

ADDITIONAL REMARKS
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For the panel: “The New News”

*These remarks are answers to questions posed by
the FTC’s Susan DeSanti prior to the panel session.*

• **To what extent can “new news” sources provide news to the public on a sustainable, long-term basis?**

The jury’s out on this as to individual entities. But I would turn to Paul Bass and recall what he said in 2006 at the Media Giraffe Project conference – many LONCs may come and go in a community, but overall there will be a news ecosystem, with many voices, that will be durable and ongoing.

• **What resources are needed to launch and sustain an online “new news” site or other source?**

Expertise in law, advertising and website technology. There are resources emerging to provide these things and as they mature, more and more entrepreneurs will have the courage to start up. What’s not clear is the extent to which MSM will partner and back these efforts. If they do, the help to sustain themselves.

• **What different models can be used to create a “new news” source – e.g., for-profit, non-profit, other models, such as an L3C)?**

It seems as if the L3C isn’t going to get much traction until there is federal legislation codifying to tax treatment of program-related investments made to them. Legislation is being drafted and will likely be filed next year to accomplish this, if enacted. I have somewhat the feeling that the non-profit idea will run a course of philanthropic-only support and then will need to develop other revenues streams – advertising, sponsorship and direct user donations – much as public radio has. There are only so many people willing to fund ProPublicas as an act of citizenship – or legacy building.

• **What are the revenue elements that should be in the mix?**

In this order: Advertising, direct subscription, cross-media partnerships or products, commerce.

• **Can online news sites be sustained without charging readers, or is some form of payment system necessary?**

Some form of payment beyond advertising will be necessary if these sites are to do anything akin to reporting. Other than the three networks in the 1970s and 1980s, its hard to point to an example of generous funding of real news gathering that didn't involve more than just advertising revenue. It worked for the networks because they were able to charge whatever they wanted for advertising.

- **Journalism schools seem particularly well-suited to step in where for-profit journalism may be less than it once was. Dean Callahan, what do you think are the best ways for journalism schools to make a contribution to the “new news” ecology?**

For my part, I think journalism schools have to broaden their mission to accept that most of their graduates won't go into journalism, and that the practical skills and theory taught are things useful in a variety of fields where effective communication, independent thought, fact-gathering skills and leadership presence are needed. Teaching those this is a vital democratic mission.

- **How can “new news” sources attract and maintain an audience in a world of potentially infinite web sites that compete for attention?**

By picking a niche – topical or geographic – and doing it better than anyone else. Also, “audience” is a misnomer. What's important is providing a customized service to individuals, including helping them to connect with commercial messages (advertisements). There is less and less an audience in the sense of a mass of people viewing or reading the same experience at the same time. A better analogy is that news entity of the future – the InfoValet – is more of a shopowner who discusses each customer's needs and then provides for them from the services in the shop – in real time.

- o **Do “new news” sites have any advantages / disadvantages over traditional media outlets?**

Yes. Having no legacy processes to change is a big plus. A disadvantage is they start from scratch in terms of customer relationships. Existing media outlets have long-standing and typically positive customer relationships, but they are squandering them.

- o **How does a “new news” source determine its core competence and position itself within a changing media ecosystem?**

Establish a service vision and some premises about what your customers want that's within that vision. Then iterate the relationship, gravitating to what works with the customers.

- **How can multi-media technologies be used to engage audiences with text, audio-video, podcasting, twitter feeds, etc.?**

Gaming was mentioned by Jim Gaines in the last panel. Work underway at the University of Minnesota journalism school with a Knight grant. Form a new vocabulary of storytelling around these new devices.

- **To what extent can the public help provide content, tips, fact-checking, etc. for an online site? What are the limitations of such crowd sourcing?**

To a very great extent. The new journalist must cajole the public to participate and curate what they produce. There some optimum relationship between the number of professionals and the number of citizens which will change as technologies mature. The citizens need training and a certain bit of hand-holding, but that will get easier over time as this new citi-pro relationship becomes commonplace.

- o **Are there ethical or legal issues that are unique to using such audience contributions?**

Yes. Because of the Communications Decency Act, the legal issues are not stifling. There are relatively deep ethical issues. People are motivated to act by many things, only one of them is money. If a volunteer citizen is performing in a role akin to a journalist, but is motivated by a personal stake in some outcome or story, readers need to know that.

- **What implications does a shift toward online “new news” sources have for 1st Amendment freedoms and values?**

I think it will be invigorating. I think the public has grown cynical about the application of First Amendment freedoms by large media conglomerates. There is a certain purity to an application of press freedom by one-person shows. It seems more like the speech the Founding Fathers had in mind – speech motivated by more than just profit maximization.

- **Is this a bad time for journalism or a good time for journalism?**

Just for the number of laid-off journalists, you would have to say right now is a pretty bad time. But it does seem as if we are in a fertile period of reinvention. While many of those laid off journalists will never return, the opportunities for those still in the base, or entering it, will be increasingly diverse and intellectually challenging.

- **What will journalism look like in 5-10 years? Where is journalism going?**

It will be smaller, but far more diverse.

- **In the future, what “business” will journalists be in?**

They will be in a service business, helping people find and use the information they need to get through their day and be effective citizens.

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