

2003 – International Symposium on Online Journalism

Panel 1: The Status of Online Journalism in the World

Moderator:

Rosental Calmon Alves, Professor and Knight Chair in Journalism, University of Texas at Austin

Panelists:

Marion Strecker, Co-founder & Content Director, Universo Online, Sao Paulo, Brazil

Jae Young Cha, Associate Professor, Chungnam National University, Seoul, South Korea

Edward Ramos, General Manager, La Vanguardia Digital, Barcelona, Spain

Melody Kokoszka, Designer/Producer, International Herald Tribune, Paris, France

ROSENAL CALMON ALVES: ...I was in Rio as an editor when I was approached by one of the journalists there in early 1995 asking me to meet the Internet. And I said, no, I know Internet... He said, "No, no, no, there's something called worldwide web." And of course when I saw the web I was totally - started this passion for this new medium. And we put together our newspaper on the web experimentally between February of 1995 and April and we started regular operation with our online edition in April 1995. The number of newspapers at that time on the web was very low. It was a very exciting experience, but in that moment Brazil had about less than 50,000 people on the Internet - most of them academics. And out of the 50,000 that we estimated at that moment, only less than 5,000 people had web access because the other 40,000 people had just non-graphic computers and access to news groups and the other things that were moving in the academy at that time.

We're going to listen here to Marion talking about Brazil and you're going to see the extraordinary growth that happened after that moment. But I was working for a newspaper called Renaldo de Brazil, who I used to say it was the New York Times of Brazil or the New York Times was the Renaldo de Brazil of the USA. And so I was very happy to see that the New York Times itself started its online operation one year later than us. So this is new in terms of the history of communication and new medium. This British scholar, Doug Stow who wrote the Media is American said that in the 20th century every twenty years there was a new medium and that this new medium was actually created in the United States of America; that was experimented here and got here the critical mass and then went around the world.

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In the case of the Internet, it was different because it was almost immediately that even in countries with no actual public or audience at that time the new medium was adopted. I still believe that the United States is the big lab where this new general current is being organized in the way that is going to be a winner, but in this case it's not going to be like other industries in communication that we exported from the United States the model of it, like the model of the commercial television, the commercial radio, the movie industry, etc.

I think there are lots of important things going on around the world simultaneously with the development of the medium here. So I'm extremely happy to have my four colleagues here to show you different experiences, a different approach to online journalism in Europe and Latin America, and in Asia. And one of the examples that I asked Eduard to talk about is how in Europe, for instance, there are more experiences with the limiting access to the news for subscribers who buy a subscription. While here in the United States the predominant model has been registration for websites or open websites, with the exception of the Wall Street Journal and a few news sites in the country.

I'm not going to talk a lot, so I'm going to pass to the first panelist who is Eduard Ramos who is the General Manager of La Vanguardia, the (inaudible) from Barcelona - another beautiful city - not as Rio, almost as beautiful. I'm not going to go into the bios because you have in them in your folders.

EDUARD RAMOS: Well, good morning. First I want to (inaudible) my (inaudible) in Spanish. I never speak English. And to avoid problem with this presentation I must script this. I assume this will be more accurate with my content.

I will of course start thanking those persons who organized this and especially Mr. Rosental Calmon for inviting me to this international symposium. I am honored (inaudible) to share my experience with you. I expect to meet your expectations. My participation in this panel will be based on my professional experience and my duties at (inaudible) La Vanguardia as a General Manager. As you can see on the agenda I am not journalist. My main duty as a General Manager is finding new business models for La Vanguardia as providing for that facility group (inaudible) in which as a person (inaudible) who (inaudible) without a printed newspaper and provides them financial discount.

Mr. Calmon asked me about the online (inaudible) these last four frantic years that provides finances that provides our salaries. I was (inaudible) if we assess what's happening now in Spain in our industry so I will go on data and (inaudible) from colleagues of another media. (inaudible) my competitors but actually friends in that capacity.

Since 1995 coalition companies have (inaudible) the cruel phenomenon of the gap between business plans and reality. This has (inaudible) our business expectation in the Internet and hasn't (inaudible) effective as (inaudible) online media (inaudible) . In general, we have moved from abundance to scarcity and (inaudible). Though we find we have to invest if we cannot have a return on investment (inaudible). Right from the start, business (inaudible) from aligned newspapers have come (inaudible)

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competitive advantage. Having a (inaudible) especially. Especially (inaudible). But also no work. A competition which does not have nothing to lose. The new relationship between people and information (inaudible) as well as the replacement of (inaudible) people-oriented model, most definitely affect our way of building position and business models in the Internet. (inaudible) The thing is. The forecast has not come true. I think we are (inaudible) But we must be very inventive to change our way of doing business. It will (inaudible) to our company that house competition by companies more in the Internet age. And therefore, we (inaudible) to the new environment. In Spain, as in the rest of the world, we have moved from a situation where our first involvement in Internet business (inaudible) some kind of heroes. There were two (inaudible) of our own bottom lines - especially when compared with expectation two years ago. My speech will try to outline the situation of our Spanish industry which tries to be an Internet city of (inaudible) and has made (inaudible) distance to do so. I believe it's very important to now (inaudible) in order to see how far we can go, as well when being aware of opportunities and (inaudible).

The (inaudible) world has seen the Internet both as an opportunity and (inaudible) . Here's the reason when we're talking about a business newspaper that has one thousand titles in a row with an average of circulation of 217 thousand. In Spain, we have one kind of (inaudible) title sold at more than 20 thousand (inaudible) of sale - most of them newsstands who main activity is the sales of newspapers and magazines. I show these figures because it's the volume of the real market that we must compare about the volume of the (inaudible). The total newspaper circulation is in Spain, except four million copies a day between (inaudible) of 150,000 people. (inaudible) is a copy. That figure from the (inaudible). And that means more or less that is 12 million of people in Spain only. I am speaking only of (inaudible) papers now. Spain has (inaudible) newspaper circulation behind Germany, England, France, Italy and Netherlands.

The (inaudible) circulation of newspaper in the European union fell by three thousand, more or less, in 2001. Which means (inaudible) of more than two million copies from the year 2000. On the other hand, Spain still holds the sixth position in circulation figures for the European Union but every year it comes close to Netherlands and (inaudible). Only for (inaudible) countries show an increase in the daily newspaper circulation. (inaudible) Spain among those countries where the largest circulation in the world (inaudible) having to act (inaudible) we have (inaudible) figures in Spain. And this table shows newspaper penetration related to the (inaudible) corporation of every country in Europe. As you can see, they are (inaudible) this country and Spain probably is one of the countries has more to develop. And this is the (inaudible) way that offline industries introducing videos.

I think that is important because that affects the point of view of our endorsement. They can see, ok, the offline model in France and (inaudible) and in other countries they have more of (inaudible) from other medias than we because (inaudible).

Now I will provide some figures that (inaudible) newspapers in Spain. As you can see the leader of Grupo Godo de Espanola (inaudible) in the north of south of Spain, as well ABC (inaudible). ABC is a newspaper in Spain. It's followed by (inaudible), a financial daily (inaudible) and the post daily (inaudible) is the second one. The next

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one is (inaudible) which has financial daily expansion and the post (inaudible). (inaudible) company who have (inaudible) non-Spanish shareholder. (inaudible) companies with the capital in Spain. (inaudible) (inaudible) Catalan version of (inaudible) with radio and TV stations.

This here shows the most important that have 82% of the total share of circulation in Spain. The other, (inaudible) the (inaudible) 17-60%.

In 2002, daily newspaper circulation in Spain (inaudible). This represents a historical maximum in daily circulation in our country. In this area there is still some room for growth, unlike other countries as Germany or UK. The initial contract model Internet cannibalizing printed newspapers has no (inaudible) . However, everybody with a (inaudible) we broke, that we can (inaudible). That was (inaudible). Traditional business still remains.

We all know that the news business is very (inaudible) on (inaudible) business model, news stand sales, and advertising. This is a slide show that lets you shift between (inaudible) for the news (inaudible) in the offline world during the past decade. This data sits in the world of (inaudible) paid newspapers in Spain - is the total revenue of newspapers in Spain.

In times of (inaudible) in Mexico, the advertising from the (inaudible) user stand ad sales in the (inaudible) but you can also see that (inaudible). Our Internet media come from (inaudible) and an editing fee. A scenario. Of course this is what most of our visitors pick from us. Sure we activate this model in the real world that is true - (inaudible) publication becoming free in the real world offline. Of course if (inaudible) our companies would go bankrupt in a few weeks. As we can see in this figure.

We will (inaudible) keep our current production schedule which is (inaudible) quality. This might be self-evident, but we must never forget if we want to understand the potential of the money you are publishing (inaudible) for our (inaudible) paid content dilemma. One theory that has (inaudible) to be false is that having (inaudible) physical distribution processes (inaudible) revenue increases in the millions - more or less to promotions on paper. (inaudible) three years from (inaudible). That was this control (inaudible) has not been meet reality for the Spanish, Spanish (inaudible). Nobody is making money like they expect (inaudible). One just has to compare the online advertising figures, including left and Spanish (inaudible) to the advertising expenses made the newspaper. That is all I have advertising (inaudible) doesn't even cover half of that newspaper spent in self promotion. The power of (inaudible) volume in a Spanish newspaper is more than \$1,055,000 (inaudible) and the (inaudible) expect that revenue of the same data for newspapers (inaudible) is number 100 millions of (inaudible).

I will give you, more or less, the history of the Internet. In Spanish, which I think is commented before ... is more or less the same amount everywhere because we are Internet (inaudible)

I want to give you a point of view in our opinion and I have the same opinion also of one of the colleagues (inaudible). Until the Internet (inaudible) arrived, newspapers,

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publishers, web (inaudible) improving their management (inaudible) well (inaudible) business. (inaudible) have them by the road for the (inaudible) distribution, (inaudible) in state of amount information. It is in the process of improving (inaudible), not being in a rush and why. Not only what's been developing a relation before the Internet in our media.

A wealth of (inaudible) but (inaudible). This changed (inaudible) when in 95 we started the Internet. In fact a lot of the (inaudible) companies - started (inaudible) better company than La Vanguardia in this year, and we made a lot of - we had (inaudible) and probably we continued having (inaudible) that we must solve with thinking about new models. Of course in our old (inaudible) and nobody was thinking about the competitors outside the company. But for instance, we received from England (inaudible) some information in Spanish and international (inaudible). They are competing with us. Nobody was thinking about this before 1998 when we are very comfortable with our leading position in (inaudible).

I don't want to enter (inaudible) about how we shall view media in the future. Of course, we will not have time in this session, but most important (inaudible) than me in (inaudible). I will only point out how changes that affected (inaudible) this model. We believe that the future of information services must have a continuous (inaudible), mechanisms (inaudible) themselves, (inaudible) as much as (inaudible). (inaudible) information volume provided by (inaudible) publishing in his (inaudible). We believe that the critical fact of (inaudible) into new scenarios (inaudible) keeping quality (inaudible), having a business model where I know we have success with (inaudible) that (inaudible). And also the (inaudible) as a (inaudible) is a factor, feature or two, so in the (inaudible) acknowledge information and arrive in (inaudible).

Quality is evident. Business model I explained too. And, of course, technology and (inaudible) who is very important. I think I put these in my classes at the University. I feel (inaudible) we never must forget that the way of the (inaudible) is different because these are (inaudible). Everywhere (inaudible) the (inaudible) in an individual. And everywhere in (inaudible) other scenarios of communication (inaudible). That is very elegant, but we forget a lot of times this (inaudible) of this way of thinking.

Well, I will attempt now the final speech - about the compared situation in Spanish. I tried three main residences - (inaudible) I don't worry, of course, because (inaudible). (inaudible) became on November 18th of last year, fully paid (inaudible). It is very interesting for having this phenomenon because it was made in a way who was (inaudible). El Mundo did mostly on the free information model, but last October, started to change the model - to charge for news coming from the printed person. I'll co-produce it by then (inaudible). And also at La Vanguardia was completely (inaudible) last February, introducing new features like there was (inaudible) on requirement of free access to news for the last 7 days, and (inaudible) payments (inaudible) in the (inaudible) newspaper (inaudible).

(inaudible). You have a copy of the home page here. Has actually, I have those figures from yesterday from (inaudible) for the (inaudible). 25,000 subscribers. 65%

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of them - that means more or less 16,000 high paying subscribers. And (inaudible) to ran promotions and achieve the typical mass (inaudible) than the other publications, because they can use as a (inaudible). (inaudible) we just trying to access any news. All we get our subscription base (inaudible). They only fancy this.

El Mundo has 58 revenues from a rule of thumb from advertising and 42 from the front end sales and sponsorships. I come on before that. I am finishing. I am, of course, La Vanguardia. (inaudible) model is using registration for providing news as a marketing tool for - to (inaudible). We have also the (inaudible) several premium services (inaudible) to subscribers paying 8 (inaudible), more or less \$80 a year. Or \$50 for six months.

Our figures are, in two months, we achieve 85,000 registers for the free version and 4,000 users for the (inaudible) version - that means they pay. This is one of the services. We deliver the pdf version of the offline paper and also we have a very (inaudible) archive from until last (inaudible) with more than our (inaudible).

OK. That's all. Thank you very much for your (inaudible).

ROSENAL CALMAN ALVES: Let's move to the next panelist while we get ready. I think it's Marion. Marion is the Content Director of Universo Online, which is the biggest Latin American Internet company and it's a huge operation in Brazil that was a pioneer there and actually has been a reason why some international competitors did not have success in Brazil, because they arrived a little late when Universo Online had already established a big operation there. Universo Online is owned by (inaudible) Sao Paulo, which is the biggest Brazilian newspaper in association with (inaudible) which is the biggest magazine publishing house there in Brazil. Plus other international investors that came along later. I hope everything works.

MARION STRECKER: Well, just to give you a notion of the Internet universe in Brazil, the main (inaudible) news and net ratings counts 40 million users at home, 7.5 million active users in Brazil. And spend 11 hours (inaudible) sessions 39 minutes. So in the months 16 domain visits per month, 14. Page viewers per (inaudible) session 39. One minute per page.

(inaudible) net ratings does not count the market from users using the Internet from work, schools, and so on. UOL counted last year 15.5 million returning visitors per month through cookies in the users' browsers. And if UOL has 70% reach as the bulk net rating (inaudible) the total market in Brazil amounts to 22 million unique visitors, active unique visitors now.

Well, here you can see the top ten properties by unique visitors. The first is UOL, the second one is EGIT - that is a portal and a free ISP, the third is Global.com that is also a portal and a paid ISP now. It started an ISP service recently. The fourth is Yahoo and then (inaudible) that is, in fact, our main competitor in the ISP business in Brazil. (inaudible) is owned by (inaudible) a Pelican Group. And then MSN, AOL, Global, Microsoft, and so on.

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Here you can see the reach of the five main properties in Brazil. URL with 70% reach. EGATE with 63% reach. Global with 59. Yahoo with 50. and Tejo with 48 reach.

News has a central role in the Brazilian portal. The main portal (inaudible) enough space for news in their home page. The exception is Yahoo. (inaudible) to increase the frequency of users to the sites. Newspapers central role in the prestige of the portals. Traditional media companies started online in 1995 in Brazil. Some of the Brazilian portals are owned by media companies as UOL and Global.

Here is the UOL home page. As you can see, the main space, the central space in the space is dedicated to news. Here is Ega home page. Also the center space is news. Here is Global. The last space is news. Yahoo. And here is Tejo.

Here is a ranking of the home audience in Brazil by category. So we can see that the reach for news in Brazil is 43% of the home user. Unfortunately with a (inaudible). And here is the ranking of the news and information sites in Brazil. The first is UOL. The second one is (inaudible) the newspaper, the third is (inaudible) that is the name of the online newspaper of Egi and then Global News and then another (inaudible) and so on.

Here is the home page of a channel of UOL called (inaudible) that is produced daily with partnership with many foreign newspapers. Every night we translate a selected number of articles from each of these newspapers - in the New York Times, (inaudible), El Mundo, (inaudible), USA Today, Boston Globe, and so on, Time Magazine. Each night we translate some selected articles and put it in this site in Portuguese. And here we have also information from our regular sources in Brazil. Free online, Viz on line - that is the main newspaper, Wall news - it's our TV news, inter (inaudible) news program, and so on.

Here is the latest news of the special (inaudible) as we call.

This is a page that shows the work of the correspondents of the journalists that (inaudible) sent to Iraq two weeks ago. To complete our coverage of the war, this is a page with links, institution links - that's what (inaudible) the Iraqi government movement against war and for war, and also selected media sites that are not partners of UOL but we decided to put here.

Here are some pages that show the form with selected blogs about the war also. Some blogs from the marines, other blogs from people in Iraq, surfer blogs and (inaudible) blogs also selected by us. Here is the homepage of (inaudible).

(inaudible). Global News. That is also the name of a cable channel dedicated exclusively to news but from the global group. The global is one of the largest television in the world (inaudible) in Brazil. Here is the homepage of Global Online, the newspaper. The homepage of (inaudible) de Sao Paulo that is the second largest newspaper in Sao Paulo.

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UOL is the largest portal online service in Brazil. UOL was launched in April 1996 as a joint venture of (inaudible) communication groups in Brazil for (inaudible) the largest newspaper in circulation, and (inaudible) the main publishing house in the country and now with (inaudible) participation also. UOL Inc. has a second model and ISP in Brazil called (inaudible) online and a portal and ISP in Argentina called (inaudible) In Brazil, UOL has one million and one hundred subscribers. 15 million and 500 thousand unique visitors per month. And 5 million and 2 unique visitor users per month domestic.

(inaudible) was 2 billion page views per month and news has a central role in more than 30% of the total page views of the portal. UOL is organized in 42 thematic channels and about 1,000 sub channels. We have about 7 million pages of interactive service, entertainment news, information, (inaudible), research and service. UOL aggregates the holding company's content - newspaper, magazines or (inaudible), aggregates content from more than 700 partners - newspapers, magazines, publishing houses, independent web ventures, celebrities also, and so on. UOL develops its own content. UOL's in-house developed content generates around 70% of the monthly page views. Breaking news around the clock. Hundreds of different news sources. More than 1,000 news items daily.

UOL (inaudible), as we call the channel dedicated to newspapers, websites of newspapers, and we wait for the next exclusive basis the website of 29 Brazilian print newspapers, websites, selected content translated into Portuguese from ten foreign newspapers and six online newspapers. UOL (inaudible) aggregates ((inaudible) means magazines) aggregates on an exclusive basis, the website of 47 Brazilian print magazine selected content from Time Magazine translated into Portuguese and also 31 online magazines. UOL just plays news on a great variety of channels like health, economy, sports, music, television, education, entertainment and so on. These are the top ten UOL channels. I have to say that ranking sequence changes monthly. The January top ten channels was magazines for your (inaudible), chat, search, (inaudible) news on television, sex, sports, (inaudible) and latest news.

This is the homepage of UOL (inaudible) Here we have the newspapers. Free online. Sports. It's a very important issue for us. UOL sport was the number one in this segment. In Brazil the main sports are not related with television channels. Traditional sport print media. Nor with leads or sport associations. CBF - that is the association of Brazilian soccer - is trying to change this with UOL's help to a website partnership and Internet transmissions of games of the Brazilian national team. (inaudible) is a partnership we have with (inaudible) a soccer player for covering the soccer universe. People look to the web for realtime information about many soccer championships and the tennis player who start to (inaudible) matches. These events are cable only. Cable TV has a much lower reach than web in Brazil.

This is the homepage of UOL sport. And here is the interface we have for the realtime coverage of games.

Another page of a championship. Here we have some videos also, some games we offer in media player, in realtime transmissions, and here we have also the goals. You can see all the (inaudible). Here is a homepage of the (inaudible) site we

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manage with (inaudible) dedicated just to soccer. Here we have one section, one sub channel for each important Brazilian soccer team. Here the homepage of the CBS news. UOL musica. We have also what we call (inaudible) that is streaming radio on the (inaudible) that was on the (inaudible). Games. News. And also games that you can play through UOL service. Latest news. TV (inaudible). Pioneer in streaming media in Brazil. TV (inaudible) was launched in June 1997. Its slogan is, you decide what and when to watch. First (inaudible) for regional content created exclusively for the Internet which lies in on demand programming. TV (inaudible) maintains to (inaudible) to just his regular interview and news programs. Between them (inaudible) they are daily live chats with celebrities and journalists and UOL news that is the first online TV news in Brazil anchored by (inaudible Hickey) a very well-known journalist in Brazil. Focusing on economics, politics, and international issues live in (inaudible).

Well, the (inaudible) lifestyle. Photos, autos, videos, text, chat, interaction, live and on demand. Some of the UOL news regular programs are (inaudible) - (inaudible) is an economist and a conservative congressman. (inaudible) that is a political guru. He was a professor at (inaudible). And What Do I Do Sophia. Sophia is a girl and more than 1000 emails are sent daily for her. Right now (inaudible) context for and also Monkey News is a program of UOL's. Here is Sophia. At the homepage.

From this studio (inaudible) You can see the cameras and computers... (inaudible) You have the studio and also the user interface. (inaudible) Sometimes yes. This they know.

Here is a (inaudible). (inaudible) that if this guy with this red shirt is a columnist of (inaudible), the newspaper. He always writes about things but in a very, very humoristic manner. This is a program he has three times a week with Paul Hickey (inaudible) and each has to comment the news of the day. (inaudible) calls himself Monkey Simone. And that's why you see the monkey and we put a little monkey on the air when the discussion gets a little crazier.

So here is another page of monkey news, as we call. This is the Mayor of Sao Paulo (inaudible) - this is a game where you can hit her. And this is just a Simone home page. He has also a radio (inaudible) program on Latin music.

Well, Barbara (inaudible) is another columnist at (inaudible) Sao Paulo and she has a weekly live chat program at UOL always at 10 pm. She talks with the audience about politics, television, sports, and (inaudible) and any other issue that occurs as war and her dog and so on. When she or someone in the audience gets nervous, no doubt you bank on her (inaudible) as you can see here. This the interface. People can send a message. We have a staff to select some of them and Barbara answers.

Well, UOL is not the only in Brazil trying to create a multimedia experience for news on the Internet. You have to see also Global Media Center and (inaudible). This is the homepage of Global Media Center with some live programs as you can see here. Global News - that is the cable channel - and the other is Big Brother Brazil with live cameras inside the house of Big Brother and the rest of the programming on the net. They are putting right now hundreds of video archives on the net.

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Here you can see the three different interfaces of the Global Media Center - the full screen interface at broadband, but not full screen interface, and then the narrow band interface.

AUDIENCE QUESTION: Does the narrowband include audio?

MARION STRECKER: Yes, sure. There's the home page of (inaudible) covering the war, covering sports, music, and so on. Here is a page of (inaudible) just with videos about the war. Here is the interface of the (inaudible).

Finally I would like to mention quickly an independent venture in Brazil. In the year 2000 a group of experienced journalists from Rio launched an independent online newspaper called No - literally "at the spot" - or "hit the spot" maybe. High quality, low audience, founded by (inaudible). No is or was a kind of slate, a kind of saloon. Their experience endured two years when the (inaudible) archives were transferred to an ONG site called Viva (inaudible) a very special kind of (inaudible) a very well organizing communities and very poor communities in Brazil. Well, some days later a few heroic columnists invented No Minimo. Minimo means "at least" just to continue the experience. High quality, lower audience, no funding. Here you can see the last page of No (inaudible) explaining why they were closing and explaining the archives in (inaudible), and here you can see a page (inaudible) of No Minimo with some articles about the war. And that's it.

ROSENAL CLAMON ALVES: Thank you very much. Well, the next panelists comes from South Korea, but I'm glad that he is a visiting scholar here so it was not that expensive (inaudible).

JAE YOUNG CHA: Thank you very much. Yes, actually I was invited by Professor Alves a couple of weeks ago and I was a little embarrassed for just two weeks I should prepare a presentation. It was not my way. But I thought that this is quite a good opportunity for me to introduce to you the South Korean online journalism, and especially a special web paper called "OhMyNews". You can see it on the screen. And that type is kind of parody called "Oh my God". The founder of this web paper said that the news should, good news should excite not just the readers but also the reporters themselves. Anyway, I will go on now.

My agenda is like this. Actually I should go fast. (inaudible) many prominent western newspapers gave some reports on South Korean online journalism and their focus was especially on the online news - the web paper - and they - what most of the reporters were interested in. The role of the online news in the politics of South Korea. It's kind of - somebody can say - it's kind of turmoil, but I think it's kind of progress. And I'd like to talk about online journalism in South Korea.

South Korea, as many other developed countries, has become a media saturated country since the democratization process began in the late 1980s. Under the (inaudible) dictatorship many newspapers, the publication of newspapers was regulated and the abolition of the (inaudible) dictatorship made possible the new newspapers. So many new newspapers. And the newspaper market became quite

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competitive and also we have some new broadcasting companies owing to the new technologies and (inaudible) broadcasting company and cable or satellite comes. We all have new. The first online newspaper was launched in March 1995 by the (inaudible) Daily, (inaudible) means Central, Central Daily - a major newspaper company in South Korea. Their circulation is 2.2 million and is the second largest newspaper. And by early 2002 the number of online newspapers increased to more than 200. Probably now about 300, I guess. While major newspaper websites are dominant now, but the pure online newspapers are growing fast, like the Online News which I'm talking about. I'm going to talk about.

Here there are many new news websites are utilizing multimedia functions. For instance, the Online News, some of the stories of Online News are given together with video and audio clips and you can see this front page of Online News. And that guy is our new president, Mr. Ro. And in this news he was giving a speech in the Parliament, in the National Assembly to persuade the congressmen to back him on the decision to dispatch non-combat troops to Iraq, on the request of the U.S. government.

Now I'd like to talk about rapid growth of the Online News. It was started just three years ago only with 14 staff and with a proclaimed goal to be an alternative media. In less than one year, this web paper became quite influential in South Korea. In November 2000 in a poll of social elites it was ranked as the top most powerful media in South Korea. Also the next year and 2002 in the same poll it was ranked as the 8th influential media and the media, this web paper got - the percentage doubled in one year. And in another poll of professional journalists in early 2003 this web paper was expected to grow the most in its influence among the mass media, including the major newspapers and broadcasting companies all together.

In April 2002 it went to offline. They started to publish a weekly newspaper. Mostly content (inaudible) on the investigative reportage in politics. And actually they expected to gain some money from advertising, but their expectation was not realized, unfortunately. And one of the staff told me that - this weekly newspaper made some loss last year. And during the presidential campaign in 2002 this web paper reached a new record of daily page views and the number was about almost 20 million. And daily visitors were more than 6 million. And without repetition, the pure visitors were 1.25 million. And in comparison, the major newspapers in South Korea with circulation more than 2 million, they had also websites and those websites get daily visitors about 3 million, sometimes, like during the presidential campaign, they got the number of pure visitors like 5 million.

Now this web paper has six regional affiliates. Actually I was involved in establishing one of those regional affiliates in my residential area like - actually I'm not from Seoul. I have to say that I am from Teton. It's 100 miles to the south from Seoul and it's our second administrative capital in our country and early last year I served as a chairman for a committee to establish that regional office there. And also this web paper has now 40 full time journalists and also more than 20,000 volunteer citizen reporters. These reporters are called news guerillas. This concept was made by the founder himself of this website.

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I'd like to talk about the background of the Online News rapid growth. First I have to say that technological infrastructure of South Korea has influenced a lot. Now South Korea has almost 70 percent of people who have access to Internet service through broadband connection. And actually our last government, President Kim Dae Jung invested a (inaudible) amount of money into the telecommunication infrastructure. And owing to that policy decision, now we have this kind of new technology benefit.

Next, the rise of civil society in South Korea has to be also mentioned. In the process of democratization, numerous new civic organizations were created to intervene very actively in many public policy issues. And also among these public policy issues, the media became a focus, and especially some extremely conservative media. Unfortunately we have this kind of media in our major newspapers and they became the target of public criticism.

In connection with the former item the failure of existing media. And most major newspapers and big broadcasting companies were deemed so conservative as to hamper the advancement of our democracy. And the various attempts were made to create alternative media among the people. And the Online News may be one of those (inaudible).

Background. I have to say - and not just the structural (inaudible) - but also the individual, the personal factor. Like the strong will of the founder. Actually the founder, Mr. Or, was himself a famous investigative reporter for a resistant monthly magazine under the dictatorship. When he founded the Online News, he wanted to see a balance of power between the conservative and progressive media in South Korea. He told so in an interview.

Next. I'd like to talk about distinctive futures of the Online News. As I told you, this web paper has many - 20,000 citizen reporters - and these reporters participate quite much in news production. About 80% of news stories are known to be made by the volunteer citizen reporters. Next. And also, you can imagine, they pursue, actually, the break up of conventional news (inaudible) content. And many articles written by citizen reporters are more like essays or (inaudible) on the reporters about the reporters' life work. And also, this web paper, pursues far more aggressive reporting against the (inaudible) government officials petitions, big corporations, corporations, etc.

This web paper dares to deal with some total issues such as the crimes of U.S. soldiers against the Korean people and made them (inaudible) agenda. And you might have heard that the anti-Americanism in South Korea (inaudible) and that this web paper contributed to that, pretty much.

Distant future is yes, diversification of news sources. They (inaudible) rely on too much, you know, on the government officials or big institutions and that they provided channels for alienated groups - minority groups such as foreign laborers, disabled people, small farmers, and others. And they, of course, through the interactive function, they allowed the audience to present their own opinions of any news story and through this they created a kind of public forum for some public issues.

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Yes, they have added editorial filtering process. They have an editorial staff and all the news stories are classified into four letters, like what would, you can imagine, the timber in fire. Wet wood, kindling, and then different concept maybe - main news and town news. These four categories are utilized.

All the news submitted to my editorial staff, started from wet wood and then sometimes it jumped to town news or main news. But most of the news stories process meaning, process...

Now they have some problems confronting them. Of course, the first one is business. They have found also the problem of insufficient revenue. Even though it began to make a surplus in late 2002. Actually last year they made some surplus, but this income, it was kind of special because of the presidential election. The editing chief of that web paper told me that they still have the problem here. And also they have their - most of its revenue comes from advertising. And you can see here the percentage. Like 80% from advertising, and the 15% from content sale. This is like - they sell their news stories to other portal sites or other offline weekly newspapers in the regional areas or local areas. And 5% from other sources like they had education program for people who want to be reporters (inaudible) interested in journalism in general.

Yes, in connection with the former problem, they have quite low salaries and first full-time journalists, they pay less than half of major newspaper companies. So not now, but in a while, this may sap their morale, which is now very high in spite of the low salary. Probably for the great influence of the website. They can be proud of their work.

And also, some stories are criticized for low (inaudible) journalism. There is unconfirmed reporting and the groundless attack, especially in the last presidential election. Some stories were criticized for that reason.

And now, these criticized stories are mostly written by citizen reporters. Probably with responsibility issue is raised here and some scholars are recommending that these citizen reporters should be educated certainly, but 20,000 people, how can it be? Now it's my end. Thank you very much.

ROSENAL CALMON ALVES: (inaudible) that I gave you few time to prepare, but, you know, you did an excellent job. I can't imagine if it were more time. Thank you.

Well, Melody, she needs Internet connection and we have just, with the help of our wonderful technical people here, established a wireless environment here. So now we do have an Internet connection and we are going to go and have Melody's presentation.

We are running a little late, but we are uncontrolled.

In an Internet conference, we shouldn't have a problem with the Internet, right? That's Murphy's Law. Here we are.

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MELODY KOKOSZKA: Thank you. The International Herald Tribune online is a particularly unique online newspaper because of two factors. One, our design. And I'm not saying that just because I'm a designer standing up here. The second reason, I think Rosenthal mentioned when he was introducing me a few minutes ago, is because we are truly a global newspaper and we don't have any local audience that we can claim as our own. There's no specific city or region or country that we can rely on as our audience or that we can depend on, or that we have to depend on. People often ask if the International Herald Tribune, they ask me if we're an American online paper or if we're a French online paper or if we're British. And, despite the fact that we are owned by the New York Times, and before this past January, also by the Washington Post, we're not an American newspaper. And despite the fact that we are physically located in France, and that we've been receiving a little bit of hate mail from some Americans for being located in France, we're not a French newspaper. And, despite the fact that we are an English-speaking paper in Europe, we're not one of the Brits over there. Being an international online paper, we try to provide perspectives from countries across the world, and we do this through partnerships that we have. We've actually established partnerships with El Pais in Spain and (inaudible) in Korea, and we don't have anything in Brazil, unfortunately, yet. But we use these, and we translate them into English and we provide local perspectives to reach a broad audience.

Finally, we actively seek international audiences by also trying to use different types of media, other than just a laptop like this. We try to use all kinds of digital media to reach as many people as we can throughout the world. The IHT.com does not have separate regional sites, similar to CNN or Wall Street Journal or FT, in that we don't have one just for Europe or one for Asia and one for the Americas. We actually have one full site that we use as our global online paper and the way that we get all the information from all the regions on it, is that we basically follow our newspaper, our print paper and follow their schedule as they close. So as the Asian editions close, we do kind of a staggered around the clock updating, so as the Asian papers close, we put their content up. Actually before somebody in Tokyo is even waking up and going out to the stands to buy it. Or then in Europe and in the Americas we do that same thing. So we do that around the clock.

What's interesting about the International Herald Tribune is our audience, even though we're always talking about how international we are, slightly over 50% of it does come from the United States. We often think those are some of the former expats that used to live abroad in Vienna or Paris and miss drinking their café and reading the paper. So they come to visit us for a little nostalgia. But then we do have about 30% from Europe and about 13% from Asia. And the rest is kind of spread throughout Mideast and Africa and South America.

What's interesting about those Americans that come to visit our site is that a majority of those users actually also go to the [newyorktimes.com](http://www.nytimes.com) and to the [washingtonpost.com](http://www.washingtonpost.com). And as you know we do get a majority from our content from the New York Times, and before January from the Washington Post. So it's interesting. We tend to think there's something about our site that people want to come to get that they can't get at the New York Times and the Washington Post. As I

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said, I think one of the main draws is our design. And we did this redesign in 2000. That's when I joined the team as part of a redesign initiative led by a consultant from California. And we were a small team, and before 2000 there was a really, a very static, kind of loose collection of web pages. I don't know if any of you ever visited it. But there was kind of this fluorescent logo floating at the top and some of the top stories of the day.

The New York Times, at that point, didn't even allow us to print any stories that were on the front page, so it was a very limited website. But with the redesign, we have truly built a professional site. And we've gotten a lot of kudos for the redesign. Particularly because we have built in all kinds of new features that use high technology that a lot of people have been afraid to use up until the point. Mostly through using dynamic html layering and lots of complex javascript.

Some of the main strengths of this new design are our article layout, our navigation, and our clippings features (which I'll show you). Basically our article layout defaults into a 3-column layout that kind of makes you think that you're reading the paper. And (if I can figure out how to use this...) so you can scroll back and forth through the pages as if you are reading a newspaper. And what's nice about this is you're actually not loading a separate url, so you don't have to wait for the page to load. Also, if this was set at an 800 x 600 or a 1075 level, you'd see a little bit more content here. But if you hate this layout - which we have gotten some complaints about this - you can always go and customize it and put it in the single column layout that a lot of people like to use. So, we're really proud of having this customizable layout for users.

I'll go back to this because this is the one I like. In addition you can also play with the text size on these articles, and if you really want to go blind you can shrink the text size as small as it can possibly go, but obviously the people who have really enjoyed this, and have given us great feedback, and people that like having their text size a lot larger. And so this has been - we've gotten a lot of good feedback on this.

As far as our navigation goes, I don't know if you noticed as I was scrolling around, we have a navigation bar that follows you as you move around the page. I'll put it back in the single column... and basically as I scroll down, you see this navigation bar at the top follows me - which is really nice - you always have it with you. And all the sections are listed up here - the regions - and so forth. So that's really nice and you don't have to always scroll up to the top again to find your sections. And it provides a lot more real estate on the page to be able to do whatever we want to do.

In addition to our scrolling nav bar, we have the world map feature, which we have on most of our main index pages and it lets you find out different news and weather and different kinds of content on those specific pages about those regions. So if you click on the map, you've just changed the weather here to show the weather in cities in Africa and Mideast region. You click on news here and it will list some of the headlines from the region. So that's kind of nice because you can go back and forth. And we have had a lot of people using this as well.

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And I didn't mean to just click on that.

And finally, as I mentioned, we have something called the clippings feature which - you see this top story right here and you decide, I really want to read this and I don't have the time to right now - you click on this and it floats up to the top and here in your clippings you've already saved this, and it saves for 7 days and you can come back to it. You know, it's using cookies, and you can come back to it any time the next week and read it. And if you want to clear it out - and again I didn't mean to - I'm not great with these laptop mouses... You can clear it out or you can keep adding clippings if you'd like.

Now, these unique design features have earned us a lot acclaim and we've gotten several design awards for them and all of that's been great, but it hasn't been without its own problems. The main one would be - at least for us that work at the Trib - is that we actually have two versions of the site. All of these great features that you've seen - the world map and the customizable article layout, and the clippings and the navigation bar - they're all unique to only browsers that support dynamic html capabilities. So we don't have Netscape 4 series on here. But if you had Netscape 4.7, for example, you wouldn't have any of these features, which isn't that fun, because when we do a presentation like this and we don't have that, we don't have our show dog site.

But we do have all the same content on both sites, but it has made it difficult for us who work at the Trib, because for every news section we have to build different templates for both the dhtml and the plain html versions. So that's made some difficulties for us. In addition, a lot of these features that you've seen, such as the clippings, are not always as intuitive as we would want them to be for our users.

When we did the redesign in 2000, we didn't have the funds to do too much usability testing. So we went ahead and launched after doing just a little bit of usability testing, and we've had people that say, "What are these icons that are next to your article? They're cute but I don't understand them." And I have to admit, their complaint is justified. There's nothing that tells you here that if you click on it, it's going to fly up to your little clippings folder. In addition, if you go to an article - not everybody realizes that when you scroll down to the bottom, that you can customize your layout. And we've had people that have complained and said, when they open up an article and they see the three-column layout they don't like it at all and they complain. And then we have to write back and say, "Well, you have to click on the little icon at the bottom." And I'm not being funny here. It is justified. You can't expect every one to see the one column icon at the bottom and to know that that will present them with a single column layout.

So there have been some problems with it, but overall, we've been very happy. And it has turned out that our audience is now roughly slightly over 90% of it does use the nice version - the show dog version - as I call it. And that has slowly increased over the past three years. As I mentioned, we do have publishing partnerships across the world, and this has been a great success for the paper, and it's been something that the website itself has tried to leverage to try to build our international audiences. An example of the print partnership, if you go to Spain and

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you go and buy the International Herald Tribune and you open it up, you'll find an English version copy of El Pais inside. And we have these partnerships across the world. And so it's a really nice thing to have local perspectives from different regions. When we redesigned, we tried to get all of these different partners to provide us with flat text content so we could pull these things into our publishing system and display them similarly to the way that we display our own articles. That was very challenging and we were never able to really accomplish that because of technical challenges and cultural challenges. However, we do provide all of these partners' content in pdf format, which I know isn't the most user friendly version, but we do have it here. So you can go through and click on those.

What we have done, is we have sometimes taken some inner content. When there's something we feel is very important, we take some of their content in the text format - which we have worked our way around - we can't do it regularly, but, for example, during the World Cup, that was probably one of our biggest successes with publishing partnerships. And we displayed coverage from Korea from (inaudible) Daily, which was great because they hosted it. And then we had coverage from Italy and Greece and (inaudible) out of Israel, and Lebanon, and all of these people were competing in the World Cup, and it was great to see all of their different perspectives on everything that was going on. We're actually doing the same right now on the war and we did it right after September 11th. And these three times have probably been our most successful times when we've utilized all of this content.

Something that our business development department has started and launched last year - something called INA Daily, which stands for the International News Alliance. And they've taken this content and they've set up an email service. This is also kind of our first foray into paid subscription, because you get the full content and to customize it as much as you want to do, you have to pay for this. And basically you can sign up for just sports news from all our great soccer partners like Spain and Italy and Greece, or you can sign up for op-ed news just from Israel and Lebanon to see some conflicting views there. And that's what was launched in the fall, and that's slowly been picking up. So we'll see what happens with that. We're still talking about ways to utilize this and to combine it with our site and perhaps all of those other sites as well.

As Eduard mentioned, it's been difficult also because some of our partner sites are paid - such as El Pais and (inaudible) out of the Netherlands. Both of those are paid and we're not, so...

Another way that we have tried to expand our international audience, as I mentioned, was different types of digital media. We built a version of our site last year and launched it for mobile communications. We used the Nokio Communicator - the 9000 series - as a base, and that was launched successfully. I don't know how many people own Nokia communicators because they are quite expensive phones, but this version site does work for any kind of mobile device that has a modem and that can access the Internet. So that's been one way. We have about 80% of our content, too, on that version of the site. So that's been great.

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In addition, we're working on developing further messaging services such as SMS which is the Simple Message Service. That's just your basic text message and I don't know how often people use that yet in the States, but outside of the States we use it all the time. So we've been developing stuff like that for news alerts and stuff. And then also what's coming around the corner is multimessaging service - MMS - and that provides pictures and sounds and all kinds of stuff like that. And I was skeptical about that, but I did play with an (inaudible) phone last year that had great MMS capabilities, and so that's coming around the corner. Not every telecom provider can handle that yet, so that's still up and coming.

These are some of the trends that we've been following, and I think a lot of these are similar to what a lot of international websites, especially in Europe and Asia, are doing right now. Partnerships and as Marion was saying on UOL - languages. That's really important, and I've noticed that UOL translates everything to Portuguese for their readers. And I've wondered about the opposite. I know BBC does translate a lot of their content to other languages for other people to access. So I think that's something interesting to play with, especially in Europe when everyone is so close together and there are a lot of multilingual people. It's a really interesting thing to play with.

In addition, I think a lot of people are moving in the direction of using different types of digital media. Using phone, and using hand-held devices, because that is so big in Europe and Asia. And that's about it for me.

ROSENAL CALMON ALVES: We have time for a couple for questions if someone wants to ask a question, there's a mic there in the center.

AUDIENCE QUESTION: I'm usually one not to ask questions, but I missed your audience breakdown for your online paper IHT. Could you provide some of that information? I heard about the American portion, but...

MELODY KOKOSZKA: The regional breakdown! Yes. We have just over 50%. It's like 51 or 52% Americans come to our site. And 30% in Europe and about 13% in Asia, and then the rest is broken down in the Mideast and Africa region, and in the Americas. They share about 8%.

AUDIENCE QUESTION: I have a question for Eduard. Your country of Spain is one of 3 languages - your native Catalan, (inaudible), and Spanish. And I was wondering if this vernacular diversity is an advantage or a handicap to your growth online.

EDUARD RAMOS: I think that the diversity here (inaudible) is an advantage. I think the (inaudible) diversity (inaudible) and also the cultural diversity is very rich for our people. But in practical terms, we use Spanish (inaudible) as English in the business model, and Spanish is the most (inaudible) not everybody is multilingual, but everybody is Spanish-speaking in Spain. OK? In this way we have experiences like in (inaudible) is our competitor in Barcelona - they use Catalan and Spanish also, and in the offline version too, of course. And after, I don't know the years, but six, seven years more, than use that, was the (inaudible) because they took the same

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(inaudible). The conclusion could be that people are very (inaudible) not by their (inaudible). I don't know if this answered you.

AUDIENCE QUESTION: But you're one of the most populous countries in Europe. So do you think it fractures your international growth?

EDUARD RAMOS: This is a problem for all the countries in Europe, no? (inaudible) they can't go out of. The border is the language in this way, no? That's true. But if you put - we change this rule - we change our (inaudible) culture like Europe. That could be dangerous.

AUDIENCE QUESTION: I have two questions, Melody. When you launched the redesign of IHT in 2000, there wasn't a whole lot of browsers that supported the html. Certainly less than it is now. And as the popularity of (inaudible) and Netscape 7 or whatever, and more browsers that have the capability. Do you have a target at some time to drop that other version and to go with only the dhtml version?

MELODY KOKOSZKA: Not yet. We have stopped putting some of the additional content as we built it. Such as slide shows or things like that. As we do that - and we've been doing some slide shows for the Iraq war. We haven't been linking off as many pages on the plain html version as we do on our dynamic html version. We don't have any plan to completely dropping that site because it is tied into our publishing system so when we do publish the site, it automatically creates that version for us. We just might not continue to build it out over the next year or so. We, also, the version that's on html - I wish I could show it to you. We don't have the browser, but it's very plain and there were things that we could have done to it to make it a little bit more interactive. But we didn't, because we decided if we're going to have a version of our site that is so inaccessible to other browsers, and so dynamic, and so interactive, we want another version that's going to be so plain that you can even use links - the very basic text browser using it. So we'll probably keep it up and keep the basic content up, but just not expand it.

AUDIENCE QUESTION: Jae Young Cha, I had a question about the citizen reporter contributions to Online News. I think you ended up answering my question towards the end about how much staff edit, I guess paid staff editorial editing is done with that content? Or is that almost a straight publish? How does it compare to community - you said that any person could comment on any news story - like a community forum. Is there a citizen reporter relationship more like that, or does their content go through an editing of some type by a staff? By an Online News paid staff before it gets published?

JAE YOUNG CHA: Yes. As I told you in my presentation, all the news stories are classified. At first in what would ... Actually those news stories are not on the screen of that web paper. And then, of course, if the audience wants to see those stories, you can find it in that website. But it's not open on the monitor. So for awhile the editorial staff tried to conform, you know, some kind of facts or if there is any liable issues of not. And then it comes out as a kindling level. And so this kind of control is...

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AUDIENCE QUESTION: And so that's how that progression worked from web wood to kindling to main news - is how much that staffers had had a piece in that - how much they confirmed, and how much they had at stake in that particular article. Is that kind of how that graded out?

JAE YOUNG CHA: Uh huh. Probably they rely on mainly the crit number. If your certain news story is clicked, it becomes as main news or (inaudible)

ROSENAL CALMON ALVES: We're running out of time, so please do a brief, direct question.

AUDIENCE QUESTION: My question as both could be to Eduard, Melody, or Marion, but basically, does offering free news content online hurt print circulation?

EDUARD RAMOS: I'm sorry, I didn't understand.

ROSENAL CALMON ALVES: If offering free news online, if it damages.

EDUARD RAMOS: OK. I tried to explain this in my presentation, in the fact and figures in Spain. They must say the opposite. We have growing in print versions and not growing also in the online version, no? I think no. But again, probably the more like (inaudible) another kind of readers - more feedback to our cultural effort, who we did (inaudible), but I am now - Melody (inaudible) - (inaudible) the majority of the paper is (inaudible) the computer (inaudible).

ROSENAL CALMON ALVES: So far so good. So no effect. The next.

AUDIENCE QUESTION: My question is to Jae. Jae, it's something related with like journalism and credibility. For me, this goes together and once you have like 80% of the content of the news content coming from people that you call citizen reporters - how does it go with credibility in journalism?

JAE YOUNG CHA: Yes. As I mentioned, at the end of my presentation they have that kind of issue of credibility. And I think that the website, editorial staff, is trying hard to check the future out those irresponsible stories, but still their goal is alternative media, so they are trying to alternate as wide as possible to the people, and to the common people, who have not had that kind of channels before, So, yeah, it's quite a delicate problem. Which one is emphasized? More credibility or more openness? Except that their choice. But anyway, in my own opinion, journalism should be responsible in any way. But they have this kind of con(inaudible) now.

ROSENAL CALMON ALVES: Thank you very much. I think it was a great panel. We have five minutes for a cup of coffee. There's coffee here and I remember that I reminded we are web casting this so if someone is watching it there want to send a question, could email to me because we have a wireless connection and I'm checking email here.

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