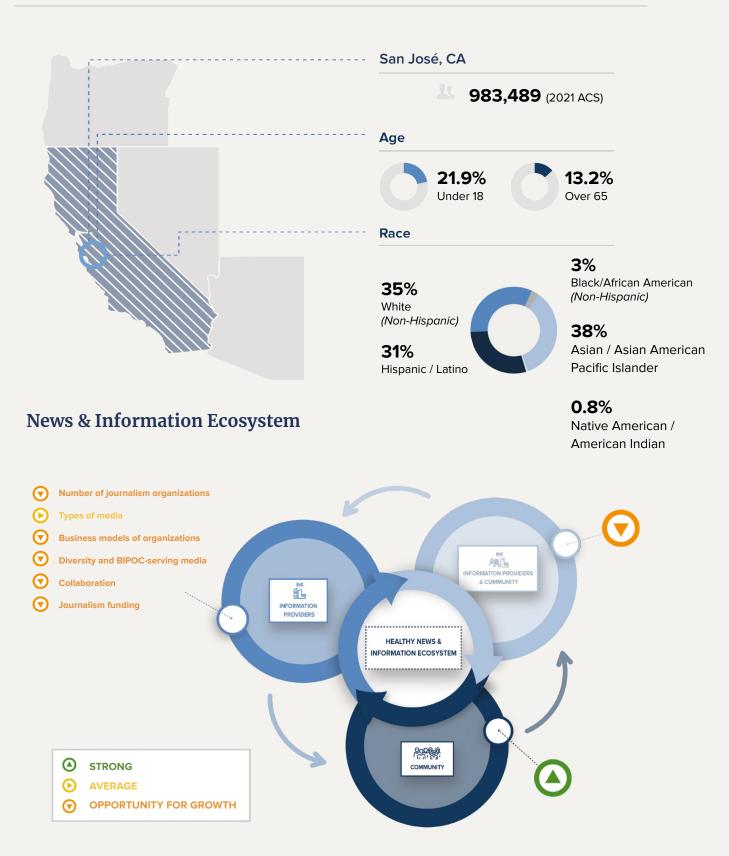
'IMPACT ARCHITECTS

San José, California

2023 Healthy News & Information Ecosystems

San José, CA



Key Elements

| ((o)) ELE INFORMATION PROVIDERS | San José has a low number of news organizations for its population and a lack of diversity in its business models and formats. |
|---|---|
| COLLABORATION | The Bay Area Media Collaborative pilot, run by Renaissance Journalism from 2017 through 2020, has not continued and we found no instances of collaboration in San Jose as of early 2023. |
| DIVERSITY | San José Mercury News publishes its staff demographic information. |
| BIPOC-SERVING & COMMUNITY MEDIA | San José is notably lacking in BIPOC-serving media, particularly within its large Hispanic/Latino (38%) and Asian/Asian American Pacific Islander (38%) communities. |
| TYPES OF MEDIA | The San José ecosystem is dominated by print media. |
| JOURNALISM ORGANIZATION BUSINESS MODELS | More than half of San José's news outlets are independent, for-profit news organizations. |
| PHILANTHROPIC INVESTMENT | There has been relatively low philanthropic investment in the San José information ecosystem on a per capita basis, according to the Media Impact Funders' database. |
| COMMUNITY TRUST | According to a 2019 survey by the Pew Research Center, residents of San Jose express a relatively low level of trust in its local media in terms of representation, accuracy and comprehensiveness. |

Summary

San José is a city at the southern end of California's Silicon Valley with a population of 983,489. It is part of the San José-Sunnyvale-Santa Clara, CA metropolitan statistical area. Its population of 1,952,185 people makes it the 36th-largest in the United States.¹ San José is a diverse city, and the 2021 census found that people who identify as Asian had grown to be the largest racial or ethnic group for the first time, making up 38% of the population. Additionally, nearly a third (31%) of San José residents are Hispanic/Latino. San José's population is relatively young, with only 13.2% of the population over 65, which is three percentage points lower than the national average.

While both the median household income and per capita income in San José are higher than the national average, the cost of living in the Bay Area is also significantly higher than the national average. According

to the MIT Living Wage calculator, the living wage for a single person required in San José is \$26.20 per hour, or roughly \$55,000 per year.² There's a disconnect between perception and reality in Silicon Valley. There is a perception that there's a lot of money available, but the reality for many residents is challenging. For example, housing and homelessness are major crises in the Bay Area overall and San José in particular.

The housing crisis even impacts staffing among news organizations, as many reporters have to move outside of the San José metro area to afford the cost of living, which also makes it hard to attract and retain talent.

| Community Indicators | National Average, 2021 | San José, 2021 | Comparison |
|---------------------------------------|------------------------------|-------------------|------------|
| Economics | | | |
| Median Household Income | \$69,021 | \$125,075 | High |
| Per Capita Income | \$37,638 | \$53,574 | High |
| Poverty Rate | 11.6% | 7.7% | Low |
| Education | | | |
| High School Degree | 88.9% | 85.5% | Low |
| Bachelor's Degree | 33.7% | 45.4% | High |
| Resources & Infrastructure | | | |
| Households with Computer | 93.1% | 96.6% | High |
| Broadband Access | 87.0% | 93.7% | High |
| Universities | 20 | 13 | |
| Population per University | 32,690 | 75,653 | High |
| Libraries | 27 | 14 | |
| Population per Library | 23,693 | 70,249 | High |
| Community Satisfaction ³ | 60.9% | 66.0% | High |
| Voter Turnout of most recent election | 66.0% | 53.1% | Low |
| Prior Information Needs Study | Yes/No | No | |
| Prior Ecosystem Study | Yes/No | No | |

1. "San Jose-Sunnyvale-Santa Clara, CA Metro Area," Census Reporter,

https://censusreporter.org/profiles/31000US41940-san-jose-sunnyvale-santa-clara-ca-metro-area/.

2. "Living Wage Calculation for San Jose-Sunnyvale-Santa Clara, CA," Living Wage, <u>https://livingwage.mit.edu/metros/41940</u>.

3. Community satisfaction is measured by Share Care in partnership with Boston University, <u>https://wellbeingindex.sharecare.com/interactive-map/?defaultState=CA</u>.

The daily newspaper *Mercury News* has suffered cutbacks and consolidation, as have many major metropolitan dailies with corporate ownership, leaving it with fewer reporters to cover more geography. And due to San José's proximity to San Francisco and Oakland, resources and efforts to support media often go to these neighbors rather than the San José ecosystem, resulting in news coming from these neighboring cities.

Information needs

There have been no information needs assessments conducted in San José, although San José Spotlight conducts an annual reader survey to ensure it delivers relevant content to its audience, soliciting feedback on topics of relevance from housing to small business. Stakeholders said that, in general, at least some segments of San José's population information needs are being met, such as Indian American residents served by India Currents, but residents have to seek out information piecemeal from different sources due to a fractured ecosystem. According to stakeholders, this is in part due to the fact that the *Mercury News* (formerly *San José Mercury News*) no longer fills the role of a large, general publication serving the community. However, even with the challenges facing the *Mercury News*, the newspaper penetration rate in San José remains very strong at 34.7%, the highest among Knight cities.⁴

San José's population is incredibly diverse, and more than half of residents speak a language other than English at home. However, news and information is largely available in English.

Information Providers

Mercury News is the daily newspaper covering San José. "The Merc," as it is locally known, was purchased from Knight-Ridder by McClatchy in 2006, and then immediately sold to Denver-based MediaNewsGroup (now Digital First Media). *Mercury News* is now run by Digital First's local subsidiary, the Bay Area News Group (BANG).

As with many daily newspapers run by corporations, the *Mercury News* has shrunk over the years, both in head count and in its coverage. For example, in the 1990s, the *Mercury News* had both a Vietnamese and Spanish language publication for local communities, both of which were shut down just prior to the

^{4.} Daily average circulation is a composite average based on data from Alliance for Audited Media, which includes the daily average of print, print replica and print nonreplica editions of newspapers, four reporting dates for 2019 and two for 2021. Household penetration rate is the average daily circulation divided by the number of households in San José, according to the Census Bureau's 2021 American Community Survey (ACS).

publication's sale to McClatchy. At its peak in 2001, the *Mercury News* alone had 400 employees. In 2018, after a round of buyouts and layoffs, the entire group of BANG newspapers had only 150 people covering the whole Bay Area.⁵

And while overall coverage of San José has decreased with the decline of the *Mercury News*, stakeholders noted that the communities most often left out of coverage as well as who are in need of more and better information are non-English-speaking and low-income communities.

In response to the gaps in coverage in San José, in 2019, the San José Spotlight launched as the city's first nonprofit newsroom. San José Spotlight does local politics and investigative reporting and makes its stories available to other local publications for free, including the *San Francisco Chronicle*, the region's largest daily newspaper. San José Spotlight also publishes translations of its stories in Vietnamese and Spanish in order to serve local residents with information in their preferred language.

The pandemic hit at the beginning of San José Spotlight's second year, having a big impact on the community-supported outlet. "We started seeing donations drop off, but after a few weeks, we saw our pageviews spike. People were relying on our coverage to inform them of the novel coronavirus," said Josh Barousse, San José Spotlight's co-founder and executive director.

For other news entities, COVID-19 posed even larger challenges and opportunities. For example, India Currents Foundation, a 32-year-old print magazine focused on the Indian American community, transitioned to a fully digital nonprofit in 2019. This transition to fully digital meant a massive shift in its approach and revenue streams. The organization had been reliant on small businesses for advertising, and many shuttered or withdrew their ads during the pandemic, which led to the staff working on a volunteer basis for a brief time. Publisher and CEO Vandana Kumar eventually secured institutional funding from the United Way and received a boost from readers in India Currents' first-ever ask for individual donations in 2020, which enabled the publication to continue.

An overarching challenge for the San José news ecosystem is the fact that it is part of a region with San Francisco and Oakland. And while the Bay Area does have some regional coverage, because communities are so distinct, each having their own identities, communities and challenges, stakeholders said it can be difficult to find stories that are truly regional, and San José often gets left out.

^{5.} Stephen Perez, "Mercury News Hit By Another Round of Layoffs, Buyouts," San Jose Inside, February 2, 2018, https://www.sanjoseinside.com/news/mercury-news-hit-by-another-round-of-layoffs-buyouts/.

BIPOC-Serving Media

San José is an incredibly diverse community, and has a number of BIPOC-serving media outlets, which stakeholders said are vital to serving their communities with local news but also with news about countries of origin. However, most of the community and BIPOC-serving media are primarily print products, limiting their reach.

Because communities are often not represented in legacy media, due to a lack of resources as well as a lack of relationships and access, Vandana Kumar, publisher and CEO of the nonprofit India Currents, said, "If we stop [our reporting], our voices won't be heard. It's passion and the recognition that our voices must be a part of the conversation that keeps us going."

| Information Providers | Knight Communities Average, 2022 | San José, 2022 | Comparison |
|--|---|-------------------|------------|
| Number of Organizations (newspapers, television stations, radio stations, and digital) | 34 | 35 | Average |
| Population per Organization | 27,162 | 28,100 | High |
| Daily Average Circulation (Major Daily) | N/A | 112,628 (2021) | |
| Household Penetration Rate | 15.2% | 34.7% | High |
| Platform Breakdown ⁶ | | | |
| Newspapers | 36.8% | 51.4% | High |
| Television Stations | 31.3% | 28.6% | Average |
| Radio Stations | 10.9% | 5.7% | Low |
| Digital only | 18.5% | 14.3% | Low |
| Business Models Breakdown ⁷ | | | |
| Nonprofit | 11.2% | 5.7% | Low |
| Public Media | 11.5% | 11.4% | Average |
| National Broadcast Chain | 24.4% | 22.9% | Average |
| National Newspaper Chain | 6.0% | 2.9% | Low |
| Independent For-Profit | 46.4% | 57.1% | High |
| BIPOC-Serving Media | | | |
| African American / Black | | 1 | |
| Hispanic / Latino | | 5 | |
| Asian / Asian American | | 1 | |
| Diversity | | | |
| Staff Diversity Transparency | | No | |
| Source Diversity Audits | | Yes | |
| Collaboration | | No | |
| Journalism Funding | | | |
| Philanthropic Dollars over the 3 previous years ⁸ | \$3,837,794 | \$1,100.000 | |
| Funders | 13 | 11 | |
| Recipients | 8 | 13 | |
| Invested Per Capita | \$5.94 | \$1.12 | Low |

6. The percentage of news outlets that publish on specific platforms in San José.

7. The percentage of news outlets that have specific business models in San José.

8. Philanthropic investment is based on the Media Impact Funders and Candid database, which pulls data from organizational 990s. These data include only institutional funders, not individual donors. There is also a lag in the data as a result of both the timing of organizations' tax filings and the process of tagging grants. While this data is far from perfect, it is the only current data source with respect to philanthropic funding for media.

| | Independent | National Chain | Nonprofit/University | Public Media |
|----------------|----------------------|----------------|----------------------|--------------|
| gital only | Cupertino Today | | India Currents | |
| | El Observador | | San José Spotlight | |
| | San José Inside | | | |
| nt and digital | Alianza Metropolitan | Mercury News | | |
| | News | | | |
| | Almaden Resident | | | |
| | Bay Area Review | | | |
| | Campbell Express | | | |
| | Campbell Reporter | | | |
| | Gilroy Dispatch | | | |
| | La Oferta | | | |
| | Los Altos Town Crier | | | |
| | Los Gatos Weekly | | | |
| | Times | | | |
| | Morgan Hill Times | | | |
| | Mountain View Voice | | | |
| | NikkeiWest | | | |
| | Palo Alto Weekly | | | |
| | Saratoga News | | | |
| | The Sunnyvale Sun | | | |
| | Willow Glen Times | | | |
| dio | KZSJ | KCBS Radio | | KQED |
| | | | | |
| evsion | | KBCW | КРЈК | |
| | | KDTV | KQED-TV | |
| | | KGO ABC | KRCB PBS | |
| | | KNTV NBC | | |
| | | KPIX CBS | | |

KSTS KTVU Fox Telemundo Univision

News Outlets Based in San José

Diversity

The Bay Area News Group, including the *Mercury News*, reported its staff demographic information last in 2019 as part of the American Society of News Editors diversity survey. Eleven percent of BANG staff identified as Asian, 2% as Black and 10% as Hispanic, compared with a population in San José that is 38% Asian and 31% Hispanic.⁹

Overall, community media has improved in San José since 2020, but "can't say we're meeting the cultural diversity of who we are," said Chad Johnston, CEO of CreaTV, a nonprofit community media center.

Collaboration

San José does not have a strong history of collaboration, with most instances happening around one-off stories rather than at the structural level. That could be due to the legacy attitude of competition, speculated Josh Barousse, co-founder and executive director of San José Spotlight. However, that perspective may be changing, with stakeholders like Chad Johnston of CEO of CreaTV, arguing that San José is "ripe for something like that." And publications like the nonprofit San José Spotlight are making their content available to other publications for republication, which can serve as a gateway to deeper relationships and collaboration in the future.

Local Journalism Support Organizations

There are various institutions in the Silicon Valley region that are equipped to support the news ecosystem, including Knight Foundation, the Google News Initiative, Facebook/Meta and Silicon Valley Community Foundation's Local Journalism Fund, which prioritizes organizations led by people of color or Black and Indigenous leaders. However, there are no local foundations that support news and information explicitly in San José, although Silicon Valley Community Foundation covers San José and has historically partnered with local news and information providers in service of building a more equitable Silicon Valley region.

9. "Digital and Print Publications – Managers and Salaried Employees,"

https://static1.squarespace.com/static/5d2df6a6231a750001881b75/t/6042967698b7262ced3b7b67/1614976631174/2 019 ASNE Newsroom Diversity Survey+Managers+and+Salaried+Employees.pdf.

Stakeholders noted that local organizations are still struggling to find resources they need, and the culture of individual philanthropy for journalism is not strong in San José, or the region more broadly. Institutional funding is a huge opportunity in San José because of the resources nearby in Silicon Valley, but those institutions need to do a better job of meeting organizational needs and capacities.

| Information Providers and Community* | Knight Communities Average | San José | Comparison |
|--|----------------------------------|----------|------------|
| Representation and Proximity | | | |
| % Who say local Journalists are in touch with the community | 63% | 61% | Average |
| % Who have spoken with a journalist | 21% | 15% | Low |
| % Who say their local news source mostly covers the area where they live | 51% | 60% | High |
| Includes people like you in their stories | 58% | 53% | Low |
| Financial Support | | | |
| % Who pay for local news in the past year | 14% | 15% | Average |
| % Who Say Their Local News: | | | |
| Reports news accurately | 71% | 66% | Low |
| Keeps an eye on local political leaders | 66% | 63% | Low |
| Provides news that they use daily | 67% | 64% | Low |
| Covers news stories thoroughly | 65% | 61% | Low |
| Is transparent about their reporting | 62% | 60% | Average |
| Deals fairly with all sides | 62% | 64% | Average |

In general, San José residents have slightly less-positive perceptions of local news and information

*Data from 2019 Pew Research Center Local News Survey

providers than do those in other Knight cities, according to the 2019 Pew Research Center Local News Survey. The one area in which San José stands out is with respect to the 60% percentage of respondents who said their local news source mostly covers the area where they live, significantly more than respondents in other Knight cities.

Case Study: CreaTV and the New Standard for Engagement in COVID-19

<u>CreaTV</u> is a nonprofit focused on providing "training, tools, and platforms that allow diverse and often under-served communities to tell their stories and express their views through digital media."

During the COVID-19 pandemic, CreaTV's unique tech know-how and value as a convener meant that institutions from news to local government flocked to the organization to go virtual-first for engagement or convenings. CreaTV produces the city and council meetings, which, once virtual, became powerful tools for residents to get more engaged and think about participating in democratic process. "The wall has

been broken in standards of what production should look like—people thought I was crazy ten years ago with broadcasting via Skype. Now, the barrier to engaging with communities has lowered," said CEO Chad Johnston, adding that new standards will always be virtual and in-person from now on.

Johnston says the organization is rooted in community engagement, with a focus on creating a more just and equitable media system by addressing technological equity. "The output is not the most important part, it's the power," he said.

In early 2022, CreaTV was awarded a \$1 million grant by Knight Foundation to develop Open San José, "a new state-of-the-art facility that will feature hybrid spaces for virtual and physical events, including rehearsals, film screenings, community forums and educational activities."¹⁰

Opportunities

- Institutional support: There is little institutional investment in San José's news ecosystem (per capita), despite a high concentration of wealth in the area. With the growth of the nonprofit news sector and first signs of what could become a vibrant ecosystem, there is opportunity for institutional support to catalyze these efforts.
- Information needs assessment: There has not been a formal information needs assessment conducted for San José and having this information could guide additional efforts to support the creation of and access to news and information across the diverse sectors of the community.
- Support for community and BIPOC-serving media: Community and BIPOC-serving papers serving immigrant communities in San José would benefit from increased resources to grow their digital capacity in order to reach more of their communities.
- Collaboration and backbone institutions: As the ecosystem grows, there is opportunity to
 proactively seed collaborative efforts and identify potential backbone institutions to support the
 ecosystem.

^{10. &}quot;CreaTV San José Opens New State-of-the-Art Facility in Downtown San José," CreaTV, June 6, 2023, <u>https://www.creatvsj.org/knight-grant.</u>