



New Models for

N E W S



## ABOUT THE BREAUX SYMPOSIUM

The **Manship School of Mass Communication** inaugurated the annual Breaux Symposium in 2000, the same year it established the Reilly Center for Media & Public Affairs. The Center exists to complement the school's academic program, which includes the only doctoral program in the country focused exclusively on media and public affairs.

The Breaux Symposium, named for Louisiana's former senior Senator, is emblematic of the Reilly Center's overall mission – to elevate public discourse. The goal of each symposium is to push the boundaries of debate about some aspect of media and politics.

The 2008 symposium, "New Models for News," looked at a troubling trend, the decrease in original newsgathering by journalists. As a result of economic disruptions, traditional print and broadcast media have cut back editorial staffs along with bureaus at home and abroad. This has reduced the flow of news, especially the kinds of news that underpin the public's reliance on the press as a check on government. The symposium wanted to explore these trends and suggest ways to expand news reporting. The symposium built on the 2004 Breaux Symposium, "News in the Public Interest: A Free and Subsidized Press."

The discussants comprised a distinguished group of scholars, journalists and entrepreneurs: Jim Brady, Neil Budde, James T. Hamilton (the 2004 symposium idea person), Larry Kramer, Charles Lewis (this year's idea person) Amy McCombs, Michael Maier, Geneva Overholser, Robert Picard, Benjamin Shute and Bill Wheatley. The seven essays included in this report were prepared prior to the symposium to focus discussion. We have edited discussant remarks for space and to enhance the flow of this report.

Each participant had a deep, abiding dedication to move beyond the gloomy talk of the decline of journalism to creative new platforms that ensure an informed and participatory citizenry. We hope that the essays and discussion in this report compel you to think about what you can do to strengthen and expand news coverage.

# New Models for News

By Charles Lewis

## Introduction

The fifth annual Breaux Symposium at Louisiana State University, 'News in the Public Interest: A Free and Subsidized Press,' explored ways for newspapers to increase their capacity to gather and disseminate news in America today. Specifically, the March 2004 conference focused on nonprofit journalism ownership, foundation and government subsidies to generate important public information, and possible new federal policies, including changes to the U.S. tax code, to encourage the ownership control of media companies by individual or family owners.

It remains the only 'future of journalism' conference in the nation devoted to the subject of nonprofit journalism as a public service, outside the commercial realm, notably differentiating it from the slew of other recent discussions throughout the nation regarding the incredible shrinking newsroom crisis facing journalism today. Some of the venues for this ongoing national rumination have included Harvard University (the Joan Shorenstein Center on the Press, Politics and Public Policy), the American University School of Communication, the University of Missouri School of Journalism, the University of Massachusetts (Amherst), the University of Nevada (Reno), the University of Pennsylvania Annenberg School of Communication, the Carnegie Corporation of New York and others.

Following the practical approach of the 2004 Breaux Symposium, this year's conference will continue the analysis of precise, real-life models for news gathering and publication, but widen the scope to include both nonprofit and for-profit economic models for multimedia journalism today, not just inside the United States, but internationally, in particular Europe. What specific solutions are emerging that might ameliorate the current quality and quantity of serious news coverage today by the major commercial media corporations? What transcendent insights and lessons can be gleaned from the rapidly changing landscape of new media entities and old media convergences and adaptations? At this juncture, what is the likely, foreseeable future for journalism as a profitable or at least sustainable enterprise in the years ahead?

Some of our distinguished participants at the conference will write essays about these issues. Jay Hamilton will review what has happened since the 2004 Breaux Symposium vis-à-vis the economic policy proposals and other themes considered then. Robert Picard will provide historic and comparative perspective about news consumption patterns and how that might influence the entrepreneurialism of new models of original news gathering. Bill Wheatley will assess mainstream media strategies to adapt to change, particularly regarding the development of

innovative products that supplement traditional news delivery. Michael Maier will write about successfully starting new media ventures, including what is entailed in defining the market, lining up investors and advertising, etc. But he will also assess the economic viability and news reporting potential of the various, latest forms of citizen journalism in the world. Jim Brady will explain how one of the most successful newspaper websites came to be, how it relates to the parent company, and what its future capacity to provide original news coverage is likely to be. Geneva Overholser will update her 'On Behalf of Journalism: A Manifesto for Change.'

### **The Still Unresolved Predicament**

At the start of a tumultuous new century, with the public's need for credible, unvarnished information as vital as ever, the news-gathering business, in all its commercial media forms, has been undergoing an historic transformation. Public confidence and trust in news and the news media are at disconcerting levels. Mass market consumer interest in news from traditional, for profit, newspaper, magazine, television and radio media outlets have been steadily eroding literally for decades, which has not gone unnoticed by advertisers and investors.<sup>1</sup> Because of these disturbing trends, and the industry's laggard response to exciting new technologies hugely impacting global communications and society in general, its long-term economic future has become the subject of intense concern and speculation.

Of course, meticulous information-gathering and editorial quality-control essential for serious, high quality news require time and money – finite resources that many news organizations are increasingly unable or unwilling to expend. Indeed, in recent years nearly all of our media corporations have been actually reducing their commitment to journalism, reducing their editorial budgets, early 'retiring' thousands of reporters and editors from their newsrooms, in order to keep their annual profit margins high and their investors happy, harvesting their investments from a 'mature' industry. The net result of this hollowing out process: There are fewer people today to report, write and edit original news stories about our infinitely more complex, dynamic world.<sup>2</sup>

Consider the unimaginable media ownership developments in just the last two years: Conservative media mogul Rupert Murdoch's stunning takeover of Dow Jones, the parent company of the estimable icon, *The Wall Street Journal*; the dismantling of the most Pulitzer-honored newspaper chain in America, Knight-Ridder; sale by McClatchy Co. of the *Minneapolis Star-Tribune* to a private equity firm for less than *half* its purchase price eight years earlier; efforts to sell the Tribune Co. failing because its current market value apparently was too low. The Tribune Co. includes some of the country's most venerable newspapers – the *Chicago Tribune*, *Los Angeles Times*, *Baltimore Sun*, *Newsday* and others. It is now in the hands of a real estate tycoon with no previously manifested interest in journalism or public service.

Newsroom reach continued to diminish, with hundreds of reporters and editors accepting company 'buyout' offers at the *Atlanta Constitution*, *Boston Globe*, *Cleveland Plain Dealer*, *Dallas Morning News*, *Los Angeles Times*, *Washington Post* and many other newspapers, according to the Project for Excellence in Journalism 2007 *State of the News Media* report. Four newspapers which have produced quality international news coverage in the past — the *Philadelphia Inquirer*, *Boston Globe*, *Newsday* and *Baltimore Sun* — closed their remaining overseas news bureaus. As veteran correspondent Tom Fenton has observed, a quarter century ago, CBS News, once the network of Ed 'This . . . is London' Murrow, had 24 major or small foreign bureaus and stringers in 44 countries; today there are six bureaus, none of them in Africa or Latin America.

It is well-understood by us all now that the era of public-spirited owners dedicated to more than the bottom line—the Pulitzers, the Bingham, the Knights, the Chandlers, and now the Bancrofts—has largely passed. Today's media owners seem more often to be faceless investors from out of town dedicated primarily to cutting overhead, increasing quarterly share earnings and inevitably reducing coverage. Today the *Philadelphia Inquirer* has half the number of reporters covering the Philadelphia metropolitan area as it did in 1980. And that is also the pattern for all newspaper reporters in the Philadelphia area, dropping from 500 to 220 in that time. There simply are fewer and fewer professional reporters monitoring those in power; nationwide, newspaper owners have jettisoned at least 3,500 newsroom professionals since 2000, or seven percent of the editorial workforce nationwide, according to the Project on Excellence in Journalism.

As John Carroll, the respected former editor of three major newspapers, most recently the *Los Angeles Times*, told the American Society of Newspaper Editors in 2006 at their convention in Seattle, 'We have seen a narrowing of the purpose of the newspaper in the eyes of its owner. Under the old local owners, a newspaper's capacity for making money was only part of its value. Today, it is everything. Gone is the notion that a newspaper should lead, that it has an obligation to its community, that it is beholden to the public . . . What do the current owners want from their newspapers? The answer could not be simpler: money. That's it.'

How can the public ownership of newspapers which began 40 years ago preserve some greater social obligation beyond merely making money? Supposedly it was the two-tier stock structure that allows venerable media families to elect a majority of a public company's board and continue serving its community in ways other than financial. But Dow Jones & Co. in fact has such a structure and Murdoch was able simply to make family members a \$5 billion, \$60-a-share price offer they couldn't refuse.

In April 2007, New York Times Co. shareholders were urged for strictly financial reasons by a Morgan Stanley money manager to overturn that company's two-tier structure. Days before the Times Company's annual meeting, the CEO of the also two-tier structured Washington Post Co., Donald Graham, wrote a blunt editorial entitled 'The Gray Lady's Virtue' in the *Wall Street Journal*, citing the 'crazy risks' of

the Morgan Stanley gambit. 'If the stock structure were eliminated,' Graham wrote, 'a line of buyers eager to purchase the company would form within minutes. No one could say no. The line would include private equity firms, high-ego billionaires, international media companies lacking a famous property and lots more . . . It isn't guaranteed that anyone owning the *Times* would spend more than \$200 million on its newsroom budget or deploy dozens of foreign correspondents around the world. Sending any one of those reporters overseas costs lots of money and doesn't add a penny to this year's circulation or advertising revenue.'

The Sulzberger family managed to retain control of the Times Co., its two-tier structure intact – for now. But it all seemed emblematic of the current unsettling era, particularly the perception of the owner of *The Washington Post* taking to the streets – Wall Street, that is – to defend *The New York Times*?

It was Graham's mother Katharine, of course, who ultimately made the courageous decision to publish the Pentagon Papers in 1971, in defiance of nervous lawyers and a federal gag order against *The Times* from printing them, and despite the Nixon Administration threatening to seize Post Company broadcast licenses if they published them. Imagine today's out-of-town money managers risking a billion dollar enterprise on something un-quantitative and immeasurable, principle over principal, committed merely to 'a simple search for truth. With fervor, not favor. With fairness and courage,' her former Executive Editor eulogized at her July, 2001 funeral.

Ben Bradlee, Vice President-at-large at *The Post*, has often spoken of the 'sacred trust' between owners and editors, and he recently said, 'The beginning of a good newspaper is to have an owner who cares. And if they don't care, they are not going to be good newspapers. They just are not going to be. I mean they are going to be a toy. Or they are going to be a source of income.'<sup>3</sup>

While more and more newspapers inevitably will continue to transform themselves into 'print-Web hybrids,' as Robert Kuttner and others have written, online advertising revenue must catch up to current editorial payroll levels.<sup>4</sup> That prospect is uncertain at best, and future layoffs in the immediate years ahead seem likely. Not surprisingly, in recent years, the sheer volume, enterprise and quality of serious news stories have quite noticeably diminished, especially among small and mid-size newspapers. And international reporting and investigative reporting, always time-consuming and expensive, increasingly have come to be regarded by management as high-risk, high maintenance, high-priced impracticalities.

Thus far, meanwhile, new online commercial media ventures are noticeably light when it comes to their commitment or their capacity to publish original reporting. Of course, the global reach of the new technologies, the versatility, range and depth of what is possible journalistically because of multimedia convergences, the ease and relative affordability of high-speed communications in this information age, are all terrifically exciting and historically unprecedented.

The highly successful Web search engines, such as Google or Yahoo, however, merely aggregate, automate and re-package other people's work. While the world's

blogs continue to proliferate and will develop further as a content form before our eyes, hardly any of them at present is solely devoted to responsible reporting and ‘fact-based journalism.’ Perhaps new stand alone, advertising-supported, profitable, original newsgathering and storytelling venues – beyond password protected, subscription-based, specialized niche publishing – will robustly evolve in the digital age, but that hasn’t really happened yet.

As a result, now other credible, less traditional models for producing original, high quality, substantive journalism are suddenly more interesting and relevant to a profession under siege. And while much has been written of late about the current, dire state of commercial journalism, very little has been said about various independent, non-commercial initiatives specifically designed to produce high quality, public service journalism.

One distinguished exception is veteran newspaper journalist Philip Meyer, a visionary computer-assisted reporting pioneer who wrote *Precision Journalism* in 1972, has been vocal for years now about the prospect of a news organization operating irrespective of profit margins and quarterly earnings. Now in his final year as the Knight Chair and Professor of Journalism at the University of North Carolina, Meyer wrote in his 2004 book, *The Vanishing Newspaper*, ‘The only way to save journalism is to develop a new model that finds profit in truth, vigilance and social responsibility.’ He cited nonprofit institutions, such as National Public Radio and the Center for Public Integrity, as perhaps representing such a model for the future.

As was noted at the 2004 Breux Symposium, there is a long, well-established American journalism tradition of nonprofit ownership, from the creation of The Associated Press more than 150 years ago to newspapers such as the *Christian Science Monitor*, the *St. Petersburg Times*, the *Manchester Union Leader*, *The Day* in New London, Connecticut, the *Anniston Star*, the *Delaware State News* and such publications as *Congressional Quarterly*, *National Geographic*, *Consumer Reports*, *Mother Jones*, *Foreign Affairs*, *Foreign Policy* and *Harper’s*.<sup>5</sup> On national television, two highly-respected programs, *Frontline* and *The NewsHour with Jim Lehrer*, are aired on the Public Broadcasting System (PBS), created in 1967.<sup>6</sup>

But no nonprofit or for-profit news media organization in the United States today can match the audience growth of National Public Radio (NPR), which began in 1970 and now has 36 bureaus worldwide and 26 million weekly listeners, *double* the listeners of a decade ago.<sup>7</sup>

Despite its often excellent and in-depth reporting of national and international affairs, however, NPR is not known for its sustained commitment to investigative reporting (e.g. the sole investigative reporting radio documentary unit in the U.S. today actually operates out of St. Paul, Minnesota, home of Minnesota Public Radio /American Public Media, a separate nonprofit and the second largest producer of public radio programming, which also airs regularly on NPR stations nationwide).

None of the nonprofit ownership outlets mentioned above is solely engaged in the practice of investigative journalism, which can be defined as ‘serious

journalism that takes a comprehensive, exhaustive look at issues that have significant impact on the lives' of the public.<sup>8</sup> However it is defined, it is painstaking, very time-consuming work, usually taking weeks, months and sometimes years to complete, with the possibility of not finding a publishable story at the end of the process.

I am hardly a disinterested party to this subject. After 11 years, I quit the commercial journalism milieu, specifically network television production at the CBS News program *60 Minutes* and before that, ABC News, and in 1989-founded and for 15 years directed the Center for Public Integrity, based in Washington, D.C. During that time, the Center published more than 275 reports, including 14 books, and broke several major news stories, its work honored more than 30 times by national journalism organizations.<sup>9</sup> Other nonprofit investigative journalism organizations on three continents dedicated for years solely to publishing investigative content include: the Center for Investigative Reporting, based in Berkeley, California; the Philippine Center for Investigative Journalism, based in Manila; and the relatively much newer and smaller Romanian Center for Investigative Journalism, based in Bucharest.

We also have seen some innovative, cross-platform, content-producing collaboration and synergies between investigative reporters, universities and commercial media companies. The considerable human and physical resources of those institutions—researchers eager both to learn and be mentored, libraries, office space, experts in various disciplines—help respected investigative journalists do their important work. And of course for major media organizations, it vastly reduces the cost and logistical encumbrances of investigative journalism. These hybrid models are occurring at the University of California's Graduate School of Journalism at Berkeley, Northwestern University's Medill School of Journalism, Brandeis University, the American University School of Communication, Point Park University in Pittsburgh, the University of Missouri School of Journalism and elsewhere. More for-profit/nonprofit hybrid partnerships will likely emerge.

What is sometimes forgotten is that PBS and NPR were created roughly forty years ago in part due to a perception that the public needed more substantive, enriching news. And philanthropic foundations were instrumental in helping to create these two vital, national nonprofit institutions and their noncommercial systems of distribution. According to Bill Kovach, the chairman of the Committee of Concerned Journalists, 'I think we have to really count on philanthropic organizations, at least in an interim period while this destabilization continues. Because most news organizations are so scared and so unsure of themselves, they are not protecting their franchise. And somehow a philanthropy that believes in democracy has to help stabilize it.'<sup>10</sup>

There are tantalizing, recent signs that specific philanthropic institutions and individuals finally realize just how severe the crisis has become. For example, the Sandler Foundation in California in late 2007 pledged \$30 million over three years

to establish a new, original reporting organization called ProPublica, based in New York, and other major donors have pledged their support as well. Following in the footsteps of the Center for Investigative Reporting, which began in 1977, and the Center for Public Integrity, founded in 1989, this new 'independent, non-profit newsroom that will produce investigative journalism in the public interest' is led by former *Wall Street Journal* managing editor Paul Steiger.

There will likely be others. If five million people regularly coalesce as subscribing members of a National Geographic Society, why can't other serious journalistic entities draw such numbers in a digital world, across borders? And beyond daily news coverage, is there a way to regularly generate high-quality, investigative and international reporting as a syndication service or as a 'viewers like you'-supported Web destination? Such things are absolutely possible, and absolutely sustainable, with the right combinations of people, resources, and timing—and they are certainly needed.

The questions for philanthropists involved in these and other nonprofit journalism ventures are: Can they overcome their sometimes short-term thinking and fickle, often idiosyncratic nature and make significant, multi-year commitments to strengthen or build pillars of journalism in their communities, the nation, and beyond? Can they think outside their own agendas and embrace the inherent value of accurate, nonpartisan information to our national discourse? And two important questions for nonprofit reporting organizations: to safeguard against partisan, ideological or other non-journalistic motivations, will they ensure the integrity of the editorial process the way newsrooms and advertising departments have operated separately, limiting interaction between regular staff and donors? Will they publicly disclose all of their annual contributions?

Of course, nonprofit journalism is only one answer to the current crisis. New, for-profit companies with owners committed to better informing their communities and to journalism writ large, must and certainly will also emerge in the months and years ahead to fill the above-described voids, since, as Geneva Overholser put it so well, 'the long-building plaint is now undeniable: journalism as we know it is over.'<sup>11</sup>

The often unnoticed irony is that amidst the current, deteriorating state of original, investigative and otherwise independent journalism in America, right now there are new, very energizing forces at play – talented and highly motivated journalists, mindful of the stakes involved; entrepreneurial leaders with vision, a commitment to community and financial wherewithal; new media platforms and technologies revolutionizing the means and cost of production; and every day, more and more signs of what is possible journalistically, particularly with the new social networking connectivity of the Web and related, constantly improving technologies.

The challenge of this year's BreauX Symposium is to accurately assess the full range of new, for profit, nonprofit and hybrid models of news today and, as we can imagine, tomorrow, and to gauge the extent to which these new models are likely

## to improve the current quantity of reporters devoted to committing original, in-depth, high quality journalism.

(Some information in this essay comes from recent writing by the author: 'The Nonprofit Road: It's Paved Not with Gold but Good Journalism' in the *Columbia Journalism Review*, September/October, 2007, and 'The Growing Importance of Nonprofit Journalism,' published in April 2007 by the Joan Shorenstein Center on the Press, Politics and Public Policy).

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1. Robert G. Picard, 'Journalism, Value Creation and the Future of News Organizations,' Joan Shorenstein Center on the Press, Politics and Public Policy, Harvard University, Research Paper R-27, 2006, p. 8.
  2. Philip Meyer, *The Vanishing Newspaper* (Columbia, Missouri: University of Missouri Press: 2004), pp. 9-13, for a discussion of 'The Harvesting Strategy' and the origins of that term.
  3. Interview with Benjamin Bradlee, April 25, 2007
  4. Robert Kuttner, 'The Race,' *Columbia Journalism Review*, March/April, 2007
  5. 'Nonprofit Journalism,' by Daniel Akst, in 'Journalism's Crisis of Confidence: A Challenge for the Next Generation,' A Report of the Carnegie Corporation of New York 2006, pp. 56-68. See also 'News in the Public Interest: A Free and Subsidized Press,' The Breaux Symposium, March 20, 2004 (The Manship School of Mass Communication/The Reilly Center for Media & Public Affairs, Louisiana State University), p. 19.
  6. *Ibid* (Akst), p. 58.
  7. *Ibid*, p. 56, 63.
  8. James L. Aucoin, *The Evolution of American Investigative Journalism* (University of Missouri Press: Columbia, Missouri: 2005), p. 2.
  9. The Center Web site, [www.publicintegrity.org](http://www.publicintegrity.org), lists all awards, annual reports (the 2000 report includes a history and chronology of the first 10 years, including a list of all major reports), the annual IRS 990 forms for recent years, donors and other information.
  10. Interview with Bill Kovach, June 28, 2007
  11. Geneva Overholser, 'On Behalf of Journalism: A Manifesto for Change,' New York , June 2006 (Web circulated), p. 1