

13th Annual International Symposium on Online Journalism

Day 1, April 20, 2012: Afternoon Session - 2:30-4:00 p.m.
Innovation and entrepreneurialism: Are journalists and news organizations learning from tech startups?

Chair & Presenter: Mark Briggs, Author of *Entrepreneurial Journalism* and Director of Digital Media at KING 5, Seattle

Panelists:

Gilberto Dimenstein, Founder and CEO, *Catraca Livre*, São Paulo, Brazil

Debra Galant, Founder and Editor-in-Chief, *Baristanet*

Retha Hill, Director, New Media Innovation Lab, Arizona State University

Ben Ifeld, Founder and COO, *Sacramento Press*

John White, Deputy Editor for Online, *Winnipeg Free Press*, Canada

Q & A: Mark Briggs and the Panelists

Mark Briggs: I think that was a fascinating and interesting presentation by Jim. And what it really speaks to is some questions that I saw on Twitter earlier when Richard was talking. When people were asking, you know, "What is the business model of journalism? What's the *new* business model of journalism?" And as you look at what Jim presented, he has a business model for his business. And what we're going to look at in the next hour-and-a-half is talking about a different kind of business, and that's very much an entrepreneurial business. So, the change that we've seen that took all that newspaper revenue and pushed it somewhere else has created a lot of opportunity for other journalists to become entrepreneurs and do their own startups. And so, that's going to be the focus of what we're going to look at today.

So, I wrote a book about entrepreneurial journalism. So, apparently, I know something about the topic. We are hoping that's the case. [laughter] And the.... You know, what I want to talk about today, I'm going to distill a 200-and-some-page book into ten minutes for you, but you can still buy it if you want to read the rest of it, of course. It's available on Amazon.

(OK. I just don't want to get in the way, you know.) What I want to talk about is really just the six traits of successful journo-entrepreneurs. So, in writing this book, I interviewed dozens and dozens of people who have started their own basically news-based or journalism-based startup company. And so what I decided to do was pull out of that sort of the six traits that I

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found that were in common among those who you would consider to be successful.

One of those is David Borax, who used to be — he was a long time, you know, sort of traditional journalist. Spent some time in China, where he started a blog. Came back to his hometown of Davidson, North Carolina. Noticed that there was no local news coverage. He started an email newsletter and has since turned it into a multi-site, sort of [a] little, small network of what you would call hyperlocal news sites and has been very successful at it. And he says, of course, “Journalism is an entrepreneurial venture.” And it has to be, right? You have to be able to make money to support the journalism. It’s less about doing journalism or publishing news to make money. It’s definitely about making the money so you can support the journalism.

So, we’re going to talk about money first. You can’t do anything entrepreneurial unless money is involved, right? It’s kind of part of the definition of the word. And so one of the differences that traditional journalists, I think, always found is that they wanted to be separated from the money, right? There was always that comfortable wall between editorial and advertising. As a reporter or editor, you didn’t have to think about money. And that’s not the case if you’re an entrepreneur. You have to be thinking about money all the time.

Rafat Ali, who famously founded PaidContent.org, one of the most well-read media industry websites on the planet, he started as what he called an online resume for himself. It was a one-person blog. And he grew it into a media company that’s been acquired twice for multiple millions of dollars. And he told an audience on a panel that I was on at the Online News Station Conference a couple of years ago, “Look, if you cannot make the ask, if you cannot ask for money for your business, then you are not an entrepreneur.” And so that is kind of a litmus test that anyone thinking they’re going to start something needs to pass.

The flipside and the good side of this is something that Paul Graham, who hopefully you’ve all heard of Y Combinator, which is kind of this startup factory, he says that, you know what? “If you’re going to make something that people want and you can make them happy, you can turn that happiness into money.” Isn’t that a good story to think about? Turning happiness into money. Whoops.

Next thing you’ve got to be able to do is sell, right? Everybody remembers “coffee is for closers,” right? [some laughter] Second place is a set of steak knives, and third place is you lose your job. You’ve got to be able to sell and most of you probably do know how to sell. Maybe you haven’t sold products. Maybe you haven’t sold encyclopedias or vacuums door-to-door, which is what you think of as selling, but you’ve probably sold an idea. You’ve probably sold a proposal of some sort in your lifetime. And it’s that selling of

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yourself and that selling of your vision that's really part of being an entrepreneur.

The next thing you have to be is open. Another trait that is not necessarily part of the traditional journalist DNA, right? You wanted to keep all those news tips and scoops close to the vest, so that you could wait until the story was ready to break and then you'd be open with it. But when you're an entrepreneur, you've got to be able to socialize your idea. You've got to be able to get a lot of people interested. You've got to get feedback right away. You've got to be able to share. And you've got to be able to collaborate. And that's hugely important.

As Derek Sivers said, "The most brilliant idea with no execution is worth \$20." Right? If the Winklevoss twins from the movie, *The Social Network*, had been left to execute the idea of Facebook, do you think anybody would be on Facebook today? No. OK? It wasn't the idea. It was the execution.

Stephen Blank, who's a Stanford professor, now at Columbia professor, serial famous entrepreneur from the valley, really, really has a great lesson and a great book—[*Four Stages of the Epiphany*—telling entrepreneurs, "Get out there and make sure that you are asking people if they would buy your product, visit your site, buy your ads as early as possible and as often as possible." Don't go hole yourself up for six months in your basement writing and designing and producing some amazing website you're sure everybody in the world will read. Because until you actually ask someone, you have no idea.

Failure is not a big part of the journalistic culture, right? Very perfectionistic, very averse to failure, but it's something you've kind of got to be OK with as an entrepreneur. It's inevitable. In a [complex] economy, it's going to happen. Failure leads to success. You learn and you move on. And that's really the important piece of failure. You certainly as an entrepreneur need to have the confidence to think that your vision, your idea, and your concept is going to work. You can't be hoping to fail. But you have to know that if you do fail at some piece of it, you have to take what you can learn from it, move on, and try again.

You need good partners to be an entrepreneur. I can tell you a long story about my own startup. I had a startup company for three years. It's actually still in business. And after about six months, we had developed the prototype. We had taken it to a national conference. We had showed it to people who said they would buy it. I quit my job. We took some money. And our developer said, "You know what? I'm not interested. I'm moving to China." [laughter] OK? Let's iterate, let's pivot. Let's do all those things that they tell you to do. So, finding good partners who are going to stick with you, who are in it for the right reasons, hugely important.

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Mike Orren, who in Dallas, Texas founded a wonderful local website called Pegasus News, talks about his partners, his employees, his interns, everybody who was working with him this way, you know, "It was a pirate ship. It was a cause. It wasn't a job." That's where you need to be with your partners as an entrepreneur.

And of course, if you're going to do anything digital, you have to be able to innovate, and you have to embrace innovation, and you have to understand innovation, right? So, here's a fascinating slide that was making the rounds on the web a few months ago. And to me, this really speaks to the state that we're in right now. So, you look at every 60 seconds on the Internet, you know, things like 600-plus new videos are uploaded to YouTube. You know, there are 50-plus Word Press downloads, so there's almost a download of Word Press every second. You've got 100-plus new Linked In accounts created. So, all of this crazy stuff. And outside of emails and domains, how much of this was in existence five years ago? You know? Not much. Very little. So, when I speak to college students, I always ask them — I show this slide and then I ask them.... How many of you are college students? Raise your hand. So, I'm asking you this question, so what do you want to be doing in five years? [laughter] College professors. Any of those in here? College professors, how are you teaching these students to get a job in five years?

Rosental Calmon Alves: With your book!

Mark Briggs: Thank you! [laughter/applause] See if I have that payment handy. [laughter] But that is the point. I can tell you the last three jobs that I've had did not exist when I was in college. So, you have to prepare yourself for the uncertain, for a constantly changing environment. I think that's exactly what we heard this morning. It's always going to keep changing. We aren't going from one state to another. And that's super important when you're thinking about how to become an entrepreneur, how to launch a new business, how to sell a new idea.

So, that's all I'm going to do. Please do contact me, though, if you have ideas of examples of great entrepreneurial success stories. I'm always looking for them to include in updates of the book or blog posts in the future. And I thank you for your time.

[Applause.]

Debra Galant: All right. So actually in 2004, the great firmament of official media opened. There was a hole and I walked through [it] and I created something called Baristanet, and that was why, I believe, I was invited here today. And I go to a lot of different conferences. OK. So, I wanted to tell you the story and I decided to use a Pinterest board as my way in of showing the story of what led to that and everything that's happened since then or a lot of stuff that's happened since then.

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So, the reason New York Times is on the slide is that I was a freelance writer and columnist for the Jersey Section of the New York Times from 1995 to 2004. And this was the kind of thing I was writing, which was, you know, funny stuff about suburban etiquette, mom stuff, you know, just that was humorous basically. That was what I did. And then what happened was they decided to give the column to somebody else, which was very sad for me.

So, my husband, who is here today, got me the URL DebraGalant.com as a birthday present. I became a mommy blogger. And I had a site called Debra Galant Explains the Universe. (Oops. Oh, yeah, there it is. Oh, no, back.) That's the kind of thing that I wrote. My son there, it was his last night of sixth grade. He's now a sophomore in college. [laughter] But it was just, you know, take a... It was amazing, you know. The technology of blogging was just so amazing to me that you could just publish something and it could look really cool. And I kept redoing my header of it and everything all the time.

So, pretty early on in this I kind of accidentally met some people. I hadn't met Rosental yet, but who were pretty influential in journalism and this new journalism, one of whom was Jay Rosen, who just sort of discovered something that I wrote on the web. And he wrote about me as a suburban mom where she blogs at night. And basically, he was opening up the idea that blogging had opened up journalism to everybody. It was now, you know... I don't think he had any idea of my New York Times background, but that, you know, anybody, even the lowliest mom—[laughs/laughter]—could come out there and write something and be part of the press.

And then following that, I was still freelancing a little bit for the New York Times. And I did a story called "On the Internet, Nobody Knows You're Mahwah." And what it was, was a story about the state of blogging in New Jersey. And Jeff Jarvis, who many people probably know [or] have heard of, had started a meet-up in South Orange. And he was trying to get bloggers. He was working for NJ.com, Advance Communications at the time, trying to get bloggers for free. And I was sort of covering it, sort of interested, and just sort of half there as a blogger and half there as a freelancer. But it was a very instrumental meeting for me in my life, because Jeff talking really fast came up with this idea, and he said, "I'm into this thing. It's called hyperlocal. It's hyperlocal blogging. What you can do is you can have five bloggers come together on one site, and then you could sell ads to pizzerias. And people who were never going to blog..." Blah, blah, blah, blah. And a light bulb went off in my head, and I went, "Yeah. And then they can't tell me that I'm not a columnist anymore. I could be the boss." And my father, as Rosental said, was also an entrepreneurial journalist, and so I thought, uh-huh, I have some publishing blood in me, so let me give this a try.

And so that was when we launched Baristanet, May 2004, almost eight years ago. And this is what it looked like at the time. So, this was hard to find an old screenshot of it, because everything directs somewhere else, so this was actually one from November. But you can see we had the crazy lady. A lot of

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people over the years who had never met me, they'll still, I'll go to things and people say, "You don't look like that crazy lady with the coffee." [laughs] I'm like, "No, she was a stock photo." [laughter] But it kind of.... I think it was the idea was really, you know, growing. Our DNA was really sort of gawker. Gawker meets your local newspaper. So, it was like, it was like local news with attitude. And so that was one thing we brought to the table, and the other thing we brought was speed. And I think it was very interesting, because, you know, years ago we could win on the who, what, when, where easily, because we were the only ones doing it fast. Now we can't anymore, but that was one thing we had. The other thing we had was attitude.

So meanwhile, all these other things started happening, and I wish I could say that I was cognizant at the time [and that] I saw where they were going. Facebook, I think probably my daughter embraced this before I did. I didn't have any idea where it was going. YouTube, I mean, it's hard to believe, you know, because we now embed YouTube videos on our site and use them all the time, but that wasn't in the picture. And then, you know, we started seeing these stories: The Death Nail of Newspapers. You know, again, I wish I could say that I anticipated it. I didn't. I can't say that I caused it, but there it was going on. And here's a story quote from Bill Keller in the New Yorker, where he talked about this funereal atmosphere every time you went to a journalism conference:

[On the screen...]

"At places where editors and publishers gather, the mood these days is funereal. Editors ask one another, 'How are you?' in that sober tone one employs with friends who have just emerged from rehab or a messy divorce."

Did I miss one? Oh, Twitter. And when Twitter launched, really, I think that everybody in journalism or most people in journalism thought it was a joke. I mean, it was for a long time, it was a joke. And I remember this guy that used to work with us, Tom, who did a lot of tech stuff for us, you know, he was on Twitter and I felt like he was like goofing off. I felt like, you know, he was goofing off on Twitter. I had no idea how big it was going to become or how important.

And then the iPhone. I had no idea that, you know, OK, the iPhone came along, it was very exciting, but that I would be worried that, you know, five years later I was going to be worried about, what does that mean? We're all going mobile. What's that going to mean for this technology? Because basically all I did was discover that anybody with a blog could be a publisher. And suddenly, it became more and more complicated, you know. You had to not just do it for a website but do it for the iPhone.

Meanwhile, other people were trying to do similar things to what we were doing at scale. Backfence was one attempt and it failed. And Groupon

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launched. Again, in some ways, this is the scariest one to me, because Groupon went directly to the consumer and bypassed the journalist altogether. So up until then, if we could get eyes, if we could get eyeballs, we could sell ads. And now Groupon's coming, and again, I didn't really even see it or understand it for a couple more years. But Groupon was like, you know, "Who needs the middleman? Who needs journalism? We're going to go straight to the consumer."

And to that point, Jeff Jarvis wrote *What Would Google Do?* January 2009. And that was one of the takeaway points, is that for all the middle men, the clock is ticking. The question of value is looming. "Every time Google makes a direct connection, a middleman's value is diminished." So then, you know, again, that brings [us to] journalists are middlemen between the story and the audience. We're the ones that are interpreting it. And so, you know, what happens when the middleman is not just people who are real estate brokers or agents in the book business, but it's journalists too? And that also brings into question all that we do in the way of curation, because, you know, who needs curators anymore if people are going to get all their information directly however they want?

Rocky Mountain News. This is really getting serious. And you can see, you're starting to see in this universe, you know, technology and technology startups are getting bigger and bigger, and journalism is just starting to die.

And then for us, big month, February, March 2009, two new competitors came into our market. One was Patch, which I think everybody knows by now is now owned by AOL and has scaled in a very, very big way, and they've come into our market now. They came into Maplewood. They were kind of respectful of our territory for a little while, for about a year-and-a-half, and then they finally pounced. And they put a lot of energy into our area. And the New York Times came in with the local. And they both did that the same week, within a day or two of each other. The New York Times subsequently decided it was too expensive. It failed. and they sort of gave us their territory. They sort of, in an official handoff, gave it to us. But Patch remained, and Patch remains, you know. It's a viable competitor in the sense of, I often describe it to people as it's sort of like the Applebee's of journalism. It's very bland and it's very... Or McDonald's. And yet everybody knows that Applebee's is and everybody knows what McDonald's is. And so, there is some strength that they have in that scaling that, you know, is scary. And one of the things I have noticed is that it is harder to win at that speed game now that they're in town.

Foursquare came. They made local into a game. New York Times layoffs. And here's Baristanet today. And I just wanted to sort of show you some of the ways in which we have adapted. So, the latest comments and so forth. It's more of a magazine layout now. This Featured Comment we have up in the right section, I don't know if everybody has that. It just seems to me that, like, I can't imagine having a news site without that. We're so much about

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the interaction with people. And then you've got the Tip, Follow, Friend, Subscribe, all the social networks. Our videos are over there. We put sponsored tweets. We actually do get classifieds.

But the last thing I wanted to show was kind of a way of a value proposition. And this came about because I had taken a media bistro class on social media marketing. And [I] decided that there was a big municipal election that had come around and that's going on now, and rather than just story after story and sentence after sentence, I wanted to be able to create something where you could at a glance.... And these are the bullet points we were talking about before, but not necessarily the things that they would highlight on their own scorecard. So, we created this scorecard. It really goes down the page with 19 different candidates. And it is interesting, because it costs us about \$1,400 between the artwork and the reporting to do this. But this is the first year that we've ever gotten local municipal advertising, and so far we've gotten \$4,100 of local municipal advertising. So, it more than paid for this venture.

And I'll just end on that note that you just can't be doing the same thing ... over and over again, but one of the things that just has come to me in the last week is, [chuckles], that it's time to stop, is that I do want to get back to those early roots and to have more blogging DNA in our product. Because I think that is one of the things that will differentiate us, a sense of personality and personal writing. Thank you.

[Applause.]

Gilberto Dimenstein: So, this project has been developed in São Paulo, which is a city which has 11 million inhabitants, more than 10 million inhabitants in the metropolitan area. It's called Catraca Livre. Catraca in Portuguese means turnstile. So it's open turnstile. But this idea was born out of social experience in my city, especially my neighborhood. The experience is called Learning Neighborhood, which now is scaled out all over the country. Neighborhood's idea is to map everything that is in the neighborhood, creating a whole platform in order to enhance the social character, and through the social character to enhance the human capital. That's a very simple idea.

I was a very bad student in school, so I love the street. And I became [an] educator, and as educator, I tried to make the school a place to learn. Just to give you an example about what Learning Neighborhood means, this was one of the schools in our neighborhood, Vila Madalena, that was scheduled to be closed in 2007. Drug trafficking, violence, whatever in it. You see how the school was. And it would [take] a huge movement in the neighborhood in order to help the school to be saved. And what we did in our neighborhood, we mapped all of the assets of the neighborhood in order to save this school for instance, music, events, theater, other schools. That school over there, Santa Cruz, is one of the best high schools in Brazil. They've sent 20 good

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students to be monitors. This group here, Kolombolo, taught samba with philosophy. And here you have the result—many different programs totally free for the group from the community. Now the school is among the 20 best high schools in the public system in São Paulo. It's still bad, but at least it's not going to be closed.

And then what I saw. What I saw is this: the city has thousands of assets in many different areas—cultural, health, education—that the people didn't know how to use because they are fragmented, they are scattered. And we decided to create a website called *Catraca Livre*. The first idea was this: Let's put together everything that's for free or low cost—everything. And we start in a little warehouse in my neighborhood with a bunch of people from the university. And the idea is like a local or hyperlocal experience. And then was born this website here—*Catraca Livre*, where every day we show things that happen in the movie theater, dance, exhibitions, seminars, everything. That's how.

In the beginning, we started giving tips on culture and education, but now we have in health, jobs, sites that can help you to be educated. And here is how is what are created in order to have one platform that make your living best/better in São Paulo. For instance, *Peixe Urbano* is a kind of Groupon in Brazil. And we show, for instance, that in that place there will be a free concert, music, of classic music. And they show where you can go to the restaurants near that you can have discount prices. *Caronetas* is car sharing. I don't know if you know São Paulo, but São Paulo is terrible. Car sharing is the way to help the people save money and to improve the environment. *Campus Aberto* is a car sharing only at the university. *Descola Ai* is a website that help the people to share things—house, trousers, boots, whatever.

But also we select the most important tips that we know in order to use the Internet to educate people. For instance, *Veduca* is a startup in Brazil that is translating the open courses in United States to Portuguese. And you know the amount of information they have from MIT, Harvard, Yale or Stanford that are free on the Internet but [not in] Portuguese. In Brazil, the people don't speak English. So this startup translates. For instance, this was a conference made by the Dalai Lama in Stanford about compassion. And every day they are translating to Portuguese those conferences.

So, what I'm trying to do, I'm trying to put on the Internet all the possibilities that you have in order to be more educated. And here is a very good example [of] how to use the Internet and how to use the hyperlocal journalism to be a better place. *Saútil* is a partner with us. You can find everywhere in São Paulo doctors for free near you. For instance, if you need to find out a medicine, you go here, *Dipirona*. You visit *Dipirona* and then you show where you are, your neighborhood, and they're going to find where you can get *dipirona* for free. You can do [this] in many different areas of health.

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And finally, we are hyperlocal but mainstream, because we have a partnership with Folha São Paulo, my newspaper, which has a homepage with 19-million unique visitors. We have a partnership with CBN, the radio show that — the radio station that they work with. And, but you know that.... But I know that without reaching [the] audience, I will not overcome the digital division. And we have a partnership with buses and the subway. Actually, we now work as a news agency. We send information to the bus and subway. We reach every day now in São Paulo almost 4-million people.

And we turn Catraca Livre into a kind of social technology to be replicated. And we are getting support of different kinds of people [who] actually put together in Latin America Facebook and Google. Important ideas. The only place that Google and Facebook are together, I think, is in Catraca Livre. And Nicholas Negroponte was the guy that helped to send this experience to Media Lab. And our hyperlocal solution is becoming global because we're finding out we're even able to replicate this idea all over the world.

The good news is this: Believe it or not, we are making money ... a lot of money. We have now 26 people working full time at Catraca, and have received many offers to sell Catraca Livre, but we decided not to sell, because I think that we don't trust the group of people that will not keep this mission of turning the city into a better place.

So, we believe that being hyperlocal, being relevant and differentiated how we've seen before, can not only make the city better, but also to make money. Thank you very much.

[Applause.]

Retha Hill: Thank you. It's really good to be here. This is my first time attending this function. So, as Mark said, I'm the Executive Director of what we're calling now the Digital Media Innovation Entrepreneurship Lab at the Cronkite School of Journalism at Arizona State University. And in that capacity, what we do is we're kind of like a research and development lab, where we work with media clients, big ones, small ones, community papers, radio stations, TV stations. They kind of come to us sometimes to help us think through some of their strategy or to test things out or to help us to develop new products. We also have students on the entrepreneurship side who are creating their own media companies. And we're incubating three new digital media companies this semester. We just pitched to some Angel investors the other day. And I think one of them is going to get some outside equity funding to launch, which will help him to do the type of journalism that he really wants to do.

So, I don't have a presentation, but basically—or a PowerPoint—but basically what I wanted to talk about is the culture part of what I see happening out there from the standpoint of working with a lot of media companies; like I said, big ones, small ones. And the question that was put to us by Rosental

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was sort of, "What are media companies learning from technology from startups?" And I was thinking a lot about that. Didn't want to be negative and say, "Nothing," [laughter], but, you know, they have. They are learning a few things. And I wanted to talk about some of those trends and where I think maybe they haven't gone far enough.

Just listening to Mr. Moroney from Dallas talk about the culture aspect, and that's like sort of the biggest thing he has to deal with right now, in addition to coming up with a business plan, a business model to make money, where he needs more Tigger's and less Eeyore's, that's exactly what we see all the time.

I was looking at a quote from the Pew Research Center's Project in Excellence in Journalism in early 2011, I think, and it said, "Both 2011 and 2012 promise to be years of vigorous exploration of new digitalized businesses for newspapers, but a decade of experience suggests the probability that they will encounter new disruptive competitors with powerful offerings no one can predict or prepare for. History also suggests a culture of conservatism and fear of failure are factors that the industry must shed if hopes to survive the transition into the digital age, especially with innovations on the business side." And that's the kind of thing that we see all the time working with these companies or when these companies come by the school to try to figure out what they should be doing.

And a couple of things that I think that newspapers have learned from tech startups is that, you know, you have to do more with less. Mr. Moroney and others have talked about just what a bad decade it's been, you know, for the news industry on the television side as well as newspaper side. You know, what, something like 30,000 news jobs have been lost in the last few years. You know, profit margins falling. Circulation falling off 5 to 10%, you know, year over year. And so, I think one of the things that news companies have picked up from tech companies is the whole idea that you have to do more with less. That, you know, they do have reporters who are doing a whole lot more than when I was at the Washington Post a few years ago. The reporters are reporting, they're blogging, they're taking photos, they're in some cases shooting video, editing that, as I said, blogging, participating in live discussions. But what we see is that while you have these reporters doing a whole lot more, I wonder how much newspapers and news companies are not really investing in those reporters to really be partners and to really be innovators. I don't think they go far enough in sort of helping people to see how the business is changing and how these reporters can be a part of that.

We see the editors and the publishers coming to these conferences and really talking about how the change is happening in the industry, but how much are they pushing that down into the newsroom to really help people to understand that we just don't want you to report on an iPhone just because it's cool, but because the industry is changing. And I see and I tell editors

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and publishers all the time that they really need to invest in their journalists so that they can be more than just cogs in a wheel.

I think, too, that what we're seeing is, from tech startups, we see a lot of partnering. And we've talked a little bit about that here. How you really have to partner with others. You can't be experts in all things anymore. The great thing about tech startups in these collective work spaces, when you go to hack-a-thons, when you go to meet-ups, is that people kind of come into a space very open, knowing that they have to share ideas in order to get a product out sometimes in the course of a day [or] the course of a weekend. And I think newspapers, you know, they talk about this a lot, but they're not really embracing it. You see a little bit of that on the national side. You know, you see the Texas Tribune partnering with the New York Times or ProPublica partnering with the Washington Post or Keiser Health partnering with NPR, Yahoo, and McClatchy, but how much of that is happening on the local side?

You see a lot of former reporters or people who are journalists leaving these major news organizations and going out and starting really, really good hyperlocal publications, blogs in some cases, specialists of publications in other cases. And how much are those news companies reaching back out to those people to have, you know, partnerships? So that you can focus on your core competencies, doing the accountability journalism, really covering your community, as Mr. Moroney said, in a way that other people cannot do. We need to do more of this partnering and not be so afraid that somebody's going to come into your market, move onto your readers, because it's all open, as we've talked about before.

We need to talk about the business side to journalists, I think, a lot more. Need to tear down the silos, the walls between business development and news, to those people who want to hear that. Not all journalists, not all reporters at a TV station or newspaper really want to talk about the business side. But there are always those ones who are interested in where the news company is going, how can they make — how are things changing, and how they can play a part of it.

When I was at the Washington Post, when we used to have metro meetings and they would talk about circulation and moving into an area and things that they were trying to do differently, I was always interested in that. And when I moved over to the digital side, way back in 1995, it gave me an opportunity to work on that side of it in growing a business, in coming up with new sections and new things that we should try in order to make a successful digital company. I loved it. And one of the things that I see with my students is they really want to explore all sides of it. They love being journalists, but they are also interested in the innovation and the entrepreneurship side. And it makes them excited. They don't see themselves going to a place where they can only be an employee. They really want to have a say in how that news operation is growing and changing.

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Innovation really has to be more than a slogan. It has to be where you're involving the entire company from the intern, the newest intern, to the established editors, to the columnists, by asking them their ideas and how they would move a company forward. Not just having the top people come to these conferences and talk about it, but again pushing it down. We need to encourage people to try things, to go off and form groups of employees to meet over lunch and try to come up with new ways to do journalism in a different way.

Lastly, I just wanted to say that some news organizations have learned to embrace the nerds that are out there or the importance of nerds. And, you know, you have NPR, Washington Post, Gannett. They all have these, you know, development staffs, but I think that we really need to push that down into the rest of the industry. We need more, you know, Adrian Holovaty's. And on the university side, we need to do a better job of growing better journalists.

At our university, we are, you know, we talk about entrepreneurship. We talk about innovation. Not just growing the MMJs, the multimedia journalists, but people who can code or who might be interested in code and why and how that fits into what it is that we do. People who want to be data journalists. We're coming up with new curricula to help people to get that information. We're inviting hackers and startup companies to work alongside a Cronkite student so that they can know more about how that part of the industry works. And then they can take that enthusiasm and that knowledge and infuse that into the companies that they go to work for.

Thank you.

[Applause.]

John White: Just making sure the mike's working. I'm going to tell you the safe word for my presentation is banana. [laughter] So, there are some Family Guy fans. Excellent. And so, the News Café. That's what we're talking about. [continues talking as video plays; inaudible] The News Café is something that started a few years ago.

[Video plays.]

Man: The plan for our News Café here.

Man: Once we knew it was something that could work, he then brought in someone who's actually opened restaurants before, because the biggest concern our ownership had was we'd never run a restaurant before. And so Dom Amatuzio came up and the timing was perfect for him. He was looking for a new project.

[Sound from video stops.]

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John White: And publisher Bob Cox was at a news convention in Toronto two years ago this spring, and there was a presentation from someone from Czechoslovakia talking about their news café, which essentially was a café space co-managed by the news organization and they had a journalist in residence. So, they actually had a sign above their desk that said, "The journalist is in." So, the intent there was, you can actually meet someone from the news organization and interact with them in an analog fashion, if you will. And so, they opened up the conversation and actually invited people in to meet with their journalists. That was the origin of this idea.

One of the motivations for me in pursuing this project was to get our news organization downtown again. Like with many news organizations and specifically newspapers, there was an exodus out of the downtown into the industrial park to house giant presses. And we were not immune to that. 1991, we moved from downtown into an industrial park, an industrial wasteland to many people. And we lost that physical connection to our audience and to our consumers.

Our primary readership skews in the 55-plus range, and I'm sure that's not the exception. And most kids now have at least one smartphone. And certainly they're born with some sort of digital device. And so, what are the odds that they're going to interact with our brand? Pretty slim. It's something their parents or even their grandparents do.

And there's been a currency in transparency, and I've heard that term used quite a bit already today. And that was one of my key objectives. And transparency goes beyond just being honest about how you produce the news. It's actually giving access to people to politicians and dignitaries that they would otherwise never get to meet. So, we're leveraging our large audience to bring these people down, because they know they're going to get covered. And by doing so, we're opening them up to Q&A's for a good hour with people that would never have a voice otherwise.

So, when I first made the pitch that we should open a news café, this was the response. [Slide shows a cat with the caption: I waft flatulence toward your non-specific vicinity.] [laughter] Now, I should qualify this. My boss is probably watching. [laughter] Hi, Margot. She supported it wholeheartedly, but it was...[laughter]. The resistance, and rightly so, the resistance came from the Board of Directors and the ownership. "Why would you fund something we've never done before? We've never opened a restaurant. We have no clue how to run a restaurant. So, why would we spend money on that?" And that was fair. So, Bob told me I should probably build a business plan and make a case for it. So, I spent about a month talking to local experts, Chamber of Commerce, going on the stats, CAN website to get free data that's available to anyone, and then talking to area businesses who've also done startups in the area that I was looking at, the Exchange District downtown Winnipeg. It's a turn-of-the-century area. A lot of film companies

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actually use this area to mimic Chicago from back in the day. It's a lot cheaper to make a movie in Winnipeg. Go figure.

So, the business plan. I had to come up with a way to sell this knowing full well it might not make a lot of money ... at least initially. And what I discovered quickly, partly because I tried to start my own business in 2007, it was Canada's first online only news company, and I discovered quickly you have to have a lot of money to do something like this. And we didn't have quite enough, and we kind of ahead of our time as it turns out. But what we did discover [is that] there are some key elements to a startup to make sure it has a chance. And so this kind of led to this vision. We had to be unique. You talk about differentiation, strategies. That was critical to this plan.

This was probably one of the tougher sells internally. You've got journalists that have been around for 20-30 years at our paper. And you're telling them now, "Now, you get to meet the great unwashed. Go." And obviously, there was some resistance to that. But what we found is there are some key influencers in our newsroom who thought it was a great idea, and they embraced it, and in doing so, led the way. And now, I can't think of too many of our team of journalists who haven't been there at least once to do either a public event or just to go there and work after a meeting.

One of the other keys here is to actually reconnect with the public. And I've been a big fan of destroying the ivory tower of journalism. And certainly, if you're hidden away in an industrial park, it's kind of hard to be accessible.

There's some really selfish reasons to do this as well. It's a great place to get stories. We're a block away from the police station. We're two blocks away from City Hall. There's a lot of politicians and cops that come through and have lunch. Gee. I've been wanting to talk to that guy for six months. I'm just going to go over there and buy him a coffee. So, you actually can corner people while they're eating. It's kinda nice.

So, in crafting the objectives here, I had kind of five or six key ones initially. And the sixth one, the last one, was maybe perhaps make some money soon, eventually. So, I really soft-pedaled the whole idea of making a lot of money. That wasn't the primary objective.

Brand relevance to me is really key, because our readership essentially is dying. Literally dying. They are in the obits. [laughter] And how do you fight that? You've got to be relevant. You have to get to people on the devices they're using. But not only that, your attitude has to match. It's you have to stop thinking you're smarter than everyone and show that your brand is accessible to someone under 55.

Building trust is key too. If I'm sitting there and you come and talk to me, I can't ignore your phone calls. I can't ignore.... I can't never check my

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voicemail and then it fills up and no one can actually leave a voicemail. A few examples of that at our place.

Community focal point. This was an interesting one. Where this News Café is located, this was the original newspaper row in Winnipeg. We're talking 1890. And it was the focal point. People would line up at the front door, wait for the papers to come off, afternoon editions, to see what was happening. In doing so, they'd get together and talk about the issues of the day. That's kind of ... we're going back to the future here.

This was my most important point. We need to have this audience with us, so that when we figure out what happens five years from now, whether we're a holographic projection in people's living rooms, if there's flexible paper that you download some sort of edition onto, whatever it is, it doesn't really matter. What matters is people still trust us [and] they still come to us for our news and analysis and insight. That's critical.

[Slide shows a cat with the caption: I can explain it to you but I can't understand it for you.] [Laughter.] Despite all of this, it was still a bit of a hard sell. That was until we met with a restaurateur in the city who just happened to be looking for a new project. And he's successfully opened at least four restaurants that I'm aware of. And that was the key for us to move this project forward. We needed to leverage someone's credibility. And the ownership said, "Oh, yeah, I know Dom. He's opened some really good restaurants. OK, let's talk." And then Dom took my business plan, applied a real life business plan from a restaurant perspective, and said, "Yeah, these numbers could work." Now we were getting somewhere.

So, how did we sell this ultimately to the restaurant and to the restaurateur? Because bear in mind we had to convince him as well, "It's a good idea to associate with our brand." So, this is how we did it. We've got huge brand power. We have a circulation of about 120,000 in Winnipeg. Winnipeg is about 750,000 people. Our website gets, I'll say, 1.7-million unique [visitors] a month. For a regional Canadian newspaper, that's pretty solid numbers. So, that's appealing to a restaurateur.

Obviously, we have a built-in marketing reach. We've got a newspaper with a lot of viables. We also have the ability to design websites. So, this is attractive to a restaurateur who never has marketing budgets. The last thing they can spend money on is advertising their new startup restaurant. This is pretty key, too, and this has probably been the most exciting part if it, is the staff are more engaged now in their journalism, because they're the ones who come to us now and say, "We want to host an event at the café, and I can get the star of this movie in town to actually speak and do Q&A's." And they are coming to us with ideas. Now, they're even more engaged in their beats, in the beats they cover.

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And it's a dynamic environment. During Comedy Fest Week in Winnipeg, we had top comedians in the café space during lunch riffing and joking with the audience. It was full every day. And it was a way for them to promote their festival, but it was also a way for us to fill up the café. And these are the kinds of events we're doing more and more of. Bands that are playing that night, they'll come in and do a four-song set [and do] question and answers with the music journalist. Huge turnout. It's live-streamed online, so anyone who can't make it down, can actually watch it live or they can watch a replay.

And that's the end of my presentation. Thank you.

[Applause.]

Bill Ifield: I'm going to make this really quick, because I want to get on to the panel discussion so you guys can all ask us questions. I'm the last person you have to listen to now. But at the Sacramento Press, you guys can all see it if you go to SacPress.com or SacramentoPress.com. We started thinking about this project in like 2003, and we wanted to do something really cool for Sacramento. We wanted to do something that would not just fill a news hole, but reinvent what journalism meant locally in Sacramento.

So, we came at it as geeks. None of the people that were involved initially were journalists. I'm certainly not. I'm the only person of the five people who started it that don't actively code. Everybody else is a programmer, user, experience expert. So, we started it like a tech company, because it kind of was a tech company. And we actually spent years, while we weren't doing this as our full-time job, building a technology platform, because that's what you do, right? Have a problem? Build a platform for it. That's not true anymore, by the way, but...[laughter]...but back in the day, like 2003, it seemed like a really good ideas.

So, one of them was the storyline. You know, we wanted people not just to read an article. We wanted them to delve into this really long storyline that had posts and articles and comments and everything else baked into it. And you could probably see some remnants of the storyline still on the Sacramento Press. You go to an article, you'll see a little storyline tab on the right-hand side. And we still store data that way. We think it's actually a really important way to think about stories. It's an important way to like store stories.

But mainly, because we had this different approach, we just were more collaborative. Like, we formed an ad network called SLOAN, Sacramento Local Online Ad Network, which was, hey, there's a lot of people doing what we do in Sacramento, like doing local news and reporting it and blogging about it and having forums. Maybe if we get together, we have an audience and some reach. Then, we could sell to regional advertisers like car

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dealerships and hotels that don't currently buy from us. And so, we were able to do that with SLOAN.

And actually, that was an experiment undertaken a couple of years ago. We now have over 60 sites. We have enormous reach—over half-a-million users or unique visitors, millions and millions of page views, and millions of impressions. And I think this month is actually our biggest month ever, which is kind of exciting in terms of revenue—up near \$20,000 of revenue. And again, these are from regional advertisers who hyperlocals usually can't access, like big hospitals and such.

We're really into innovation. I feel always like crazy behind the ball. And when I hear things like John's presentation just now, I'm like, "Yes! Let's open up a café in our space, like, tomorrow." [laughter] And we actually could. We have the space for it. Maybe we will. I don't know. I actually already started talking to some guys who run a food truck about taking their sandwiches and just offering them at lunch from our space. But we're trying all sorts of other new things. We just started....

And innovation isn't just about, like, digital technology innovation. Like, we had extra space in our newsroom. We have three full-time staff journalists, one editor, and two full-time beat reporters at the Sacramento Press. But we wanted it to be more lively, and we knew all these other people we were engaged with through the SLOAN network that were blogging and doing great things. And so, we said to the members of the SLOAN network and to the wider journalism community, "If you want to rent a desk, we'll subsidize it for you. It'll be under 200 bucks a month. And we'll give you a space. You can have a conference room. So, it's kind of like co-working, but it's in the middle of our newsroom. Because we want to hear what you guys are talking about, what you're covering, and you want to hear what we're covering." And we'll recreate this newsroom out of disaggregated little parts, just because we have the will to do it. And I don't know if it's going to work, and that's okay. So, failure in any of these experiments is really built in, but you have to be really innovative.

You have to build in some really cool incentives. And at the Sacramento Press, one of the biggest incentives is being able to work in a dynamic environment where people, like journalists and ad sales people and people who help manage social media for some of our clients, they all have incredible freedom to try things, do things that in a corporate environment just wouldn't be okay. So, you have to set an agenda to have an incentive structure that's more than just dollars and cents. It's more than a pension fund. We can't provide all of those things, so we have to provide different things. And that's one really important area where traditional media might be able to learn from some startup culture.

But that said, I do think that there are really big differences that we have to address. They are fundamental, especially for large media companies,

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between how they operate and what they are. First of all, they're not—depends on perception, I guess—but they're really not in like a huge growth mode right now. These companies don't see themselves as like, "Next year, we're going to be ten times as big, and in five years, we're going to be 100 times as big. And that's how we're gonna return the investment of the people who are taking these risks with us." And that's not just Angels and VCs, that's people who work in the company. Because generally we give equity to people who are founders of companies like this. So, let's remember that, that those are different sets of circumstances. They're different situations. So, we have to be really respectful. I'm not going to say, "Just do what we did," right? It's not the same thing. And they have different people working there. There are institutions like unions that make things quite different. I'm not saying unions are good or bad. Actually, I have a long family history of forming unions, and I think they are very important. But they mean that the organization is far less flexible, and it's a different kind of organization. It's a different kind of industry. So, just understand those things.

And finally, I'd like to leave you with some questions. I want to challenge weaknesses I perceive in the news industry generally. So, I have three big issues. Maybe someone here has some answers.

1. Compared to fast-growing technology companies, I think we don't focus enough on user and client acquisition metrics. That is to say, we talk in generalities, but we have "this" amount of users, "these" unique visitors. My question is, how much does it cost you to get one more and retain them? What is the overall lifetime value of that one person in terms of advertisers? What does it cost you to get a new advertiser? And how long do they stick with you? And how much are they going to spend with you? These are the ways that we look at startup technology companies. Media, if we're going to be competing on that same plane, needs to think that exact same way.
2. We don't often structure our innovative experiments to test their successes before we scale them. Patch. [laughter] Seriously. Maybe someday I'll work for Patch. I don't know. [chuckles] But I think it's really important that we know what metrics we're supposed to be hitting before we scale things really big. A lot of times I hear about experimentation. And they'll try the coolest idea or the idea that's most appealing to the Board of Directors or the idea that's most appealing to the publisher, but then there's no time to reassess. Two months in, three months in, is this working? Should we shut it down? Should we go in a different direction? The storyline was a really great thing, but it didn't meet kind of our internal goals of how it might be used, so we either had to pivot it or work on something different. We decided to work on something different. So, something we focused on were increased numbers of layouts for our front page and splash pages. These layouts are like curation around a particular topic that an editor could do. We found that that was more engaging, and more

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used, and more useful, and more appealing to our audience than our storyline function. So, that's what we focused on, right?

3. And finally, I think.... Well, I have a question for all of you. How many people are journalists here? How many people work in journalism like professionals right now? And how many people in the last month have had lunch with a developer at your organization? Oh, that's really good. This is really good! No, that's great. I mean, we find that there is a challenge even in.... We are a tiny organization—three full-time journalists and a handful, you know, two or three developers working together, and yet oftentimes we're not meeting together making those outside connections enough. So, my third thing is, I think a lot of organizations have an internal communication problem between kind of the tech team, business team, and journalists on the ground, and that creates this communications problem. It creates disincentives for the kind of innovation I'm talking about, where we can set goals, view metrics to see if we're meeting those goals, and then pivot to do the right thing going forward.

But anyway, I really appreciate your time. I can't wait to get on the panel.

[Applause.]

Mark Briggs: All right. I'm going to ask them one question. They'll each get a chance to answer it. And then we're going to turn it over to you folks. So, be thinking of your questions. And you know where the mikes are. My question really, I just want to know from each of where you live, since we all live in different places, how is the state of new startups or startup companies based somewhere in the content journalism news space, how is that today? Is it growing? Is it decreasing? Has it kind of stayed the same? Is it evolving?

I'll give you my two cents from Seattle. You know, we're fortunate to have a tremendous amount of sort of news entrepreneurship there: a number of wonderful hyperlocal blogs, some really innovative news startups. And I can tell you it's evolving. So, we've seen a few sites fade away. We've seen a few appear. And about five years ago, well, three to five years ago, I mean, it was this kind of gold rush time to where there were news sites popping up all the time. I mean, those days are over. But the ones that popped up then mostly have stayed around and are making a pretty good go of it. So, but we see some evolution happening, and that's how I expect it to continue.

So, from where you live, what's it look like?

John White: I'll start. It's rather stagnant in Winnipeg. And I think it's my fault, actually. [laughter] Yeah, it's true. There's one blog called Chris D. Dozier, who focuses on kind of a lot of the hyperlocal stuff we can't [and] we don't have the resources to cover. And so he gets a lot of the university crowd, the university sports, and actually has a pretty good following for

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that. But he's kind of the only one. I started WinnipegFirst.ca in 2007. We ran out of money. And he's kind of following that model, but I think because we ran out of money, others who may have been inclined said, "Hmm."

Mark Briggs: Maybe not.

John White: "Gosh, the market's not ready for it." But he's doing OK, and I hope we can spawn others to do it. By the same token, I still take that as a motivation to bring to light all the things I had in my original vision to the Free Press, because they've given me that opportunity.

Mark Briggs: Right.

John White: So, I'm trying to do those elements as well and providing community journalism and providing these opportunities.

Mark Briggs: Good.

Debra Galant: I'm in New Jersey. I think we have a pretty healthy ecosystem. A lot of hyperlocals, new hyperlocals. Verona came on a couple of years ago. New ones every day. We have something that we funded partly by a Knight News Challenge, NJ Spotlight, which is taking the place of some of what was lost when the Star Ledger downscaled. And that's been good. And then we have a lot sort of on the verticals in terms of food sites, ethnic food sites, parenting sites and things like that. So, I think it's a pretty healthy place to put on a journalism hat.

Mark Briggs: How many local news competitors would you say Baristanet has?

Debra Galant: Oh, in online you mean?

Mark Briggs: Yeah.

Debra Galant: OK. Well, just in Montclair, our main site, we have two. You know, the Montclair Times now does publish online in time, in real time.

Mark Briggs: Right.

Debra Galant: Which they didn't do for years and years. And then we've got the Patch, which it is actively.... Oh, and then we have another startup, too, that is kind of doing Montclair and Caldwell, so, yeah, we have....

Mark Briggs: So, there's four.

Debra Galant: There's four.

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Mark Briggs: Four covering that, yeah. And I think, you know, this is kind of what the futurist—I can't remember his name—who said, you know, "The future is upon us. It's just not evenly distributed yet." That's what is happening, right? In Seattle, there's a neighborhood called Queen Anne, Queen Anne Hill has five news sources covering one neighborhood. And I think you see this in some neighborhoods and some cities, and then in other cities, there's nothing.

Debra Galant: Right.

Mark Briggs: Yeah.

Retha Hill: In Arizona, it's growing a lot. We have the Arizona Guardian, which is like the Politico for Arizona. It [was] formed by two — three reporters who were laid off from the East Valley Tribune. And they started the Arizona Guardian. Then shortly after that, [they] won a Pulitzer for the work they were doing at the East Valley Tribune. We have a ton of other startups, very well-positioned blogs, a bunch of magazines, parenting magazines. And then ASU is very supportive of, again, incubating digital media sites. And then we have a couple of Knight News Challenge winners—City Circles, which reports around the new light rail, and then my project.

Mark Briggs: Cool.

Ben Ifield: We can only afford one mike? [laughter] No, we've got two mikes. Sorry. It's pretty, but thanks. [laughs] Reporters. [laughs] So, so, I just.... Yeah, in Sacramento, it's actually, I feel like there was a boom a couple of years ago and then things have evened out. That said, I'm really proud [of] one of our newest outlets, I think called Ransack Media, [that] was started by an ex-intern of ours, and that makes me really, really happy. And he was actually, from what I heard from rumors, and I'll just be happy to trade on rumors, is that he actually got job offers to be like a standard print journalist because he was so excellent, and he decided to start his own thing. And I'm really proud of that, because I think that spirit and understanding that can be done is shown in Sacramento. Also, we're very lucky to have the Sacramento Bee, because the Bee undertook an experiment called Sacramento Connect that connected a lot of blogs and allowed if you have a new but really good blog in Sacramento about local issues or about a niche issue, like food or politics or whatever it might be, that they'll make you part of this, essentially a web ring. I mean, it's like the reinvention of the web ring. So when people are reading the Bee, they'll see your stories linked to on the site as well, which is real exciting.

And of course, with SLOAN, we can then connect the dots and bring you revenue even before you start selling. And it's more revenue, especially by CPM, than you would get from working with a large ad network like DoubleClick or adBright or OpenX Exchange or, you know, AdWords or things like that. And so, we actually think that with those two networks in hand, an

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example of journalism working, you know, I think we've seen it grow a lot. And again, I mean, SLOAN is up to like 60 sites, so there's a significant number of sites doing this work.

Mark Briggs: That's great.

Gilberto Dimenstein: The Brazilian economy is booming and especially São Paulo, where we are receiving the most important companies. For instance, Google, Facebook, Tundra decide to make their headquarters in São Paulo. But I don't see startups in journalism. Maybe I'm wrong. Maybe people that are here know better than I. But anyway, there's no startups, right? But what you have in Brazil is that the mainstream companies getting a lot of room on the Internet. For instance, O Globo, and other companies, they are really, really dominating the Internet. I can give you the number of my newspaper, for instance, it has now 20-million, but to have a portal with UOL would have 40-million. Jerome has how much, Pedro?

Pedro Doria: I don't know...[inaudible]

Gilberto Dimenstein: But 60-millions.

Pedro Doria: Something like that.

Gilberto Dimenstein: 60-million unique visitors in Brazil. But because Brazil is very open to novelty. So, but a startup is difficult because they have no money to support this.

Mark Briggs: Hmm.

Gilberto Dimenstein: Unfortunately. But I think that we are starting to discover the possibility of having what I call SIC, System of Individual Communication, you know. It's just some person could in some way... Catraca Livre is something like this. Just some person trying to finance itself.

Mark Briggs: Interesting. Great. All right. We're going to go to audience questions. While you make your way there, I'm going to ask John, one follow-up to your presentation. When did the café open and is it making money?

John White: It opened the first week of April of last year, so we just celebrated the first anniversary. And it's not losing money. [laughter/applause]

Mark Briggs: Very good. Very good.

John White: To be honest, I don't have access to the books. I mean, the restaurateur kind of manages the restaurant side. But he did — his one comment was it was the best startup ever. So obviously it's accelerated the

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curve of revenue versus expense, where another restaurateur [who] didn't have support network would not have had that kind of success.

Mark Briggs: That's great. Well, doesn't sound like it's a ghost town. I mean, there's customers every day, so that's a good thing. All right. Good. Jake.

Jake Batsell: Hi. I'm Jake Batsell. I teach Digital Journalism at Southern Methodist University. Two just very quick specific follow-up questions. One for John. I'm curious about whether you opened first or the Open Newsroom in Torrington, Connecticut that has been getting a lot of press as sort of the poster child for the digital first company and their initiatives. And secondly, how your initiative compares to that one and others that you might have heard of going on in the United States.

John White: Thanks. That's a good question. Czechoslovakia was the first. Torrington was pretty much the second; although, their model is unique in that it's an open newsroom period and they also happen to have coffee and donuts. I mean, the idea is you actually can go to their news meeting and sit in and say, "That's a dumb story." [laughter] I mean, it's the ultimate transparent newsroom. So, we actually took elements of kind of both of those and said, "Well, for our marketplace, what's the most valuable aspects—" and this goes back to the whole best practices discussion—"for us to bring to our marketplace?" And we thought, we'd like a performance venue in the Exchange District. We want to be in the Exchange District. That was important—back to newspaper row. We wanted to be able to meet people and hold public events and town halls. So, we kind of took elements of each and then created our own version of that.

Jake Batsell: That's great. And my second quick follow-up was for Retha actually. Retha, I was in ASU in January. You told us about a hiking app that you were working on. I was wondering if you could tell us a little bit about that. And secondly, if you think that's an opportunity for news organizations, kind of travel and leisure apps that aren't necessarily pure news, but can leverage the institutional knowledge and memory of local news organizations to monetize, you know, resources.

Retha Hill: Sure. The hiking app, we were hired by actually the state to do this one, so they wanted an app for all the trails in Arizona. So, the content team, the developers that we hired in, GIS students, so we're creating that for Android first and then iPhone in the fall. And yeah, it's an opportunity. If you think about it, well, years ago when I was at the Washington Post, every weekend, the weekend section, Friday, they had a hiking or outdoor column, and every few weeks they'd do something about hiking. Other times it was about fishing or hunting. And so, you can break those off into, you know, smaller apps or different sites. One of my colleagues, who's a developer, Mark Ng at ASU at the Cronkite School, he's doing something called Hunters DB, a hunter's database which will give you everything you need to know

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about hunting in the United States, state by state. So, there are all these opportunities. And it's easier to create these apps now, less expensive, because you can do jQuery mobile, you could use the Google and all these other do-it-yourself apparatus, or you could hire developers that are a lot less expensive than they were five or six years ago to do these things, or you could hire universities, especially the New Media Innovation Lab, because we need new customers.

Mark Briggs: [laughs] Excellent. No more questions? OK, Rosental, we're going to give you your time back. [laughter]

Rosental Calmon Alves: OK, thank you.

Mark Briggs: Thanks very much, everybody. Thanks to our panelists.

[Applause.]