

# JOURNALISM 2.0



ORVIDAS

**Traditional news media's business models are crumbling against the forces of a digital communications revolution. The unsettling result: the loss of reliable sources of independently produced information—the lifeblood of our democracy. Now, foundations from Pittsburgh to the Pacific Coast are jumping in to preserve the quality of news reporting and its flow. by Christine H. O'Toole**

**L**ast September, the spartan office of PublicSource—an online investigative journalism project perched on the second floor of Pittsburgh Filmmakers—suggested more of a 1920s-style “Front Page” newsroom than a high-tech media center. Electrical cords snaked across a windowless room furnished with a few scarred desks and one small conference table. Editor Sharon Walsh was still three reporter hires and eight months away from her first major deadline, an ambitious reporting package with five other media outlets. The oversized laser proofs on her desk showed not a newsprint layout, but designs for the keystone of her project: a website supporting “deep dive” storytelling and multimedia.

As the 22-story series on the social, psychological and economic challenges faced by returning western Pennsylvania war veterans debuted in April, Walsh reiterated the mission of her new nonprofit.

“Fortunately, Pittsburgh is a media-rich area: two daily papers, commercial radio, lots of different media platforms,” she explained. “There’s plenty of news. But is it in-depth? Is there enough digging?”

In a western Pennsylvania media landscape pounded by the seismic waves of digital technology, a crushing recession and fickle audiences, digging has become a luxury. Traditional media stalwarts from CNN and Newsweek magazine to Pittsburgh’s dailies and network affiliates have struggled to provide in-depth coverage as their profit margins tumble. The Federal Communications Commission, in a June 2012 report, called

the current situation “an unusual moment: Ignoring the ailments of local media will mean that serious harm may be done to our communities.”

The report stated that, in paper after paper, local accountability journalism is down according to several studies. As a sobering example, a 2010 report on a study of Baltimore news reporting by the Pew Project for Excellence in Journalism concluded that, although newspapers in the area still provided the bulk of news content, coverage had diminished considerably.

“Significantly, with fewer reporters on the job,” the FCC report stated, “governmental institutions drove much of the coverage,” with official press releases often appearing word for word in first accounts of events.

The FCC report cites many other worrisome outcomes from news coverage retrenchment. “Many staff cutbacks have occurred on beats that had enormous civic impact but lacked sexy, marketable stories. As editors prune beats to leave only those that generate buzz—or, in the case of websites, traffic—they are tempted to serve fewer portions of ‘broccoli journalism,’ i.e., stories that might be unpopular but good for you.”

Despite the casualties inflicted on the principle of the People’s Right to Know, the FCC report takes a hopeful stance. “Paying attention to [the ailments] will enable Americans to develop, literally, the best media system the nation has ever had.” It is a call to action to which many foundations have responded vigorously.

In January 2010, two solutions to the contraction of local in-depth news reporting surfaced simultaneously in the southwestern Pennsylvania market, the nation’s 22nd largest. The

region's largest public radio station, a popular National Public Radio affiliate, was put on the block by its owner, Duquesne University.

Meanwhile, community leaders with media backgrounds began developing a business plan for an investigative-and-explanatory website that would become PublicSource. Their attempt to improve local news reporting came after a decade of journalistic losses. As traditional ad revenues declined, the red ink flooded newsrooms. The Pittsburgh Post-Gazette, the city's largest daily, saw its editorial staff shrink from a high of 273 reporters in 2000 to about 173, a proportion mirrored at newspapers across the country. The result: Resources for in-depth and investigative coverage contracted, too.

Yet, as Walsh and her foundation supporters recognize, the public appetite for news remains strong. In 2010, the Pew Research Center reported that the average time Americans spend with the news on a given day is as high as it was in the mid-1990s, when newspaper and network TV audiences were much larger. But a 2011 Pew Center report pinpoints the key difference from the old model: "In the 20th century, the news media thrived by being the intermediary others needed to reach customers. In the 21st, increasingly there is a new intermediary: Software programmers, content aggregators and device makers control access to the public," wrote authors Tom Rosenstiel and Amy Mitchell.

The resulting high-stakes challenge for local communities—even in media-rich cities such as Pittsburgh—is how to ensure impartial, robust reporting of important issues no matter the media business model.

"As resources dry up, I think there has to be a new way of thinking," says Charlie Humphrey, now executive director of the Pittsburgh Center for the Arts and Pittsburgh Filmmakers. A longtime player in the local news media scene—he was the publisher of a now-defunct alternative weekly, *InPittsburgh*, in the 1990s—Humphrey was involved in the 2010 discussions with foundations. "I think the community benefits by having important stories available on multiple platforms."

Increasingly, foundations are deciding that civic engagement on issues connected to their grant-making efforts is essential to success. "For the community to be able to solve a problem or take full advantage of an opportunity, information developed from trusted, independent news sources is everything," says Heinz Endowments President Robert Vagt. The Endowments, along



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**“WE WILL PROVE OURSELVES BY WHAT WE COVER AND HOW WE COVER IT. ESSENTIALLY ALL YOU HAVE IS INTEGRITY AND INDEPENDENCE. IF THAT’S EVER IN DOUBT, YOU HAVE FAILED.”**

**Sharon Walsh**, PublicSource editor



PublicSource’s small but dedicated staff tackles big issues affecting western Pennsylvania. Above, clockwise from left, Web Development Director Alexandra Kanik, Editor Sharon Walsh and reporters Halle Stockton, Bill Heltzel and Emily DeMarco discuss aspects of the news website during a staff meeting. Investigative projects the team has produced include reports on Pennsylvanians whose money influences elections, below left, and the impact of gas drilling on communities such as Hopewell Township south of Pittsburgh, below center. PublicSource also participated in a joint “Coming Home” reporting project with other local media about the issues faced by veterans returning from Afghanistan and Iraq. Among those featured from the Pittsburgh region was Air Force Reserve Maj. Brad Davis, a chaplain, pictured in Afghanistan comforting a soldier with a bullet wound to his neck.



Scott Goldsmith



Maj. Brad Davis

Foundation support helped launch 90.5 WESA, which expanded the region's local and National Public Radio news offerings by investing in more in-depth coverage and collaborating with other media. WESA hosted a "Green Gatherings" discussion about the impact of environmental issues on the 2012 election that included Heather Sage, vice president of the environment protection group PennFuture, below foreground, and Chris Potter, editor of Pittsburgh City Paper, as panelists. On the opposite page, Paul Guggenheimer, above, devotes an edition of his Essential Pittsburgh news and talk show to the joint "Coming Home" reporting project with other media. Larkin Page-Jacobs, center, is the Pittsburgh host for the NPR afternoon news magazine All Things Considered. Below right, NPR staff in Washington, D.C., produce live election coverage on Nov. 6 that was aired in Pittsburgh on WESA.



Joshua Franzos



## 90.5 WESA

Joshua Franzos



Stephen Voss for NPR



with the John S. and James L. Knight, Pittsburgh and Mellon foundations, have together invested \$809,000 in the PublicSource website to help provide vital information.

“Look at the primary issues with which we’re engaged: public education, clean air and water, good government,” says Vagt. “They will only be addressed successfully when people’s knowledge grows. We are not funding agenda-driven or biased propaganda operations. We are funding in-depth, compelling journalism with the goal of community education.” Foundations across the country are recognizing the same need in the communities and causes they serve and are lending support to supplement, often with new media, what has been lost in traditional journalism. The platforms and purposes run to extremes—from the two-time Pulitzer Prize–winner ProPublica, a national investigative news outlet, to the YouTube-based weekly news series by Pittsburgh rapper Jasiri X.

Though vastly cheaper than print and broadcast, online and mobile news operations still have to pay for technology and talent.

“Nobody in the country is entirely sure what sustainability for nonprofit journalism will be,” says Grant Oliphant, president of The Pittsburgh Foundation, which galvanized philanthropic support for the public radio station purchase and PublicSource.

Despite that uncertainty, foundations have poured an estimated \$2 billion into nonprofit media experiments in the past decade alone. The runaway funding leader, the John S. and James L. Knight Foundation, has devoted \$100 million to projects nationwide in the past five years. Scripps, Hearst and Annenberg, all legacies of other media fortunes, have funded pilots and journalism education. The Sandler Foundation has underwritten ProPublica since its founding in 2007. The Kaiser Family Foundation launched Kaiser Health News in 2009 to cover health care policy. The Center for Investigative Journalism underwrites specific media inquiries nationwide.

Knight’s grants, including \$253,000 for Pittsburgh’s PublicSource, run the gamut. It has supported 200 national pilots ranging from hyperlocal neighborhood news sites to a “virtual election” partnership with MTV, designed to engage young voters online.

“We’re looking at their reach, their penetration, their level of audience engagement,” explains Mayur Patel, Knight’s vice president of strategy and assessment. “How do these projects contribute to behavior change, shift people’s consumption, and inform and influence public policy?”

Philanthropic support of journalism has not been limited to nonprofit media. This year, the Ford Foundation gave \$500,000 to the Washington Post to expand its government-accountability coverage and \$1 million to the Los Angeles Times to increase reporting on immigration and ethnic communities.



In a recent review of seven funded projects, titled “Getting Local: How Nonprofit News Ventures Seek Sustainability,” Knight concluded that foundation support alone won’t guarantee the experiments’ success. Critical to grantees’ progress were three elements: a business-development strategy that created an ongoing revenue stream, such as the donor-funded news beats at MinnPost, a statewide Minnesota site; innovative ways to build community engagement, such as the Voice of San Diego’s Politifest 2011, which included a mayoral debate and an “idea tournament” modeled after “American Idol”; and the technological capacity to track audience interest, such as the Texas Tribune’s interactive features and highly searchable public databases.

And as the newcomers enter markets with corporate competition, Patel adds, there’s a broader editorial issue. “Non-profits can’t be duplicative of for-profits. It can’t just be more content on the same issues.”

### **SAVING A PLACE FOR NPR**

When Duquesne University announced its intention to sell WDUQ in late 2009, it was following the lead of cash-strapped campuses around the country. The license for the 62-year-old station, with its signature mix of “news, jazz, and NPR,” was worth \$6 million to the school. While the station offered a few hours of National Public Radio news programs daily, Pittsburgh was one of only two Top 50 metro markets without a full-time affiliate of the service. Pittsburgh Foundation staff met with a group of station employees who needed financial support for their bid.

“We weren’t interested in paying for more of the same, but in the potential to do something novel around news,” Oliphant recalls. A full-time radio platform for local news and investigation, with the public broadcasting marquee, was suddenly possible.

WDUQ staffers wanted to run a new station with a mix of NPR and jazz programming, the station’s long-standing formula. Boards of two other local public broadcasters, WQED Multimedia and alternative music station WYEP, discussed other collaborations but failed to craft a joint bid.

Meanwhile, the fate of the station hung in the balance. Unconfirmed rumors of an out-of-town bidder, possibly a religious broadcaster, continued. In May 2010, local foundations took the unusual step of funding a \$50,000 option to freeze the bidding for 60 days.

“With the option, we wanted to give the community process time to play out,” says Oliphant. “The conversation about PublicSource was going on, and we wanted to see if ideally there was a connection between what the foundation and the community wanted to do.”

Four funders, the Pittsburgh and Richard King Mellon foundations, the Endowments, and an anonymous source stepped up with \$4.1 million for the acquisition and launch of the new radio station, which eventually became the National Public Radio affiliate 90.5 WESA.

The “Coming Home” series, which debuted on April 14, showed the huge potential of web-based investigative news operation partnering with the radio news operation of an NPR affiliate. WESA was prominent among the six media partners that committed to a week of reporting from a range of news platforms on the transition to civilian life for returning veterans. Among the stories: examinations of G.I. Bill benefits and adjustments to college life on the PublicSource website. The City Paper, a print weekly, weighed in on recently returned vets entering politics. WESA examined public housing for homeless soldiers and broadcast a live public forum with veterans’ benefits experts. The Pittsburgh Post-Gazette exposed the gap between civilian job requirements and soldier experience.

Post-Gazette Executive Editor David Shribman says the pilot was, in his view, a success. “The work itself was more than worthy. It was superb. And as a case study, it was a demonstration project of how disparate journalism outfits can contribute together.”

Providing all of PublicSource’s inaugural two-year budget, some \$800,000, and \$4.1 million for the launch of the new WESA station, Pittsburgh foundations clearly built the new projects. Their highly visible role has led to inevitable questions on how that support will influence reporting.

PublicSource editor Walsh, whose previous investigative career included stints at the Washington Post and the Philadelphia Inquirer, has heard the rumblings. “We will prove ourselves by what we cover and how we cover it. Essentially all you have is integrity and independence. If that’s ever in doubt, you have failed.”

Vince Stehle, executive director of Media Impact Funders, agrees. “[Most] foundations understand that it doesn’t do any good to fund reporting that has no integrity. We encourage funders to maintain appropriate detachment from editorial policies and judgments.”

## FOUNDATION-SUPPORTED MEDIA

Pittsburgh foundations' investments in local news media reflect a national trend in philanthropies giving their support to news organizations, particularly online media outlets committed to public affairs and investigative reporting.



Yale Environment 360 is an online magazine that covers global environmental issues, such as the impact of glacial melting in Greenland, above, and other Arctic regions. Also known as e360, the online publication is produced by the Yale School of Forestry & Environmental Studies and Yale University.

### Supporters

William and Flora Hewlett Foundation  
John D. and Catherine T. MacArthur Foundation



The national media organization ProPublica specializes in investigative reporting, which it publishes on its website and distributes to news partners for publication or broadcast. It has won two Pulitzer Prizes, including one last year for its series on Wall Street business practices that exacerbated the U.S. financial crisis.

### Largest Supporters

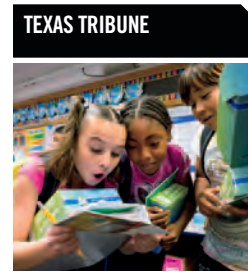
Sandler Foundation  
The Ford Foundation  
John S. and James L. Knight Foundation  
The John D. and Catherine T. MacArthur Foundation  
The Pew Charitable Trusts



MinnPost is an online newspaper that covers a range of news and human interest stories in Minnesota. Among the most recent issues the site has followed has been the successful campaign to defeat a proposed constitutional amendment banning same-sex marriage.

### Largest Supporters

John S. and James L. Knight Foundation  
The McKnight Foundation



The Texas Tribune focuses on government and public policy issues in Texas, such as statewide education programs, and produces articles for its website. It also distributes stories to other news partners and regularly hosts on-the-record, open-to-the-public events such as forums and conferences.

### Largest Supporters

John S. and James L. Knight Foundation  
Houston Endowment



StateImpact is a collaboration among National Public Radio and affiliates in eight states to provide broadcast and online news coverage on state public policy. Each state has a StateImpact website; in Pennsylvania, the focus has been on how natural gas and other energy resources are developed and regulated.

### StateImpact Pennsylvania Supporters

The Heinz Endowments  
Moses Feldman Family Foundation  
Open Society Institute  
Wallace Foundation  
John S. and James L. Knight Foundation  
Doris Duke Charitable Foundation

Both PublicSource and WESA will continue to shine a spotlight on Marcellus Shale drilling in the region as a major environmental, health and business story that reverberates well beyond Pennsylvania. An ongoing PublicSource-sponsored photography exhibit, the Marcellus Shale Documentary Project, running through Jan. 6 at Pittsburgh Filmmakers' Melwood Avenue gallery, has received national attention, including being featured in the New York Times' Lens blog.

At WESA, President DeAnne Hamilton believes a non-traditional newsroom and partnerships allows for flexibility and compelling content. "We don't have beats per se, except for our behavioral health care reporting," she explains. General assignment reporters cover a range of local news categories, from politics to science.

### IS IT WORKING?

WESA's audience has dropped 50 percent since it switched its format and name last year, a common short-term trend. But under the Essential Public Radio brand and marketing strategies, the station wasn't rebounding to the degree that its founding board members had hoped. "Our older demographic, which tends to support public radio, was going away," says Hamilton. Consultant John Sutton advised a shake-up of the station's

initial schedule and a return to the station's call letters. WESA added airtime for Diane Rehm's daily syndicated interviews, and tucked more local reporting into an expanded two-hour "Morning Edition" from NPR. Armed with a new brand—"Pittsburgh's NPR news station"—managers are aiming for an average of 100,000 listeners a week.

On the fundraising side, individual donors have stepped up. WESA's four fundraising campaigns have raised more than \$900,000 from about 9,000 members. While watching its web metrics, PublicSource is launching a DIY advertising campaign, and envisions a series of public events to build its audience.

For the nonprofit startups, the touchpads that deliver their product may also deliver their future financial support. But for how long, no one can say.

"The hard truth about the future of journalism is that nobody knows for sure what will happen," writes Clay Shirky, a New York University expert on interactive telecommunications. "The current system is so brittle, and the alternatives are so speculative, that there's no hope for a simple and orderly transition from State A to State B. Chaos is our lot; the best we can do is identify the various forces at work shaping various possible futures." *h*