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National Geographic Chief Quits

GEM BOOK PUBLISHERS

John Fahey Moves Up in Society as Reg Murphy Suddenly Moves Out



John Fahey will move into the top Post at National Geographic Society.

By Paul Farhi Washington Post Staff Writer

The National Geographic Society's chief executive resigned yesterday, only 18 months after taking the top job at the venerable Washington educational and publishing organization.

Reg Murphy said he had been planning the move all along and dismissed any suggestions of dissension in his departure. He had been the society's No. 2 executive since 1993. During his tenure, Murphy, 63, a former newspaper publisher, aggressively cut costs and steered the nonprofit society toward profitmaking ventures, such as producing dramatic TV movies and starting a chain of National Geographic stores. He also launched new foreign-language editions of the society's famed yellow-bordered magazine in one of the biggest expansion pushes in the publication's 109-year history.

The strategic changes made See FAHEY, C3, Col. 4

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Geographic Society Resignation

FAHEY, From C1

Murphy a controversial figure within the society, a genteel, traditionbound outfit that has long projected a aemi-academic air.

Murphy's successor, appointed by the society's board yesterday, is John Fahey, who joined National Geographic just 20 months ago from Time-Life, the direct-marketing arm of Time Warner, Fahey, 45, was recruited by Murphy from Time-Life in Alexandria to run National Geographic Ventures, the for-profit subsidiary Murphy started in 1995.

Murphy's resignation and Fahey's promotion took many insiders by surprise. Murphy had been expected to run the society at least until his 65th birthday, more than a year away.

The management changes represent a swift transition at an institution put known for moving quickly. They underscore the ascendancy of executives who've come from outside the organization and have a keener eye on the bottom line.

Throughout its long history, the society's management has been dominated by members of the Grosvenor family, descendents of Alexander Graham Bell, one of the society's early presidents. Murphy, in fact, succeeded Gilbert Grosvenor, who ran the society from 1980 to 1996. and remains its chairman.

Murphy said yesterday he had accomplished "what I set out to do" since joining the organization as the No. 2 executive to Grosvenor in 1993. and never intended to work there for more than four years. He said he expected Fahey to succeed him upon recruiting him from Time-Life and began making plans for his departure at that time.

Murphy acknowledged that his cost-cutting moves-including laying off about 25 percent of the society's staff in April 1996-along with his profit-making ideas occasionally put him at odds with veteran National Geographic employees. But he said criticism has faded in the past six months.

"I've always said change is a rock in everyone's shoe," Murphy said. "Some people get the rock out and some limp. We don't have as many people limping anymore. ... The people who gaid I was absolutely GEM BOOK PUBLISHERS



Reg Murphy, departing chief executive and president of National Geographic.

crazy when I started all this now say he was about half right."

Said Grosvenor: "We're moving in the direction I'd hoped we'd move in. I couldn't be happier."

Fahey has had a dramatic rise at the society, moving from head of the new for-profit division to chief operating officer to chief executive designee within two years.

"I've come to appreciate that this is a different and special organization." Fahey said yesterday. "I think I bring an outsider's perspective, but I've also been here long enough to understand its traditions.... My primary objective is to ensure that the National Geographic Society is as important and relevant 20 years from now as it was 20 years ago."

Fahey takes over at a time when the society is in relatively strong shape. Circulation of its flagship magazine, which lost readers throughout much of the 1980s, has stabilized at about 9 million subscribers, who receive the magazine by becoming dues-paying "members" of the society. Its major growth area is its televi-

sion operations. National Geographic Television produces documentaries and nature programs appearing on NBC and the TBS and Disney Channel cable networks. It has also moved into making dramatic movies for theatrical and broadcast distribution. Its first dramatic offering, "Forbidden Territory: Stanley's Search for Livingstone," was broadcast on ABC Sunday. The division is developing its own network for international distribution.

The TV arm and other for-profit ventures are headed by C. Richard Allen, 43, whom Fahey recruited from Discovery Communications in Bethesda last month.

Murphy said he wants to spend time managing several small media businesses in which he has investments. He also said he intends to write several books, including one & These on golf and another a collaboration with Griffin Bell, the former U.S. attorney general. He will continue as vice chairman of the organization after his resignation becomes effective in March.

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