

ISOJ 2020: Day 1

The New Local News: Reinventing sustainable models to make local journalism survive and thrive in the digital ecosystem

Chair: [Jennifer Preston](#), vice president, journalism, Knight Foundation

- [Sara Lomax-Reese](#), CEO, WURD Radio
 - [Alison Go](#), chief strategy officer, Chalkbeat
 - [Mandy Jenkins](#), general manager, The Compass Experiment (partnership Google-McClatchy)
 - [Fraser Nelson](#), vice president of business innovation, Salt Lake Tribune
 - [Chris Sopher](#), co-founder and CEO, WhereBy.us
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Rosental Alves Hello. I think we are back now. Welcome, welcome to ISOJ, everyone. Before I start the session with some housekeeping notes, I would like to take a moment to pay homage to one of the greatest American foreign correspondents of our generation, Chris Dickey, my old friend, compañero, from the coverage of the Central American Wars in the 1980s, passed away last week in Paris, where he had been based since the 1990s. Chris was the foreign editor for The Daily Beast, working from Paris, where he lived with his beloved wife, Carol, since the 90s. He has been an inspiration for me, and I was very lucky to bring him to Austin a few times to talk to my students. So here's to you, Chris.

Now, let me go back to ISOJ. Thank you very much for joining us again. Before we start our second panel of the day, I would like to do a few housekeeping reminders. The panels, keynote sessions and workshops will all be interpreted to Spanish. If you would like to join and watch in Spanish, you have to click the interpretation bottom. It's a little globe in the bottom of your Zoom screen and select a Spanish-language channel. Please also note that we are live streaming both feeds English and Español on YouTube in case you have any tech issues with Zoom. You can find the links to YouTube, at ISOJ.org. If you are having any problems or tech issues, please contact our help line via WhatsApp or text 1-817-526-0179. Also, please remember to follow and use hashtag #ISOJ2020 to stay connected with the conference on social media.

Now I would like to welcome our speakers this afternoon. The panel on the new local news will be led by Jennifer Preston. Jennifer is the vice president for Journalism at Knight Foundation. But her connection with ISOJ started a few years before she joined the foundation. Jennifer was the first social media editor of The New York Times and started coming to ISOJ during those years. I now turn it over to Jennifer.

Jennifer Preston Thank you, Rosental, and welcome everyone to ISOJ, the best journalism conference in the world. I am so delighted to be with all of you here today. My name is Jennifer Preston. I'm the vice president of Journalism at the John S. and James L. Knight Foundation. And as you heard at the opening of the conference from Alberto Ibarguen how important it is for all of us to be focused on solutions and sustainability to help ensure informed and engage communities. Today, we are going to be hearing about different efforts around the country to help ensure that there is not just sustainable journalism, but journalism that is serving all communities in this post COVID-19 environment. At a time at a moment of reckoning, all of us have an opportunity to help

ensure that we have strong local journalism in cities and towns across America and that we have journalism that serves all communities.

So today, I'm absolutely thrilled to introduce our panel, our experts, starting with Mandy Jenkins. We're also going to be hearing from Alison Go. We're also going to be hearing today from Sara Lomax-Reese, from Fraser Nelson, and finally from Cris Sopher. I wore my denim jacket so that I could pretend I was in Austin and joining all of these fantastic panelists for BBQ, and Rosental too, right after today's discussion.

So let me begin by introducing Mandy Jenkins. Mandy Jenkins, is the general manager of The Compass Experiment, which is a partnership between the Google News Initiative and McClatchy. And Mandy is launching three digital news sites, which began last October in Youngstown, Ohio, and most recently launched a new site in Longmont, Colorado. I have been blessed to know Mandy for many, many years. Mandy is a pioneer in social media in helping wrestle misinformation, disinformation. Mandy worked, oh my goodness, and Storyful. Mandy worked at Digital First Media, in a leadership role in the famed Thunderdome. And Mandy was a JSK fellow right before she took on this exciting role in creating a digital-first news site in Ohio. So I'm thrilled to introduce Mandy Jenkins.

Mandy Jenkins Thanks a lot, Jennifer. I'm here to tell you a bit today about what's been going on with The Compass Experiment and especially what's going on with our little local sites that have been launching at what seems like a constantly changing situation that's going on in our country right now. The Compass Experiment, as Jen mentioned, was founded by McClatchy and Google to explore sustainable business models for news. So the goal being that we're supposed to set up three sites that are supposed to become self-sustaining within three years. So Mahoning Matters launched in Youngstown, Ohio, last October. The Longmont Leader just launched six weeks ago in Longmont, Colorado. And we're still in the process of thinking about our third site.

Our two sites that we have so far are both for-profit sites. They're free to access, so no paywalls. But we're doing similar things in both markets. The markets themselves really could not be any more different, so we really have to think a lot about catering things specific to those markets.

So I wouldn't say that we're reinventing a local business model, so much as we're experimenting with what already exists and what can best fit for our situations in these local markets. And we've built both of our sites on the same set of hypotheses. The first is that there is no single silver bullet, which I take from my former boss, Jim Brady, who says that all the time. I think we're going to have to pursue lots of different options in terms of revenue wise to come in for local news. And second hypothesis is that local hires and local outreach are going to be particularly key to building relationships. And thirdly, that those relationships are actually what is key to building sustainable local revenue. If we want to be local, we need to look local, and out-of-area ads, and an unfamiliar staff of people who don't really know the area, just doesn't really send that message.

In Mahoning Matters, we got started with a crew that actually had come over from the Youngstown Vindicator, which had closed at the end of August, and then started up in October. And I can say that as an Ohioan, Youngstown was a little bit insular. People were pretty wary about us coming in there, especially after their local paper of 150 years was closing up, so bringing in that local team whose names and faces they already knew, really helped to turn things around. And they really helped us break some attention-getting stories early on, carrying over stories they didn't get to finish at The Vindicator, and really

developing some key allies in the community. And I can't say enough about our local business lead, Mark Eckardt, who was really instrumental in getting us into meetings with some key local advertisers very early on. Sadly, Mark actually died of COVID-19 just a few months ago, and so we're kind of having to rebuild a lot when it comes to our local business alliance because he was such a key part of our team for that.

Another big part of our mission locally was also to be really transparent about our ownership and our funding. A lot of people knew us coming in like, "Oh, these are the Google people." So really being straightforward with them, and explaining who our ownership is, that we have this funding from Google that's just started out. But for us to succeed in the long term, we're going to have to build our own revenue. And really stressing to them that our local decision making was all happening at that local level and that the funding was staying local. Really stressing that we are also a local business, which I think is not something that a lot of news organizations talk about when they're operating in communities.

In terms of what we're actually offering to local businesses, we have a lot of the same sort of options that some others do. We have sponsorships for email newsletters, and virtual events, which we've gotten started during COVID. Local classifieds through like a local business hub that's on our website, some digital display and sponsored content. But I think the biggest thing out of this is we're not relying on programmatic advertising. Selling direct is what we're doing there. And it's time consuming, and it's expensive. And it's taken us some time to figure out how to do it, but it's been worth it. And I'll get into a little bit more about that in just a second as to why it's worth it there.

Our most successful high-value sponsorship that we offer in our local markets is called the community leaders program. It was actually developed by our partners at Village Media, who built both of our websites, and they own a series of local websites in Canada. And we adapted this model for our local markets. And the premise is really simple. The business sponsors a weekly section on our website with a theme that we find newsworthy and that they want to be aligned with. So it's something that we already would love to be writing about, and they're actually sponsoring for us to be able to feature a writer to talk about that every week. So the stories are editorially driven. The sponsor doesn't really get a say in what those are. And they really have like this so far because these tend to be the most well-read stories on our website. They're extremely popular.

And the example on my site here is called "Difference Makers," which we actually launched with a brand new advertiser during the pandemic. We collaborated with a local business that was closed due to Ohio's stay at home order, and they still wanted to make sure that people remember that they were out there. And they really wanted that stand-out presence on our site that comes with this package. I give like a take over ads here. And the stories that we feature in the section are local heroes are doing great things during the pandemic, and these are so popular. They are our best-read stories throughout all of this, because people just get tired of having bad news all the time.

And then in April, we launched a new funding stream for us. We launched a reader-funding drive on Mahoning Matter's six-month anniversary. So that was something that really we'd hoped to do later, but we kind of kicked it in a bit early. And really, it's a challenging market. It's a very economically challenged area, and especially now during COVID. But people have really been given. We have one time and monthly donations that are already coming in there. And we launched our Longmont's site six weeks ago with the same

reader funding set up there. And we've really not done a big push there, but we're already getting some monthly donors on board there as well, which has been really great.

In taking the lead of some other McClatchy sites, we've actually been currently working on getting some foundation funding, looking at local donor funding in particular around key reporting projects. You've seen this at Seattle Times, and Miami Herald, and Sacramento Bee have been doing this. We're doing this in Youngstown through Report for America, so reporting on the city of Youngstown and the impact of its budget cuts on local residents, which has only gotten worse during COVID. And we actually just were recently awarded our first grant for that from a local donor that's never given to news before, so we're really telling a great story there. And in Longmont, we're looking to set up a similar fund around a Spanish-language reporting initiative because the Longmont area is about 30% Hispanic, and we want to make sure that we're able to serve that audience. And that's something that we're going to be talking with local donors quite a bit about there.

Really, so how this is going? We've only been doing this, the project was set up about a year ago, and we've had our sites now going for nine months and six weeks. But we're feeling pretty good about this. We're thriving during COVID. As other news organizations have seen their ads decline, we've actually added partners, including that major local sponsor I told you about there in April. Of course, we don't know how the economic recovery is necessarily going to affect us and our advertisers, but so far, we haven't taken some of the hits that others have. We've had tremendous audience growth. Our audience at Mahoning Matters grew by 53% from February to June, and we have had no drop off since then. People have stayed with us, which has been great. And we're building new collaborative journalism efforts in both markets to aid in our sustainability, which has been something that's really helpful for the long term as well.

And a key part of our mission is sharing what we learn, so I encourage you to please check out our two local sites, and check out our Medium blog, where we're sharing some of the things that we've been learning so far. And I hope it'll be helpful for others, too. So thank you.

Jennifer Preston Thank you very much, Mandy. Next, we have Alison Go, who is Chalkbeat's chief strategy officer in charge of product, marketing, business development and strategic planning. What Alison is doing is leading Chalkbeat's effort to almost triple its geographic reach, and Alison brings product experience from Facebook, and also from Amazon, and Rent the Runway. But in her former life, Alison was a journalist, reporting for The Boston Globe and the San Jose Mercury. So we are thrilled that Alison is combining her experience and expertise in product with journalism to help Chalkbeat in its ambitious and important strategic effort to grow across the country. Alison.

Alison Go Thanks, Jennifer. That was a great intro. So I just want to thank everyone for joining this panel. And the first thing I want to start with is just answering the question, what is Chalkbeat? Chalkbeat is a nonprofit newsroom that covers public education in eight different cities. In each of those cities, we have two to five education reporters, and we collaborate with other news organizations in those regions. So, for instance, legacy newspapers, other place-based nonprofits and NPR affiliates, all to ensure our coverage reaches the widest audience possible.

So today I'm going to go over Chalkbeat's strategic plan. So this basically is our three to five year vision, and what we're planning to do next. So to set up the strategic plan, I want to dive into the problem. A quick pit stop here. 2020 has been more or less a devastating

year on many fronts, but in particular for local and state governments. Because of COVID, state and local governments are expecting 25 and up to 30% declines in their budgets this year and next year. So in the next three to five years, we expect this to lead to a systematic rewriting of multiple levels of government and policy. I personally believe we are living through our generation's Great Depression and that this rebuilding work is of New Deal level of importance. Meanwhile, the mechanism that would enable communities to be engaged and inform to participate in this deliberative democracy is near death. This is the kind of sad story of local news that we all know very well. And I'm not going to go into great detail because if you're listening to this panel, you probably know all about it.

Here at Chalkbeat, we are optimists, and we wouldn't be here if we weren't. So we see this as an opportunity. So what's the opportunity here? We have a vision for journalism. We imagine a world where every American can be an informed participant as we rebuild our core public institutions, from public education, to health care, public welfare, and so on. So this spans beyond education and to other critical civic topics.

How can we realize this vision when legacy newspapers are evaporating before our eyes, legacy newspapers being the entities that would help us and have done this in the past? We believe the answer to this question lies in the unraveling of the industry and understanding that. Legacy newspapers built an information monopoly on what I like to call a "regional bundle." So that's what you can see on the left. They were the only game in town to serve you information across multiple topics, but for one city. This should feel very familiar to people here who have great affinity for a local newspaper from their youth or even maybe right now. However, the internet basically has made this model obsolete. It's picked off the most profitable topics, one by one, and created successful businesses on top of that topical or vertical bundle. So that's what you see on the right here. They are models in which the vertical is the organizing principle, and regions kind of collate underneath this topic. This is working for newsrooms like the Athletic and Eater, but it's also effectively the business model of sites like Weather.com, Craigslist and Fandango. Services that were part of the newspaper before, but no longer are profitable or needed in the age of the internet.

At Chalkbeat, we believe this vertical model also works for civic topics. Chalkbeat is, we believe, the first proof point of this with eight locales, 60 employees, 40 of which are newsroom, all doing professional boots on the ground journalism. We believe the single-subject model creates the best journalism. We do this by elevating education into a prestige topic to cover and also intentionally linking storylines across place within our network. So education reporters are no longer isolated to just where they are. They can talk to other education reporters seamlessly in other cities that we cover.

The single-subject focus is also great for the bottom line. We are able to attract sponsors and advertisers who are interested in our niche audience of teachers and parents. Plus, our education focus gives us access to philanthropists beyond the relatively small cohort of quote unquote "journalism funders." We love the journalism funders, but we just need more of them. As an example of this, 83% of our funders were first-time donors to local news since many of them were primarily interested in supporting just education. That means this model has the unique ability to attract new money into our industry.

So what's our big plan for this amazing business model, as I'm telling it? The first part of the plan, the three- to five-year plan, is to strengthen where we're at currently in the eight locales we're in. Currently our reporters mostly cover news at the city and district level. However, as budgets are being rewritten, we want to ensure that we have enough

reporters for state legislature coverage during the time of rebuilding. Next, we'll continue to invest in connecting storylines across place. So this is connecting Detroit to Newark, Chicago to Memphis, and so on. That means investing in our national team, whose job is to marry national trends with local realities. And nearest and dearest to my heart, we also want to expand our reach. We are in eight cities now and want to be in ten more by 2023. We have a 60 city waitlist with people emailing us almost every week asking for Chalkbeat bureau in their city, and this is not even limited to the U.S. We have Canada and Europe asking for Chalkbeat bureaus. I sign up for Chalkbeat Amsterdam personally.

And so lastly, we also want to support the rapid growth of our single-subject model, so that means working with other social entrepreneurs to ramp up coverage of other critical topics. So what you see on this slide are the ones that have the largest expenditures at the state and local level on top of education. Part of this is working with them to fundraise across many topics, but it also means sharing what we've learned along the way, both our wins and our mistakes.

To close, I want to kind of end on this very intense and crazy slide that shows you kind of the vastness of our vision. We believe newspapers and regional newsrooms have their role to play, but that to truly repair the civic discourse that we have to think more expansively. We need to consider operating models that are new like Chalkbeats, and we need to rethink how this is all paid for. That includes philanthropy, but we also support the sometimes controversial idea of taxpayer funding.

Lastly, and we need to not forget the most important step in all of this, to continuously remind Americans that local news is a civic good. Despite being professional storytellers, we news people do not do a good enough job telling this story. This year, 2020, has given us an opportunity, and I want to ensure that we take full advantage. Thank you.

Jennifer Preston Thank you, Alison. Looking forward very much to the conversation and the Q&A following these presentations. Next, I'm delighted to introduce Fraser Nelson. Fraser Nelson is the vice president of business innovation at the Salt Lake Tribune. And the most exciting, exciting change that the IRS has made ever took place at the Salt Lake Tribune just last year under the leadership of Fraser, Paul Huntsman and Jennifer, a phenomenal editor. So what the Salt Lake Tribune is doing is it is transforming itself into a nonprofit news organization under these historic new rules that the IRS has issued. And Fraser brings incredible experience from philanthropy and from the social sector, social innovation sector, to help make this happen. So prior to joining the Salt Lake Tribune, Fraser held positions in government, and philanthropy, and most recently facilitated social policy innovation projects throughout the U.S. for the Sorenson Impact Center. So please join me in welcoming Fraser Nelson.

Fraser Nelson Thanks, Jennifer. I laugh because every time I think about pre-COVID, I think about being with you down in Miami with the Knight Foundation and so many others. So those were the days.

Jennifer Preston Yes. Yeah. And with you and Mandy in Fort Worth, Texas, just two weeks before that.

Fraser Nelson You know, this is such a great panel because I think everyone's bringing the the strengths of the model that they're working with currently or that they're inventing, and I think it's terrific to look at lots of different options. And this is an option that we are really posing for those legacy newspapers that we were talking about, Mandy. And what

do you do when you have an organization that's 150 years old, like the Youngstown paper, huge amount of trust, local employer, and the economy is crashing around, and what are you going to do to try and save that?

And so the Salt Lake Tribune was purchased by a local person, Paul Huntsman, and we decided pretty quickly that the current business model just wasn't going to work. So we applied for 501(c)(3) status, and we were awarded that in November of this year.

And just like you've heard already on this panel, the importance of local funding is really critical for our sustainability model. Our hope is, is to create this new local journalism of the future, not just for Utah, but a model that could be applicable to other locations if it makes sense for them. And we are by no means saying that this is the way to go for everybody, but for family-owned papers, for papers in a community with a strong philanthropic base, this may well be the way to go.

Our mission, like all others, is to empower citizens. And I think in this day and age, when we're seeing so much increased need for civil, civic dialog, deep conversations about what's going right and wrong in our communities, being a nonprofit really opens up a lot of opportunity for the Salt Lake Tribune to change the way that it interacts with communities. And of course, the number one way is it's now owned by the community, operated by the community, and it is funded by the community.

So what we did is we created, there's been some talk that we transformed into a nonprofit, what we did is we started a new agency, a new nonprofit, Salt Lake Tribune inc. And Paul Huntsman transferred the assets of PCH Tribune, which was his personal LLC, into this new public charity. That actually took from November when we found out we were awarded 501(c)(3) status to April 1. Because we were part of a joint operating agreement. There were lawsuits. It was a complicated thing. But as of this month, everything is now in this new organization.

And we also established a partner foundation running alongside. Kind of building off of what Lenfest has done in Philadelphia. So we've got a nonprofit institution and a foundation building an endowment. And that endowment is not just funding the Tribune. When it grows to \$20 million, we'll start making grants out to emerging voices because we believe that the Tribune, though it is a strong voice, is not necessarily as representative currently as we want it to be in the future. So what can we do to replace the Spanish-language paper that went out of business a few years ago? What can we do to have more grassroots forces in particular communities, particularly tribal communities? Utah has a lot of Native American tribal groups and nations. And we also wanted then support really, really grassroots reporting in different parts of our state.

So the model is really now that we're community driven and community supported. That means that we are moving from a heavy reliance on ads and subscriptions, adding philanthropy to that. And there's a model in particular I want to touch on that I think might be applicable to lots of folks, whether or not they become nonprofits. It's something we just launched June 1, called Supporting Subscribers. So if you hang with me for a minute, we went through a very intensive Facebook accelerator boot camp, which I thought like, how much does a squeeze page matter? It really matters. Before we had lots of different options, student discounts, blah, blah, blah, every kind of option as possible to pay for the paper. But the base price was \$7.99 a month or \$79 a year. What we created was a hybrid. We didn't drop the pay wall. And the reason we didn't do that is because we have 68 employees, and we put out a print product every morning. And we couldn't just drop the

paywall and hope that someone would suddenly give us millions of dollars. So what we did is we kept the paywall. We made the paper free through a number of different venues that it was not free before so that we increased public access, and then we asked our subscribers to basically pay twice as much for the same exact thing.

So we set up a new form of payment. \$150 a year, you can see, is the top. Kind of the one you squeeze to, or \$15 month. So essentially almost twice as much and for basically nothing else. And what we found is that over 50% of news subscribers are choosing to pay twice as much. So our revenue has increased dramatically since we launched this on June 1. So supporting subscribers do not get a full deduction for that \$150. We have to pull out what is good in service that is not deductible.

But we think this is a model that might work for other communities. We certainly didn't want to lose what revenue we had, but we wanted to increase it. And we also do just a lot of regular fundraising. But we think that over time this will become a very, very critical piece of our revenue model. So you can see that just in this one month, we've moved to about 66% of news subscribers, paying very much more for the same product.

Becoming a nonprofit, as I implied, is not just about the money. It's also about making sure that our community engagement is increasing. So we've really just exploded, and actually COVID has help with this. But we've exploded the number of community dialogues we've had, particularly with killing here in Salt Lake of a young man named Bernado who was shot by police and has created a great deal of conversation similar to that occurring across the nation.

So we've been with our board of directors, a diverse board of directors, with the feedback from our readers, with these new assets, new partnerships. We're really hoping to become much more of a community asset and to really mean that when we say it as a community based nonprofit. So thanks.

Jennifer Preston Thank you, Fraser. That was fantastic. Next, I am absolutely delighted to introduce Sara Lomax-Reese, who is the CEO and president of WURD Radio in Philadelphia, WURD, which is the largest African-American talk radio station in Pennsylvania. And what Sara is credited with doing is transforming WURD Radio into a multimedia platform that is serving audiences of all ages. And it is just so fantastic that we have Sara so engaged in the conversation in this moment of reckoning right now. One of the things that Sara has consistently, consistently discussed is about the value and the importance of Black-owned media. So Sara is a graduate of the University of Pennsylvania and Columbia University Graduate School of Journalism. And again, we are so lucky to have a former journalist in a CEO role, in such a senior leadership role in our country at this time. Sara was also on the founding board of the Lenfest Institute of Journalism in Philadelphia. And I am absolutely so delighted that the Knight Foundation and the Lenfest Institute is now supporting a great new project.

Sara Lomax-Reese Thanks, Jennifer. I'm really excited to be a part of this conversation. It's so important. It's so timely. And clearly the work that we're doing at WURD, is different and set apart from some of the other work that these amazing panelists are talking about. So at WURD, we say "word," is an independently owned, family owned Black talk radio station. And my opening slide says Black Media Matters. And it's kind of a mantra that I have been advocating and a concept that I've been advocating for many, many years since I met Jennifer several years ago to talk about the fundamental importance of ownership and the fundamental role that Black media and Black media ownership plays in

the overall journalism ecosystem. It's not just about diversifying the general market or mainstream newsrooms, but it's really about diversifying ownership and empowering organizations that are owned and led and operated by Black and brown people. And as Jennifer said, in this moment, that is even more critically important.

And so just a little bit of background of WURD. It started in 2002, founded by my father, Walter P. Lomax, Jr., M.D., who was a local Philadelphia physician. The picture here is him in February 1968, actually treating Martin Luther King. And I talk about my father's legacy when I talk about WURD, because so much of what our brand is is connected to his legacy, which is around trust and authenticity. And so my father actually, he literally cared for many, many people. He had offices and medical centers in underserved Black communities for about 30 years. So he literally was saving lives and taking care of people, and so that trust and that relationship is transferred to WURD.

And so I've been running the station since 2010, and we are one of only three Black talk radio stations, Black-owned talk radio stations in the country. And we're the only one in Pennsylvania. And that has a lot of strengths, but there's also some inherent challenges in that, which I'll get into in a minute.

But we are mission driven. We are considered the voice of Philadelphia's Black community, and we are a for-profit company. So even though we have this really strong mission, we are actually for profit. And that's something that's really unique as well. And so we have a variety of platforms that we have cultivated during the time that I've been running the station for about the last 10 years. We simulcast on AM and FM, so we're on 900 AM and 96.1 FM. We were awarded a translator, an FM translator, in 2017, which was a major development and growth opportunity for us. We have a membership program that we call the For WURD Membership Movement, and that's a growing part of our revenue mix.

We introduced cameras into our studios, so we now do what's called WURD TV. And that's something that is really growing, and it is streamed. So our on-air platforms are also streamed on YouTube, and Facebook Live, and on our website. And that also creates other opportunities for revenue generation, for sponsorship, and advertising.

Before COVID, we did a lot of events. We did over 100 community engagement events per year, and we had a number of signature events that that we did. And we did live broadcasts in neighborhoods all the time. Since that time, since COVID arrived, we pivoted. The beauty of being small is we're very nimble, and so we pivoted and really leaned into radio. A lot of people say that radio is dead or radio is dying. But we really recognize that there was an incredible opportunity during COVID-19, where our listeners are older and are amidst the most vulnerable populations affected by COVID-19, and we recognized that there was an opportunity for us to really educate, and empower, and inform our listener base through radio, as well as recognize that the digital divide is real. So we developed a number of programs to educate our listeners how to navigate telemedicine and how to navigate technology in general, so that they are more plugged in in this new world. So that's been that's been really, really interesting. And we do a lot of events now as audio and video, virtual events that are broadcast both over the radio and through Facebook Live, and Zoom, and all of that stuff. So really exciting time.

And another part of our strategy is we do a lot of partnerships. We partner with other media throughout the city, the mainstream media, Black media. There's a consortium called Resolve Philadelphia that we've been a part of for many years. And we partner with

the Free Library of Philadelphia, just all of the stakeholders, cultural, social, business stakeholders in the city, we are partnering with.

And the other thing that I think is a little bit unique about us, because a lot of people think about talk radio and they think about conservative, like the Rush Limbaugh's of the world. But our format is very much about our audience. It's a two-way talk format. So we are in constant conversation with our community, and they are like our on-the-ground reporters. So they are able to really inform and engage with us on a real-time basis. So it is very much audience first. And we explore the diversity of the Black experience. It is specifically geared towards the Black community. But we know that there are many, many people in Philadelphia who are both Black and non-Black, who are tuning in and very engaged with what we're doing on WURD.

And so we have live and local programming from 6 a.m. to 12 midnight Monday through Friday, which is again, unusual. Because a lot of talk radio or Black radio is they might have a talk show here and there, but nothing that is programmed exclusively around the talk space and the format.

And so just a little bit of background, just about Philly, because we couldn't do WURD in a lot of other markets. Philly is about 44% black. It's the fifth largest market in the country, and it's the poorest big city in the nation. And so we also have a growing millennial demographic because the cost of living in Philly is still relatively affordable, particularly when you compare it to New York and D.C. So we have a lot of things that are converging in Philadelphia that make it a really dynamic mix for WURD.

And just in terms of our revenue mix. We right now, our current revenue mix, we're about 10% of our revenues are through membership. About 25%, which is new, is through grants. And the majority of our revenue is still through advertising and sponsorships. And our goal is to kind of change that that mix, so that it's more like 30% membership, 25% grants, 40% advertising and 5% other. And so we're really excited about how we're growing and diversifying our revenue streams.

And some of the future things that we're doing is really creating these verticals. Jennifer referenced a project that Knight Lenfest is supporting. It's called Livelihood, and we're really excited about what is possible through our Livelihood initiative. And basically, it's using kind of a solutions journalism framework and really trying to address this persistent problem of poverty and high unemployment in Philadelphia. And so we are using all of our platforms to really build opportunities for Philadelphians to connect with jobs, entrepreneurship and other resources. So we're really excited about this opportunity and looking forward to answering questions. Thank you.

Jennifer Preston Thank you, Sara. Again, really looking forward to the conversation with all of our panelists and your questions. Next I'm absolutely thrilled to introduce Chris Sopher. So Chris is the co-founder and CEO of WhereBy.us, which is a media technology company that enables creators to build their own media companies on top of it. WhereBy.us now powers five journalism brands around the country. Miami is the New Tropic. Seattle's the Evergrey, Portlanders Bridgeline, Orlando's Pulptown and Pittsburgh's The Incline. So I am absolutely also delighted to tell you that Chris formerly worked at Knight Foundation and managed a portfolio, a gigantic portfolio, of journalism and media innovation grants, and made many, many investments, planted many seeds that we are seeing sprouting and growing across the country today. So take it away, Chris.

Chris Sopher Thanks, Jennifer. Yeah, it's great to be here. Thanks for having me. And it's been a long time since I was at the Knight foundation, but it's fun to see all the awesome new directions y'all are taking the work. So, as Jennifer said, at WhereBy.us, we built a network of local media brands around the country, which are very driven by email and really focused on trying to bring new people and newcomers into the local media and journalism environment and serve folks who haven't been as connected to the local news ecosystem in the past.

We started that in Miami about five years ago with a brand called the New Tropic. And the thing I want to talk about today is we're five years into this business now, and we're actually in the process of launching a new division of our company that's focused exclusively on software and helping other creators of different sizes and shapes build and monetize their newsletters and build new media businesses, using email is kind of a base.

And we've come to feel very strongly that one of the approaches that has a lot of value and needs to be invested in more heavily is more fragmentation of the market, rather than less. And we've come to that feeling a bit counterintuitively. But we have built this network of five media brands, and it's been successful as a business for us. We've grown this network to over 80,000 daily email readers. We did over a million and a half dollars in revenue last year. Each of the five brands that we run is independently profitable. They're locally led, and our central team kind of provides the back office and technology.

But we've come to feel that that approach is actually not right for the future or for our community. And as we've just been talking about, and as Sara just spoke about, the local ownership, we've come to feel is really essential. And so I wanted to share a couple of the things we've come to see in the space, and some of the way we're thinking about it.

The first is just that consolidation has some dangerous incentives, we think regardless, of who the owner is. We as a company, are very different from a traditional newspaper or some other, like legacy media company, in a lot of ways. But nonetheless, we still own all the assets and all the upside in the things that we built. That equity is not left at the community level in any kind of significant way. And I think that can create some really substantial cross purposes when you're thinking about the future of the space. And big newspaper companies have suffered from the effects of this in some really profound ways, but I actually don't think startups are immune to it either. And what you see in the startup space a lot right now is people on the mission of building a network in a new way, which is great. But there's still some underlying assumptions that are there about the ownership structure and so forth that I think are destined to sort of have history repeat itself, without other kinds of changes. And this is a business that we have. And so we're in the middle of running that business while also feeling like it presents some pretty substantial challenges as a concept. If you were to think about what does it look like if it was one-hundred times bigger?

The second piece of the puzzle is that we feel like this work is sort of doomed to defeat if there's not balance between the for profit and the nonprofit imperative. We think that the success state looks a lot like social enterprises where you're kind of combining the best of the traditional nonprofits in the for profits. It's going to be different for every organization, but we get worried when it feels like there's too much emphasis on the for profit and when it feels like there's too much emphasis on the nonprofit side. Because those things being in balance, I think, is what drives the best outcome. Partly because when you look at other issues or challenges in the world, we cover in our publications a lot about housing and homelessness, for example. That's an issue that's never going to get solved only by the

nonprofit sector unless the for-profit housing market also changes some of the ways it works. And we feel the same way about the media industry.

The other two things we think are really important. One is that the cost of specialization becomes zero when distribution is free. It's so much easier to say I'm going to serve these 5,000 people who really love and care about the same thing, or same place, or same neighborhood. It becomes much, much easier to do that when it costs you almost nothing to distribute. And so there's really little benefit to massive scale in the current moment. But that is still what almost all of us are chasing in one way or another, even if it's in one geography.

The way everything works now, and this has been written about by a lot of smart people, is that almost everyone falls into this middle, between being big enough to actually get the benefits of scale and being small and focused enough to have really highly targeted value. And almost all of us in the local space, I think, including a lot of our brands, fall into that messy middle where the value is the worst, and it's the hardest to succeed.

And so we have come to feel very strongly that that kind of focus, and loyalty and niche are the really essential ingredients, and that the market should actually look a bit more like this. That almost everyone should be on the small and specialized side in varying degrees, and a very small number of players will be the biggest. That's not a novel idea, but we just feel like the local market has sort of yet to adopt a lot of that way of thinking. We still think like, "How do we own this geography?" And it just doesn't make any sense, because while the cities are a thing, and yes, it's nice to think that one place has an identity, the world is a lot more fragmented than that. And the work we do ought to reflect that. And we think the ownership structure is a great example of that, too. One single brand used to sit between each of these different voices and topics in a particular community. And we're like, this is the brand that serves all the users, and we bring all those voices together inside one brand. But then middle person really serves no function anymore in our view. Why not have the voice, and the brand, and the business all be connected as one thing going directly to users? What is the value of a Metro newspaper brand today? I think there is a lot of value, but it's not what it was because the reporter can go directly to the audience that cares about that topic. Right. And I think a lot of the speakers today have shared really incredible ways they're thinking about capitalizing on that.

But we've come to feel like our work, which is like, "Oh, let's pop up a new media brand," is the brand almost it matters less than even it did a few years ago because so much of the success we have with our brands now is through the people that write them, and their voice, and what they're doing in their community. So we think a lot about how to empower that.

The other thing is that legacy organizations, I think, are kind of necessary in this space. We rely heavily in our work on partnering with sharing content from, using the stories that newspapers do as a jumping off point. And so without those institutions existing in our communities, it would be much harder to do our work. But it's also pretty inefficient to work inside those bigger organizations. Your dollar goes 50 times farther when you're talking in an entrepreneurial environment than when you're working in a much larger organization that's got all those big years to turn. And I think we spend too much energy in this conversation trying to preserve and save instead of trying to think about what comes next, or at least balancing those two things in a variety of ways.

But just when I get the rare opportunity to zoom out a little bit, I just feel like a lot of the language is preservation oriented, and we're trying to get things in amber. And I'm just not sure that that's where we get the best work, or at least we need to balance that out.

And so when we kind of look at our work in the last five years and where we're headed next, our feeling is that we need 50,000 new voices getting into this race to try and thrive, in addition to the 50 that we've had and that we still want to thrive and exist. But you need 50,000 more. Not 10, or 20, or 30. But how can we get 100 new local media outlets in Miami where we started our business, not just the one we built? There's a kind of exponential level of scale there that I think we have to tackle, and that's going to require radically lowering the cost of starting something new, funding and supporting more disruptive innovation, as opposed to sustaining stuff that is focused on sort of keeping the thing going or adjusting the model of something already exists. And I think also thinking about how we can drive more approaches through newcomers rather than just thinking about sort of how the existing interests can be brought along in that because it's not always going to succeed. And I think there's a lot of evidence for that.

Obviously, we have a horse in that race because we are sort of a newcomer. And so I'm biased. But our feeling is that this ecosystem is going to thrive if it can get radically expanded and just sort of many multiples more competition and experimentation than we have today because the barriers to entry are just still too high. And yet every day we talk to people, I think all of us probably do, who care about this work a lot and would love to have a way to contribute to it or be a part of it.

And so that's really where we're focused. We're starting to get into that work on the software side and working with a lot of partners that are trying to build their own brands. But that's how we think about what needs to come next. And even though it's a bit counter to the business we've built, we think that's important, too, that we're willing to kind of look at the work together and say, "Well, here's some things we did that were useful, and here's some things we did that were probably wrong, and probably shouldn't exist the way that they do." So excited to talk more about it. And thanks.

Jennifer Preston Thank you, Chris. One thing that I'm hoping that we can all talk about before we turn over the conversation to our audience is how do we preserve great reporting? We talked a lot about sustainability. We've talked a lot about the audience, but what powers an informed community is the great reporting. So that's one of the topics among many that we'll be chatting about. Thank you again, everyone, for your terrific presentations.

Hi, everyone, and thank you for joining us. So we're going to get to the Q&A. We have several questions in chat, but first, what I'd love to do is to engage our panelists with the conversation about reporting, about journalism. I thought that Chris Sopher made an excellent point about what we need is so many more media makers, so many more innovative approaches. The type of innovative approach that we now see from WhereBy.us in Miami, in Portland, and Seattle, in Pittsburgh. So, Chris, let me turn it over to you. Do you see a role for New Tropic to eventually add journalists? Add more reporting?

Chris Sopher Yeah, thanks. I'll keep my comment really brief, because my organization is actually doing the least original reporting of any of the folks who are here, and I'm curious to see what everyone else will say. My feeling is that, no, I don't think that's very likely for our business. What we want to do, actually, we're getting ready to launch us some new

software tools and some other parts of our business that are really about empowering other media organizations and individuals to build their own newsletters and kind of content businesses at a smaller scale.

And the thing that really interests me is how do you reduce that overhead? So if there need to be 100 more reporters in Miami or in South Florida or any other community, and there do need to be, you know, how do we get each of those people owning their own business, or have these these kind of smaller, more community-owned things, as opposed to me having the ambition of owning all of those people's work and aggregating it? Because I don't think that value is really there. I'd rather have those people own their own business, and figure out how to empower each of them, and have them sign onto a shared code of ethics and licensing and these other kinds of things that can be centralized without having the ownership of the brand or the content itself have to be centralized. Because I think actually in the long run, you're going to get more longevity that way than you will out of a strategy that says how do we consolidate all these reporters inside one organization? Because that organization, the bigger it gets, is always going to be susceptible to forces that are beyond, that are bigger than, and beyond often the need to do quality reporting. I think we've seen that a lot with traditional companies, but our company has the same kind of pressure. We have investors. We have other people we are beholden to. But if we had 50 journalists in Miami who weren't beholden to those folks and were their own business owners, I think you'd actually have a much stronger thing. So, yeah, that's my answer is no. And because I don't think it should be owned by somebody like us.

Jennifer Preston And just to build on that, Wendi Thomas in Memphis with MLK50 has demonstrated just what extraordinary work a very small team can do in delivering really great reporting. So, Alison, when you hear Chris's thoughts, and when we saw your presentation about the ambitious plans to really expand, create a national network of education, reporting, what other areas beyond education do you see the vertical network approach embracing?

Alison Go So I think the insight that we have at Chalkbeat that was really revelatory as we grew and as we kind of understood the philanthropy world better, is that there is so much money and opportunity where the philanthropic strategies lie. So at a very macro level, I see the journalism problem as strictly a revenue problem. Right. I think there's a lot of distracting talk out there about which technology and this and that. But at the end of the day, it's like money in has decreased dramatically and that money pays for reporters and reporting. And so if you look at that problem very starkly, the next question is where do we get more money? And where do we get money that we are willing to take? And that won't compromise the journalism? Because I think all money is a little bit dirty in different ways. I think advertising money has incentive systems that are bad. I think subscription is actually not pure either. It tends to create coverage for a rich, usually white communities. Philanthropy has problems, and taxpayer dollars have problems. They all have problems. They're just different problems. But what I think the vertical model sees is that there are people who are passionate about certain topics. It's about certain outcomes. One happens to be education, but you have criminal justice, the climate change and just the ones that immediately pop in your head, and hopefully soon journalism in and of itself. But I think we're at the beginning of that journey. Where there is passion, there is often money. And so I think if you organize around where there is inequities and where people feel that they can make change with their dollars, you can also find space to create that local journalism that should go alongside those kind of missions. And that is the story we tell at Chalkbeat. So a lot of reform movement and then the unions, and there's a lot of discussion around the topic of education. And what we said that there is no change, no matter what your

point of view is on either side without independent journalism that goes alongside, and in particular local reporting, because that's where all the action is happening.

And so we tell that story apparently well, because we have many foundations who support us. And their secondary concern is the journalism. They care about the mission. But luckily in many of these topics are very aligned with accountability and just making sure we're doing the right thing. I mean, most people are just trying to change the world for the better. And if you can convince them that a strong independent press also serves their purpose, whether it's their particular way that they think the world will change, or if it's just the larger mission of education, of criminal justice, of preventing climate change, I think you can bring in dollars to the journalism world. And it is not in conflict if you set up the right kind of wall between the business side and the reporting side, which has existed in the past. You need to adapt it a little bit. But I mean, those conflicts were always there, even in the old model. You just have to make sure that you've adapted it for your new conflicts.

Jennifer Preston So we have a reader question around potential conflicts of interest in donor supported journalism, which we'll come back to in just a minute. But first, I wanted to also ask the panel about how might we ensure that we will be, in 2022 in a post COVID-19 world, and he won 2022. What will the local media landscape look like? And how can we today help ensure that there will be equitable coverage? That there will be local news organizations committed to dismantling systemic racism, not upholding it? And how can we help ensure that there will be a sustainable future for journalism? And what are the investments, what are the decisions, that need to be made right now to help ensure we will have a local media landscape in 2022? Who wants to take on that?

Alison Go I have a point of view, but I just talked. So I don't know.

Jennifer Preston So Mandy, with the Compass Experiment, tell us how the Compass Experiment is a new model. And it's a new model that is drawing on the talent of local journalists who build trust and knowledge about the community. What opportunity do you see in a digital upstart in a local community?

Mandy Jenkins No, I think what we're doing locally is not necessarily new, really, but I think trying to cater what we see work, not only in our industry, but in other industries to our specific markets. And I think a huge part of that is being transparent and being out there in the community, telling them exactly what's going on with us. To say, "This is how we're making money. This is where the money goes, if you give to us or if you as a sponsor, or you as a philanthropic donor are coming to us. And this is what happens if we go away." And I think that more and more news organizations need to be willing to tell that story. I don't know if that will save us. I don't think anyone could have anticipated what's gone on this year and how it's going to affect all of those kinds of giving from the individual to the organizational giving. But I think that the more that we are out there telling people what we do every day, and where the money goes and the fact that it doesn't exist; our local business, like their local businesses, doesn't exist without that support is going to be what's key to making all journalism, local and otherwise, exist once this is all over, whenever that is.

Jennifer Preston And Sara, trust is so important for quality journalism, for business. How might local news organizations build trust?

Sara Lomax-Reese I was winding up to answer to the previous question.

Jennifer Preston Yes, yes. Please take that one first. Please take the question about equity first.

Sara Lomax-Reese I mean, you could imagine what I'm going to say, Jennifer. I think ownership is really, really critical. And I think that centering community voices and giving people who have been historically marginalized and ignored or just not treated with a lot of dignity and respect in mainstream media or general market media, white-led media, giving them places where they are valued and are given opportunities to tell their own stories in their own voices, I think that's really important.

And I think that, you know, from a sustainability standpoint, I think that the philanthropic world needs to; I think that it's great that the philanthropic world is starting to get behind ethnic media and starting to realize that it's not just about nonprofit versus for profit. It's really about audience and creating some type of equity and access that sometimes was not there previously. I also am seeing in this COVID world that, you know, that niche or targeted media that's ethnic media, I'll speak about that because that's my bailiwick, it is really a lifeline. You know, like in this situation, getting information that is specific, and culturally relevant, and accurate is absolutely lifesaving. And we live in a world that is siloed. And so if you are not intentional about reaching audiences that you can't assume that everybody's even watching the news, or reading a newspaper, or even, you know, dialing into social. It's got to be segmented and targeted.

But there was a question in the chat that I wanted to address, which was, you know, original reporting, and that was one of your original questions. And, you know, that is a pain point for us. We often do a lot of partnerships. We do things with Resolve Philadelphia, the Inquirer, WHYY, all of the media outlets in Philadelphia. But we also have kind of grassroots, ground-level people who are interfacing with us every day through WURD, who are giving us story ideas, who are giving us tips. And we don't have a structure right now where we can do our own investigative reporting and really go after those stories. We rely on general market media, and that's something that we're really looking from a growth perspective to begin to build out our organization. So we have the infrastructure to do original reporting for Black and brown communities that aren't just reacting to what's in other media.

Jennifer Preston Thank you, Sarah, and that's a hopeful sign that you're looking at including original reporting and WURD's future.

Fraser Nelson I just I think from the Tribune's point of view, this is such a critical question. And as I tried to state in the previous part, you know, becoming a nonprofit certainly puts the onus on the Tribune to change its governance and to make sure that there are diverse points of view in the paper and in the governance of the paper. We have a long way to go. We have a long way to go. One thing that we can do is the reporting that we've been doing, particularly around equity issues, and the protests, and the police killings here in Salt Lake, is we're raising these issues to what really is the mainstream audience. But we're also holding an enormous number of community dialogs where we're reaching into younger folks and trying to bring up the conversation in unlikely ways with less likely readers. So I think this is a real challenge for legacy papers going forward. But I think that there are enormous possibilities, at least with our model of doing it differently, doing it better, doing it in partnership. And that's one of the reasons we established that foundation, because we don't believe we're doing it completely now. We never, probably never will. What can we do to help enhance voices locally that are from those communities rather than the Tribune's voice necessarily?

Jennifer Preston Thank you, Fraser. And to get to some of the questions, other questions in the chat, and Fraser, why don't you take this? It's how do you address concerns now that you've shifted to a not-for-profit model about the potential conflict of interest in donor-supported journalism?

Fraser Nelson Well, I think you address them all the time, number one. I think that, you know, anyone who's worked in a nonprofit has had to grapple with this. And it may be new in our industry, but it's certainly not new to the industry. And there are some terrific guidelines that INN has put together, Poynter and others that I think make it very clear how donors don't have additional access to the editorial content or anything like that. And really, when you explain it to donors, they get it. They don't expect because they give a thousand dollars to the local theater that they're suddenly going to have a lead role. And so I think that this is nothing really unusual in the overall nonprofit marketplace. And we need to make really clear that we disclose things in writing. We disclose them on our website, et cetera.

But, you know, I was laughing, Alison, with your comment about dirty money. You know, Mark Twain said, "All money is tainted. Taint yours, and taint mine." And we've been living in this world for ever and ever. It's just a slightly new conversation in the media. It needs to be very transparent. It needs to be absolutely adhered to, and that needs to occur for every nonprofit in the United States.

Jennifer Preston So we just have one more minute left. A question in the chat. Mandy, how much reporting is devoted to local government coverage? One of the cries and one of the ways that people are so distressed by the loss of local newspapers is that often means the loss of local reporting coverage. So tell us what the Compass Experiment does.

Mandy Jenkins Right. This is something that's a little bit different between our two markets. Our Longmont market is specifically focused on the city of Longmont, which is about it's about 100,000 people, a little bit less than that. So there's a lot of day-to-day government coverage that's a part of that. Just a part of city government coverage. It's a little bit easier when you're at a city level. Our Youngstown site is a bit more of a regional approach. We actually cover the Mahoning Valley. That's why it's named Mahoning Matters. There's lots of communities within there. So most of our coverage there, while we do focus on government, is doing more big picture coverage with government and public policy of the communities in our area. So focusing in on major issues and doing more watchdog type journalism there, that's not necessarily the day to day. There is other media in the area that does do some of that. But we're trying to get the bigger picture stuff when it comes to Youngstown's coverage.

Jennifer Preston Well, that's a wrap. I want to let everyone in the audience know that we'll be getting the slides from these terrific panelists to you. And I also want to invite everyone tuning in to use the hashtag #ISOJ2020 and share your ideas about what investments need to be made today to help ensure that we have a sustainable local media landscape, and reporters, and journalists, and news organizations committed to diversity, equity and inclusion. Thank you very much, everyone, for joining us at ISOJ 2020, and I'm going to turn things over to Rosental, who will provide us with more details about what's next for the big party tonight.

Rosental Alves All right. So wow, this panel was fascinating and touched one of the, as we all know, one of the main and most painful problems of journalism these days. So this

was incredible, and an incredible way to end the working part of the day. So please remember that there are still many panels, keynotes and workshops in the program throughout the week. If you have not registered yet on the Eventbrite, please do it, if you have not done it yet. Right.

But before we head out, I would love to remind you about, like Jennifer said, about the the happy hour. The welcome happy hour is a tradition of ISOJ. We will be using a very cool app called Shindig or the Virtual Party that starts in about a few minutes. If you haven't seen it work, you will be impressed, I promise. I know it is hard to replicate the parties that we we hosted in Austin. I'm not going to be dancing with Jennifer this time like last year. But, you know, it's very cool, and you're going to be surprised by how the platform allows us to mingle and running into all the old friends making new friends. Please join us. And don't forget your margaritas, and celebrate with us together with people from all over the world. So catch up with old old friends and get ready to create new ones in the party in a few minutes.

Thank you very, very much. And I'll see you soon at the party. OK, the show must go on. Thank you. Bye.