



Blueprinting the Information Valet Economy

Using the RJI process to build a consensus for sustaining and morphing journalism in the new news ecology.

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The background

- 1994 – a “train wreck coming”
- Access to info from anywhere
– no longer print
- Clickshare:
“Making the market for digital info”
- Mass market advertising seen as the sole answer
- CONCLUSION: Market not ready; hibernate
- 2005 – The Media Giraffe Project: Highlight innovation





“Find and spotlight people making innovative, sustainable use of media to foster participatory democracy and community.”

- Profiles database
- Convenings as Journalism That Matters
- Facilitating “news literacy”



Jtm-sv

jtm-sv.jpg [NewsTools2008: A concept/design mashup for journalists, technologists and entrepreneurs](#)



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NewsTools2008 -- The aftermath

[edit]



This is the home page of NewsTools2008, a three-day convening of journalists, citizens, technologists and entrepreneurs held April 30-May 3, 2008. NewsTools2008 drew more than 180 people to Yahoo! Inc.'s Sunnyvale, Calif., classroom facility, and to the nearby Domain Hotel. They participated in a conceptual mashup that which included more than 60 breakout sessions. From this page, you can link to reports on most of the sessions, and to multimedia, social-networking and blog resources. You can link to the [PRE-EVENT ARCHIVE HOME PAGE](#) for details about the event's purpose and [PARTICIPANTS](#). For more information, email jtm@mediagiraffe.org, or go to the website of the [Journalism That Matters collaborative](#).

An ASU blogger sets the scene

[edit]

Arizona State University blogger Annalyn Censky sets the scene with this [first-day report](#).

Other reports and resources

[edit]

- BLOG: [View the NewsTools2008 blog](#)
- VIDEO: [Wayne MacPhail's edited video wrapup on Newstools2008 describing "Open Space"](#)
- VIDEO: [Wednesday opening session](#) / [Bill Densmore explains](#)
- VIDEO: [Browse 12 short interviews of NewsTools2008 participants](#) -- David Cohn
- PHOTOS/BLOGS: [Reports from Arizona State Univ. students](#)



LINKS TO COMMENTS/RESOURCES ON WEDNESDAY OPENING SESSIONS

- VIDEO: [Stream video of opening night session with Dan Gillmor](#)
- [Paul Lamb on personalization, localization, geocoding](#) -- by ASU blogger Jocelyn Buras
- [Jim Moore on disruptive technologies in gaming](#) -- by ASU blogger Joshua Sprague
- [Civic engagement and gaming](#) -- by ASU student blogger Josh Constine

LINK TO THURSDAY SESSION REPORTS

- <http://www.mediagiraffe.org/wiki/index.php/Jtm-sv-thursday>
- [Richard Anderson's PowerPoint on VillageSoup.com](#)



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http://www.mediagiraffe.org/mit

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Mit-gathering-short

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Sustaining democracy / sustaining journalism: A discussion [\[edit\]](#)

Consider this premise: To sustain democracy and journalism, the Internet needs a user-focused system for sharing identity, exchanging and settling value (including payments) for information (text, video, music, game plays, other entertainment, advertising views etc.) One challenge might be to create a system that can be ubiquitous yet never be owned or controlled by either the government or a dominant private, for-profit entity. It should to be massively distributed and -- in some fashion . might ideally be collaboratively owned.

To consider this need, [eleven individuals](#) representing technology, entrepreneurship, academic, social theory and publishing convened on short notice for a half-day discussion on Tues., June 19, 2007 at the [Comparative Media Studies](#) offices at MIT in Cambridge, Mass. The meeting was called by [Bill Densmore](#), hosted by MIT [Prof. Henry Jenkins](#) and co-convened by [Geneva Overholser](#) and [Tom Stites](#). This wiki page is a report on the discussion and apparent consensus at the meeting, as heard by Bill Densmore. The names of those attending, and expressing interest, appear at the end of the report. Fellow participants are invited to edit this wiki page.

[GO NOW TO FULL REPORT](#) [\[edit\]](#)

Among participants: Geneva Overholser, Henry Jenkins, Elizabeth Osder

This page was last modified 15:55, 22 May 2008.

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MIT SUMMARY – the idea

“During the June 19, 2007 discussion, a consensus emerged. For journalism and some forms of entertainment to grow or be sustained into the digital age, the Internet must support three functions.”

- **User-centric authentication**
- **Value exchange for viewing or using content**
- **Combine authentication, value exchange for IP sharing**

What is Information Valet Project?

- Research effort incubated at D.W. Reynolds Journalism Institute, 2008-2010
- Urgent task: Advance methods to sustain journalism
- Address identity, privacy, advertising, commerce
- Sharing users and content



PRIVACY ... ADVERTISING ... COMMERCE ... PERSONALIZATION

Blueprinting the Information Valet Economy

Building a collaborative, shared-user network

December 3-5, 2008 • Reynolds Journalism Institute • Columbia, Missouri

THE PROPOSAL: April 21, 2008:

<http://www.mediagiraffe.org/valet.pdf>

BUILDING THE INFORMATION VALET ECONOMY: Sustaining news and information through a shared-user network

A research proposal for the
[Donald W. Reynolds Journalism Institute](#),
August, 2008-May-2009

By Bill Densmore¹
April 21, 2008

To sustain an information valet economy — and along with it both participatory democracy and journalism — the next-generation Internet needs a user-focused system for sharing identity, and for exchanging and settling value for digital information.

This system should provide payments for the sharing of text, video, music, game plays, entertainment, advertising views, etc., across the Internet. It could, for example, manage background payments for newspaper content that is repurposed for advertising gain by bloggers.

Excerpting "The State of the Media, 2007": Finding an economic model

The [Project for Excellence in Journalism](#) produces an exhaustive annual report entitled "The State of the News Media". The 2007 report includes [this statement](#):

The evidence is mounting that the news industry must become more aggressive about developing a new economic model. The signs are clearer that advertising works differently online than in older media. Finding out about goods and services on the Web is an activity unto itself, like using the yellow pages, and less a byproduct of getting news, such as seeing a car ad during a newscast. The consequence is that advertisers may not need journalism as they once did, particularly online. Already the predictions of advertising growth on the Web are

THE IDEA, April, 2008:

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This system should provide payments for the sharing of text, video, music, game plays, entertainment, advertising views, etc., across the Internet. It could, for example, manage background payments for newspaper content that is repurposed for advertising gain by bloggers.

One challenge is to create a system that can be ubiquitous, yet never be owned or controlled by either the government or a dominant private, for-profit entity. It should be massively distributed and — in some fashion — might ideally be collaboratively owned.

Initial “hypothesis”

It is possible to organize an information-industry collaborative to build, own and operate a shared-user network layered upon the basic Internet which will:

- Allow end users to own, protect and optionally benefit by sharing their demographic and usage data with the help of their trusted, competitively chosen “information valet.”
- Update the role, effectiveness and compensation for online advertising and marketing services.
- Allow users to easily share, sell and buy content through multiple websites with one ID, password, account and bill.

News as a service not a product

- Helping user find access to info from anywhere
- Creating a conversation, community ... network
- Not just about the story; smaller, larger remix
- The news social network
- New concept: The "InfoValet" – trusted advisor/broker
- The valet: Attending to personal info needs

PROCESS STEP: Gather ideas

- *The Dec. 3-5, 2009 convening at RJI*



- More than 50 people attended
- TEXT/VIDEO: <http://www.ivpblueprint.org>

CONVENING QUESTION:

Challenge: How to sustain values, purposes of journalism?

- Mass markets splintering
- Search advertising effective competitor
(Google's Schmidt: "invent something")
- Classifieds done better on the web
- We go anywhere for information-without-walls
- What sustains journalism in this environment?

The end of mass markets?

- Create intimate, personalized, customized, permission-based relationship
- Between the consumer and their “InfoValet”
- Whether that consumer is part of a “mass” irrelevant to their needs and value
- Make money providing personalized and social services, not access to a marketplace
- Mass “eyeballs” not important
- No “paywalls” – porous, translucent, networked

What's needed? Three elements

- PRIVACY management for consumers; getting value for your 'persona'
- ADVERTISING made more effective through interest-based customization
- COMMERCE for content – enabling subscription networks and vicarious (per-click) sale to the right person at the right time.

RESEARCH QUESTION No. 1

- How will consumers value their privacy in trade for digital goods?

When will an online consumer be willing to provide unique demographic or personal-preference information? What offer (benefit, value, cash) equates with how much sharing of demographic information? And on what terms?

RESEARCH QUESTION No. 2

- Valuing news information?

If unique news or critical information about your community (topical or geographic) were not available for free, would you pay to get it? Would you want to pay per story (or event), by subscription? Would you want the bundle to include access to information from many websites, rather than just one?



RESEARCH QUESTION No. 3

From information to attention

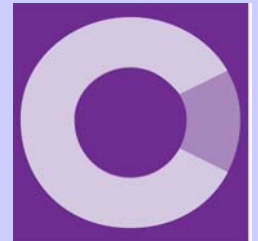
- What does the move from an information (scarcity) economy to an attention (scarcity) economy do to the value of content, the role of the publisher, and the power of the consumer?



RESEARCH QUESTION No. 4

Valuing news information?

- How do you maintain a trusted, account relationship with customers (and therefore pricing influence) when you no longer control the means of distribution or the shape of the marketplace?



RESEARCH QUESTION No. 5

Pipes vs. content

- As mass markets disintegrate . . . one-to-one-relationships multiply . . . and vertical integration becomes harder to maintain, how does the value equation change between those who control the pipes/platforms and those who make the content? In other words – who *really* owns the press?



Research, ideas presented

"From Gatekeeper to Information Valet: Work plans for Sustaining Journalism"
(<http://www.journalismtrust.org>) / May 27, 2009
The George Washington University

"We need many news organizations to keep our country strong. We need to help each other. We need to **partner**, we need to **experiment** and we need to accept and agree that we will continue, we will not accept failure and we need to keep trying and **trying different models** until we get it right."

•Vivian Schiller, CEO of National Public Radio,
March 30, 2009, at the NewsVision Conference.

•In a March 16 Time Magazine story about the Project on Excellence in Journalism's 2009 "State of the News Media," report, M.J. Stephey wrote: " . . . (I)f solutions aren't obvious, the report's overall message is: **Will the future leaders of journalism please stand up?**"



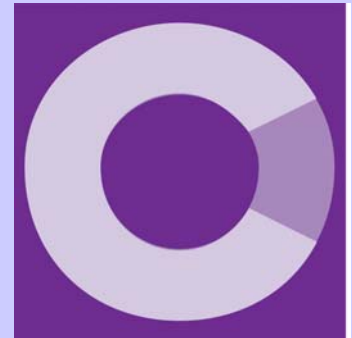
First effort: CircLabs Inc.

- RJI SPINOUT: Classic corporate form
- Founder control “friendly” to journalism
- RJI/Mizzou a founding shareholder (30%)
- AP has stake; strongly supportive
- Seeking collaborative investors:
 - Foundations?
 - Trade associations?
 - Philanthropists?
- Open question: Through JTA or direct?

FIRST APPLICATION

A customized, user-authorized service which interactively manages local newspaper branding, advertising, personalized news links and social-networking features.

... Coming during 2010
<http://www.circlabs.com>



Measuring success – outcomes

- Reinvented relationships between citizens and
 - *publishers – now InfoValets – mass market*
 - *advertisers – interest-informed, 1-to-1*
- New business for news organizations
- New ecosystem for news aggregation, customization, sharing
- New revenue besides advertising
- A news social network





CIRCULATE

TM

- ... *Consumers circulate*
- ... *News circulates*
- ... *Advertising circulates*
- ... *Subscribers circulate*

OWNERSHIP IDEA:

The Journalism Trust Association

- Non-stock, non-profit JTA guides early years
- Non-competitive ownership, trusted control
- "Founding members" advise early decisions
- Broadly representative board gradually enlarged
- Controlling owner of operating compan(ies)

“One challenge is to create a system that can be ubiquitous, yet never be owned or controlled by either the government or a dominant private, for-profit entity. It should be massively distributed and — in some fashion — might ideally be collaboratively owned.” -- IVP idea, April 2008

JTA controls operating compan(ies)

- Operating companies could be L3C
 - Majority controlled by JTA / multiple stock classes?
 - Convenes industry around platform/standards
 - Integrates, contracts with advertising, tech, financial-service pieces
 - Any profits dividended to JTA and other stakeholders
 - Supported by transaction fees, license fees
-
- Result: The shared-user network

Antitrust exemption to set up?

- Shared-user network
- Develop protocols for sharing information, payments among independent websites and clearing house
- Then form non-stock clearing-house operator which can assess fees to cover costs only. Examples: ICANN/ AP

Comparables -- Financial

-- Visa/Mastercard / NACHA / NASDAQ / NYSE

Comparables -- Rights management

-- Copyright Clearance Center

-- ASCAP/BMI

-- Copyright Arbitration Royalty Panel, LOC

What clearing house should do

- Operate within existing web protocols
- Manage federated authentication
 - Guarantee levels of identity
 - Valuable for info purchasing
 - Access control to medical/government records
- Aggregate access records (“log reports”)
 - Copyright monitoring
 - Settlement of periodic payments
 - Enables multi-site subscriptions
 - Enables micro-accounting for content/ads
 - Provide government access by subpoena only

What clearing house should not do

- Play any role whatever in pricing
- Permit any sharing of pricing info
- Constrain or promote any bundling or tie-ins
- Block any content or services
- Make independent use of individual user info
- Apply deeply proprietary protocols
- Provide any data to government in secret
- Block emergence of competitive services

Proposed change in copyright law

“Fair-use” defense not available where:

- Work used consists in substantial part of news reporting (“news” needs definition)
- Created by person(s) regularly engaged in the work of news gathering, whether or not for compensation.
- Use is a context which an average person might conclude was intended to be of financial benefit to the user
- Where the use involves a contiguous sample of more than 10 words or 10 seconds of the work
- The use begins within 24 hours after first public performance of the base work

Changes in news ownership

- Mission-driven
 - Low-profit, limited liability corp (L3C)
 - Not-for-profit – 501(c)3 adjustments
 - Community-owned co-operatives
- For-profit / strategic for . . .
 - Search engines
 - Social networks
 - ISPs/telcos
 - Local online news communities (LONCs)

Changes in advertising

- Census not sample
- Moving away from cost-per-thousand
- Now cost-per-action (click, transaction)
- Publisher role fading
- User-centric role emerging (InfoValet)
- Next frontier: Assisting with user attention
- Reward for providing most relevant info
- Searls: Emancipay

Changes in news creation/focus

- Jeff Jarvis: Specialize / link economy
- Focus on accountability; citizens help with rest
- From gatekeeper to curator/infovalet
- Managing trust still a professional role
- Embed news in other services
- Challenge is to maintain independence
- EXAMPLES:

Changes in news financing

- Political / NGOs fund as mission extension
- Consumers fund directly (subscription/click)
- Consumers fund through attention exchange (attention credit offsets)
- Donations/philanthropy
- Government-funded
 - Tax-policy subsidies
 - Grants (PBS, NEH) for public-affairs news
 - Report for America (subsidize reporting)