I&E Ep 19

[00:03:38] Good afternoon and hello, everyone, and welcome to the 19th edition of Informed and Engaged at Knight Foundation. We believe that our democracy depends on highly informed people so that they may engage in their communities. Unfortunately, in recent years we've seen the spread of misinformation and disinformation create chaos and confusion. And as the traditional business model for newspapers has declined and newsrooms across the country have been so diminished, we find that misinformation and disinformation is filling that vacuum. So yesterday we saw the impact of a highly uninformed.

[00:04:29] A group of people storm the capital. That is not the level of engagement that promotes democracy.

[00:04:41] So one of the biggest weapons we have to fight misinformation and disinformation is accurate information and filling the void in cities and towns across the country are inspiring leaders who are producing new models and new methods to fill the critical gaps in local original reporting and local news and information. So one of the best opportunities we have to create a highly informed community to battle misinformation is with accurate nonpartisan journalism and equitable and inclusive community news and information. So please join me today in welcoming three tremendous leaders who are leading organizations and programs that are making a really big difference on the local media landscape. And what they're going to do today is tell us what were some of the largest and most important achievements in the last year. But really, this program is a look at head. It will offer hope and optimism and inspiration. So please join me in welcoming Courtney Hirt, who is formerly head of business operations at DETI in Detroit.

[00:06:12] And the field was so lucky to persuade Courtney to take over Newswatch, which is a matching gift's program that is run by the Institute for Not For Profit News and led by Courtney that provides matching gifts to more than two hundred and fifty not for profit news organizations across the country. It helps them with their end of the year campaign, which just closed a week ago. And it helps these organizations build the capability and capacity so that they can get on the path to sustainability. Also joining our conversation today is Sarah Beth Berman. Sarah Beth is the new CEO of the American Journalism Project, which is a venture capital organization, a philanthropic venture capital organization that is bringing a whole new approach to inspiring and driving success in sustainability, not for profit news across the country. What the field of journalism is so lucky to get in. Sarah Beth is ten years experience in the not for profit sector, most recently leading global affairs for teach for All. So what Sarah Beth has been able to do in a very short time, having just joined the American Journalism Project in May, is bring much needed expertise of the non profit sector to the field of journalism. And finally, we have Chris Chryson, who leads lione publishers. And what we know about the future of journalism is that there's not a silver bullet, there's not a magic bullet. It's a mix of for profit and not for profit news organizations and different methods and practices. That is what we need to ensure that communities will be well-informed so that they can be engaged in their communities. And Chris is going to tell us about the tremendous progress that lion members have made in the last year and what's ahead. But first, let's begin with Courtney.

[00:08:40] So, Courtney, just a week ago, the news match campaign finished up its twenty twenty end of the year campaign. My goodness, we had one hundred and ninety five news organizations participating in a year ago. And this year there were more than two hundred
and fifty. I know it's too early that we're still counting up the impact that Newswatch has, but what can you tell us about this year's campaign?

[00:09:14] Yes, certainly. So I'm so excited to be here and kind of amplify the work that newsrooms are doing, nonprofit newsrooms are doing around the country. Jennifer, to your point, is the news matched? Twenty twenty campaign just ended, but throughout the entire campaign, we've been in touch with newsrooms to monitor how they're how they're going. I think it's important to just level set the newsrooms. We serve their news match. So the Institute, a nonprofit news, we represent more than three hundred nonpartisan news organizations. They're all required to abide by a set of editorial independence standards, a set of ethics and financial transparency, that the news program, they fundraise for the year campaign by raising money that is then matched by by funders. It's really exciting to see particularly emerging newsrooms that were actually founded in recent years to feel information gaps, to fill voids in their targeting at serving or audiences that are traditionally underserved people of color, immigrants who are vulnerable to misinformation. And I like to kind of talk about these organizations in business terms. You know, they're serving they're providing a news product for underserved markets and providing a news product where commercial news outlets might have either divested in or never invested in. And they're very distinguished in that way. So I wanted to just speak to a few of them that we've seen some anecdotal success this year. The first is the journal Science Journals, the startup media organization that provides hard hitting news for immigrants in Minnesota. And this is a growing population in that state. They lived their first fundraising campaign through news match in twenty nineteen, just a few months after they launched, they were just getting their feet wet. This year they launched their second fundraising campaign. And what they were able to do is leverage and use match as a way to actually secure additional matches from local funders. We provide we provide a pot of money that matches gifts, but they were able to actually raise forty thousand more from local from local foundations just on New Year’s Eve, just to speak to kind of the work that they do. Just on New Year's Eve, there was a situation that happened. With the Somali president in Minneapolis and the police raided this young man's home, he was previously actually fatally shot at at a stop in Minneapolis and then afterwards they raided his home. And because the news outlet had relationships with the Somali community, they were able to quickly get in touch with the family immediately after it happened, report on the story, which resulted in officials releasing the body cam footage. And this is the type of work that these organizations are doing and they're using news mesh to really learn how to sustain this type of work. I'll give one more example and then pass it on. But another one is outlier media. They're text based media outlet and connect. They connect one on one with residents in Detroit to provide news and information. And since April, they've been in touch with more than they've responded to. More than eight thousand text messages with the staff of three editorial reporters. And what we learned through this year's news campaign news campaign with them is that while we can provide the templates for mass email appeals that work for some traditional digital digital publications, for them it's all about personal appeals from their staff. So just learning the nuances and differences between different newsrooms and how they fundraise, I feel like has been a great advantage to this year's campaign.

[00:13:27] And I know you will hear later about your vision for the next chapter of news. Magic is what makes it so effective is that news leaders and not for profit leaders spend much of the year learning to hone their audience development skills and their efforts to build individual donors. Thank you so much, Sarah Beth.
So at American at the American Journalism Project. When you look ahead, when you look at the challenges that that that we all face as original reporting has vanished, as equitable and inclusive, community news and information is not always provided. And amid the swirl of misinformation and you wrote recently in an op ed for The L.A. Times about your concern about the rise in more than fifteen hundred websites masquerading as local news, why is it so important? Why is the American Journalism Project so important right now?

Thanks, Jennifer. Yeah, as you say, we are living in a moment where we are seeing a very dark landscape for local news and the cascading implications on our democracy and our community and the need for those of us who are firm optimists. We have a really strong chance to take a swing at this problem, and that is to try to beat back the proliferation of disinformation with trusted. Local journalism that is rooted in the values of anti-racism, of engaging communities, of providing deeply reported information and news to communities, and so the American Journalism Project is using a venture philanthropy model, which means we're preparing philanthropic investments with business planning, coaching and capacity building to help a new generation of nonprofit newsrooms grow their revenue and set themselves up to be able to expand and grow into more and more communities. Jennifer, I'll speak to some of the organizations that I think are really giving us a sense of what's possible. One example is Vermont Digger. It's now the largest newsroom in Vermont. Last year, when covid-19 hit Vermont, VTE Digger really went into overdrive producing stories to keep Vermonters informed. They produced daily coronavirus briefings, a newsletter. They created an essential services business directory. They had a searchable FNQ. They launched a search, a series of Vermont remembrances to really cover all the people throughout Vermont that had died from the virus. And at the end of October, Senator Leahy highlighted Vermont Digger as being one of the reasons that Vermont has been so successful in controlling the spread of the virus because they really did provide consistent information that filled a void, that beat back the disinformation and served Vermonters. And frankly, this showed up in their revenue. Last year was their best year in terms of major gifts and also in terms of membership. Another organization we're really excited about and I think gives a real sense of what's possible with nonprofit news. In September in West Virginia, we helped launch a new news organization called Mountain State Spotlight. This was launched by some prominent journalists in West Virginia, Ken Ward, who had won a MacArthur Genius Award for his coverage of the human and environmental costs of coal. Eric Eyre, who won a Pulitzer Prize for his coverage of the opioid crisis in the state, and Greg Moore, their longtime editor of Twenty Seven Years. They left the Charleston Gazette Mail and launched a new nonprofit newsroom called Mt.. St. Spotlit. By the time it launched in September, it was already the second largest newsroom in West Virginia and they launched these spoke to the fact that now is an incredibly important time and more important than ever to have an informed electorate. And I think if we needed any fresh evidence of the importance of an informed electorate, you may have seen the reporting that yesterday one of the people that stormed the Capitol was a newly elected Republican state lawmaker from West Virginia. So we and I will just say one on at the American Journalism Project, we're really focused and frankly obsessed with the business model. And so with Mountain State Spotlight, a lot of people asked, I understand how a profit model can work really successfully in a place like Texas where the Texas Tribune has thrived and where there is an enormous amount of wealth and people who can support philanthropically and the environment to create a news organization that can bring in lots of lines of revenue. And a lot of people ask again how it works there, but how is it going to work in a place like West Virginia? And what's been so fascinating is that our early evidence is that this model can really work in a place like West Virginia. They are early days, but we are seeing really good evidence that there is that
there are people that will support from the major gifts from perspective. They've brought in a lot of reader revenue and they're setting themselves up to bring in the diversified revenue necessary to sustain their newsroom and keep West Virginians informed.

[00:19:50] Thank you, Sarah Beth. And Chris.

[00:19:55] So you formerly led Billy Penn as the editor in Philadelphia, and you're able to bring that startup spirit and experience to and publishers, I think what would be helpful is for folks to first hear a little bit about line publishers, how it started, what services line publishers provide its members, because it's quite it's just quite amazing how much progress has been made just recently and in the importance, the importance that there's a mix of solutions. And with line publishers, you have both for profit and not for profit news organizations.

[00:20:40] Yeah, that's right. Thanks for thanks for bringing that up. So line publishers has existed since 2012. It kind of grew out almost spontaneously in a grassroots fashion of publishers who had taken this step, many of them right after the economic recession that forced massive changes in newsrooms right before 2010. So we have members that have been publishing digitally since then, publishing in pockets across the country. Our membership is a lot like I and then membership and membership. There's actually a lot of overlap. But the main difference is about 60 percent of our members are for profit.

[00:21:16] That is not to say that they're wildly profitable. It's for profit. Nonprofit is a is a tax status, not a business model. And what we've done it lion since I started, Laham had only ever had the resources for an executive director and had individual grant funded programs. But we stabilized with a Knight Foundation grant a few years ago that allowed us to hire staff for the first time. We went out and formed partnerships with the Google News Initiative and the Facebook Journalism Project and the Democracy Fund, which allowed us to double our membership, were more than three hundred and thirty members from California to Connecticut, with a handful in Canada actually and build on that peer learning system of sites helping each other. What we did over the past year was organize a series of Lihn lessons, which allows our members to kind of help each other, launch a membership program or build an audience program, talk about successful strategies around grants or build sponsor verticals. So just really kind of focusing on news as a small business. We also partnered with the Red Lab at the Texas Tribune to launch something called the Entrepreneur Skill Series, which trained these publishers in everything from managing a budget to designing products with the audience in mind to building inclusive news businesses, all of which we think is important. So it's really an approach that focuses on identifying potential founders are and enabling them with tools and technology to grow scalable businesses in their community. That's not the same thing as as kind of an out of town news model like you've seen the collapse of as the news industry changes so much. And finally, one of the things we did was really revamp our our mission statement and our values as an association. We did some work on this this past year. You can see this on our site right now. We have our twenty twenty annual report up. And really, the independent media, whether for profit or not, is key to this. We think that businesses that have a face in their community and are accessible to that community and are accountable to that community really should help at the grassroots for for some of this kind of plague of misinformation that we've seen pushed out centrally and promulgated across people's social networks, that the remedy to that is, in no small part, locally owned media supported by and built around the needs of a community, as are some of the work we're doing at Lyon now and partnering with others to do especially a new project. The news Catalyst, called the Tiny News Collective, is to try to lure out more founders and founders to launch
newsrooms in their communities with a centralized base of support and really begin to kind of has a very kind of ambitious goal of launching five hundred new newsrooms in the next three years.

[00:24:16] If we make it cheap, easy and and share the.

[00:24:22] They share the kind of experiences in a cohort based system we should be able to help solve some of this local news crisis using kind of shared resources to do that. So there's a lot going on in the last it's been a busy year and a half. I've spent here at Lyon bringing a team together and working with folks across the industry to try to make some of these changes.

[00:24:44] And Chris, before we go back to Courtney to talk about this match in the role that that Courtney sees for news match building the field, there is quite a and impressive announcement by one of your members just a few weeks ago, the Charlotte agenda joining with Ted Williams, joining Axios. So it's still it's still it's early days. But the fact that we have a national digital player like Axios, getting into the local news business and and partnering and by purchasing the Charlotte agenda and by enlisting Ted Williams with his expertize and his experience to help launch. More versions of the Charlotte agenda around the country. Tell me what what opportunity do you think there is for poor communities with an Axios type type model? And what are the limits, frankly, with an type for community information?

[00:25:54] Yeah, I think a lot of what we've heard about in the last maybe a year or two has been the solidifying of the idea that nonprofit is a very strong branch on which to build the future of the news business.

[00:26:08] But I don't think it's limited to that. Ted proved that with a relatively low overhead model and something that was a profitable newsletter, business year long agreements with sponsors. These are all things that Ted came out of the business side of the the Charlotte newspaper that was owned by McClatchy at the time isn't right and launched something in Raleigh early on and then pulled back. He was an experimenter, but ultimately it matched and aligned with what Axios was trying to do, which was similar to what when Jim Vanderheiden was working at Politico, what they did when they acquired capital in New York, before they turned that into a local branch of Politico, before folding that into the whole organization. So Ted was able to catch a wave that when you build a business as a for profit, you're able to build equity in that business and that equity might have value for someone else. There are advantages to launching a for profit newsroom. It's faster to launch as an LLC and not form a board of directors and not wait for five to one C three status from the government. But you could be on the hook for taxes, right? So it's a little more complicated to get grants. You need to find a fiscal sponsor and things like that. So there are different hoops to go through. But at the end you could be acquired, you could build equity in a business that someone else sees value in and invest in and find yourself part of another company, which is an exit, whether you're a newsroom or another private business. That's a that's an end story that a small business owner is pretty familiar with. So I think that it's a good upward trend story. We've heard a lot of sort of negative news in the news industry and a lot of justified worry about the future of local news. But small light, low overhead, high potential organizations can still be a source of acquisition for companies that are looking to grow it quickly and probably or in this case, didn't feel the need to repeat what someone else had already done and found it faster to to invest in what already exists.
Great, thank you. It sure is. It sure is an inspiring story. And Courtney, tell us you shared such wonderful examples when you describe the role of outlier media and the Sahan Journal, what tell us about your vision for news match in the coming year and for Newswatch members?

Because one of the most important things, I think that you noted was that I and members abide by guidelines, shared community guidelines and values, a commitment to be independent, to be transparent about their funding, to use that transparency and high commitment to the highest ethics and standards to build trust in their communities. So tell us, how do you see the news match program moving forward?

Yeah, I think the future of news matched. The match component is really the tip of the iceberg of the program. Below the surface is an investment in knowledge and skills and talent development to really unlock that opportunity to capitalize on the opportunity of a matching gift campaign.

And I feel like the future of the program is double doubling down on that component of the program, that capability building and capacity building within newsrooms to fundraise both for news matched but really all year long. I think that can happen in two ways. One, the program expanding to really cover the full arc of building a campaign strategy, not just in right now. We have a lot of resources invested in implementing your campaign strategy, but I think we need to expand on what even is a campaign strategy. Who even is your target? How do you crunch your papa's performance in order to inform how you're going to how you're going to run? Next year's campaign of the second opportunity kind of relates to what Sarabeth mentioned earlier about their newsrooms that are taking new forms and have new tone and new voice and the some of the best practices of fundraising, maybe for a digital publication might be different for these newsrooms that are really taking an innovative approach. So the question is, can news match, expand and incentivize or accelerate some of that innovation when it comes around, how they're fundraising? I think that's going to be a huge opportunity and question to answer next year. And I think we're largely speaking in terms of iron and members. You were mentioning about all the standards that they need to abide by. Another huge opportunity next year is really going to be about educating the public on why that matters, allowing there to be a campaign for people to realize what distinguishes these newsrooms from other sources of information and making it easy for people to find them and discover discover quality news in their community. So I feel like those that's kind of what's on the horizon for four news next year.

Thank you, Courtney. And again, we're just so thrilled that you're in this role and leading the way. Sarah Beth. Again yesterday at the US Capitol.

We saw so many people clearly highly uninformed four years ago, we could blame Russian trolls for the spread of misinformation and disinformation. But in recent years, sadly, it's been the president of the United States who has been spreading misinformation and disinformation and so many people sharing it on social media and consuming it on social media. Going back to to what you said about the importance of of local reporting, how might and why is it so important for communities, for communities to have what the American Journalism Project describes as as a CNN community news organization? And why is the not for profit model so important to build that trust and commitment in quality reporting and quality news and information at the local level?
Thanks, Jennifer. I mean, that's not what Courtney was just saying around really raising awareness about this issue for you and me and probably for most people tuning in, the crisis in local news is something we are deeply aware of. But the reality is, is that the vast majority of Americans, more than two thirds of Americans do not know that local news is in crisis. So we have a job to play to really help people understand that there is a problem here and more importantly, that there are promising solutions. And the solution. One of the solutions is going to involve a new social contract, a belief that we as Americans need to uphold this public service that is a vital companion to us as citizens. It's a tool that we need to be able to participate in our communities. And so what that looks like practically from our perspective is we need to be at the national level, really trying to build momentum and philanthropic support for helping set up a new generation of newsrooms that will. Build diverse revenue and provide their communities with news and information, and at the local level, we need organizations that can build a local movement, can become what we've been using the term anchor newsrooms in their communities that can through engaging their communities and through providing them the original reporting that communities are asking for and that they want they can establish themselves as really pillars of communities. And we see that show up in revenue. I mentioned VTE Digger earlier in the same year that they're having outsized impact in. The reporting is also a year where they're having really great revenue, because when people see or value, they will support both philanthropically or as readers, as members and from the perspective of the nonprofit model, why we think it's so important. I mean, from our perspective, this is about looking nationally and saying how do we make sure that we have an informed citizenry? How do we build a business model that can provide this? Vital service to communities, and that's leading us to believe we need to find a business model that is sustainable and we believe that the path to a sustainable model is going to be through building community by community mixed revenue models, of which philanthropy needs to play a big role, but not the whole role. Of course, there are lots of different lines of revenue that these organizations should and can pursue events, small dollar gifts, advertising revenue. But philanthropy can play a really big and important role. And and we we see. Ourselves and others in this in this movement as trying to really set this as a philanthropic priority. The fact is, is that philanthropy has historically not funded journalism largely because they didn't need to because journalism was sustaining itself. But now, as we see, as we saw yesterday, the real implications of what happens when disinformation takes hold and polarization increases. We need philanthropy's to start saying this. We want our communities to be informed. And alongside our other philanthropic priorities, we're going to prioritize journalism because we know that that is foundational to are the other priorities that we have. If we care about education, we need to care about whether or not the local school or local school board or charter boards are being covered. And that's true for so many of the other issue, philanthropic issues that we prioritize.

Thank you, Sarah Beth, and we have several questions from Twitter and from the chat from our audience, and I'd like to turn to Chris to answer one of these questions about the role of media literacy and.

When you look at.

At what your members are producing every day, this is kind of combination of the two questions should the news media, should local media be more engaged and involved in media literacy and helping consumers understand the difference between what Chris, for example, lion members are producing and those fifteen hundred websites masquerading as as local news?
Local publications that are part of Lyon are part of these other associations, part of CNN, part of the AP, hold themselves, should hold themselves to to high professional standards, should be transparent with their audiences about the news. I think that the eye in Lyon, the independent part is, is you can't underestimate how important it is for these sites to practice what they preach in terms of telling stories for the community based on the needs of that community, representative of that community, listening to that community's needs and providing not just news and information, but a whole business plan around what the community needs this year, really for the first time in a pandemic, especially one that has such a not trying to be political here. But I think it's easy to say it was a decentralized response for the first time. You can say local news. You've always been able to say it's been important for the civic health of the community. But in a pandemic, local news saves lives, accurate local information.

We can say if we're pointing to a coronavirus outbreak, if we're pointing to a hotspot and local news is sometimes the only source of critical information for the actual public health in a community. Right. So especially at a time when small businesses are hurting as much as anything else, small businesses have traditionally been a key part of the business model for almost every kind of media.

And, you know, prior to 2020 strategy that was pretty successful, was based on events and where to go and what to do. And then there was nowhere to go and nothing to do for long periods of time. Right. So.

It's been a learning experience.

To your point, about the fifteen hundred kind websites, I think that it's definitely something to be aware of. I think we at least have not seen any movement from places like that to try to become a member or infiltrate our associations. We certainly are. Our application guidelines definitely draw some lines to try to keep that out. And we approve every member by hand. So we're not going to see any of those creep in under the banner of line. And I'm sure it's the same with the other organizations. I'm not convinced how much audience those places actually have versus just ways to try to milk local politicians for press release money. But you are our local businesses with local owners are shop local, read local, buy local. It's one good message to support your neighbors in efforts that are really aimed at civic health and public health.

So we only have a couple of minutes left and and we still have more questions in the chat, so so what I'd like to do is to ask the question about about diversity, equity and inclusion, because, as we all know, traditional mainstream media, Courtney, as you noted, did not serve all communities.

And you highlighted some internal and outlier media, which has been the two sites which have done a really terrific job in serving traditionally underrepresented communities. So what changes in responses? And I just love just everyone just to jump in here. Have you seen in the field and what's different and what has changed since the Black Lives Matter movement?

I think that a lot of these organizations are distinguished in the trust that they have with those communities, and because of that, they're able to honestly access perspectives and stories that in narratives that are actually hard for other outlets to access
because there's not a relationship or there is not trust. I feel like to Sarah Beth's point, what's been the most encouraging to see is how they are becoming successful in sustaining this work and that their work is very mission driven. But it also is making sense in terms of their ability to fundraise in, in and fund it. And I think that's really most exciting to see. In another example I didn't mention earlier, but one that everyone should check out is PRISM. They're at our PRISM dog, but they were recently founded this year to honestly take to take the headlines and look at it from a perspective of people of color and and indigenous people in America and immigrants in America and really be a voice and add a new narrative and perspective to headlines.

[00:43:13] And so I think that the fact that we're seeing promise in their ability to fundraise and sustain really is kind of like a case and an incentive for others to either emerge in their community and for other important legacy news organizations to sort of expand, expand their reach.

[00:43:33] Thank you.

[00:43:34] And what efforts, Sarah Beth and Chris, are you seeing your organizations take to address the gaps in diversity and serving underrepresented communities?

[00:43:53] Yeah, and AGP, as you know, we're focused on building a next generation of newsrooms, and as we think about that, we are putting front and center the belief that we have the opportunity to build a new local news infrastructure that actually reflects and engages the diversity of the country.

[00:44:15] And what that looks like is investing in leaders that are from historically marginalized communities and organizations that are focusing on.

[00:44:27] Serving audiences that are historically marginalized, we just announced last month a new investment in a really promising organization called Documented in New York City that is focused on serving immigrant communities in New York. And they've started with a Spanish speaking population. They had a huge WhatsApp channel where they're not just pushing information, but hearing information and developing that ongoing feedback loop with their communities. And they see a real opportunity to continue to expand that model. And we've invested in them to help them do that into new immigrant communities across New York.

[00:45:07] And so what we're finding to be really promising is that I think this is at the top of our collective agenda, that we know that we need to hold ourselves to a much higher standard in terms of making sure that local news is not for some, but genuinely is for all communities and all participants and communities. So, Chris, I'll hand this over to you. I know you all have been thinking about this a lot as well.

[00:45:44] We have thanks, especially through our work with the Google News initiative on a program that we ran called the Jeanna North America Startups Boot Camp, where we help sort of twenty four new projects, the vast majority of which were owned and operated by. By people of color, in communities in need and helping those founders and funders with support at that crucial early stage is really the work that we feel really proud of and support that we think is going to make a difference in the long term health of those of those founders were actually excited to talk about the second phase of that, what we're going to help existing organizations with support, including a certain amount of funding from the jeani, as well as on one on one coaching for those founders.
Information about how people can apply for that program is online publishers dot com right now, as well as startups like dot com.

You can find information about if you're in a position of running one of these organizations and you need that kind of support, we're actually looking to fill up slots in that camp right now. It's going to start shortly and run through April, I want to say so. Yeah, it's a really exciting time at Lihn to be able to provide this kind of key support. Well, thank you, everyone, for joining us today and thank you for playing such key, important leadership roles as together we are rebuilding the local media landscape in the same way that we can fight bad speech with good speech. Let's fight misinformation and disinformation with accurate nonpartisan, independent, original reporting and community news and information. Thank you, everyone. Thank you so much for joining us today. And please join us, everyone, next week at the same time for Discovery.