



## *Blueprinting the Information Valet Economy*

Using the RJI process:

- Ideas
- Research
- Experiments
- Solutions

Bill Densmore  
& collaborators

May 5, 2009

<http://www.infovalet.org>





# What is Information Valet Project?

- Research effort incubated at D.W. Reynolds Journalism Institute
- Bill Densmore, Jeff Vander Clute, Martin Langeveld, Lee Wilkins, Seth Ashley, Emily Sussman, Steve Mott
- Many other contributors of ideas  
(via <http://www.ivpblueprint.org>)





# THE PROPOSAL

## 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 Densmore<sup>1</sup>  
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*



# 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



# 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.



# 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 as the sole answer
- The MIT convening -- the IDEA
- <http://www.mediagiraffe.org/mit>

### navigation

- [Main Page](#)
- [Community portal](#)
- [Current events](#)
- [Recent changes](#)
- [Random page](#)
- [Help](#)
- [Donations](#)

### search

### toolbox

- [What links here](#)
- [Related changes](#)
- [Upload file](#)
- [Special pages](#)
- [Printable version](#)
- [Permanent link](#)

[article](#) [discussion](#) [edit](#) [history](#) [protect](#) [delete](#) [move](#) [watch](#)

## 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]



## **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**





## PROCESS STEP ONE: Gather ideas

- *The Dec. 3-5 convening*



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

## **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 the mass market

- Create intimate, personalized, customized, permission-based relationship
- Between the consumer and “InfoValet”
- Whether that consumer is part of a "mass" irrelevant to their needs and value.
- Make money providing service, not just a marketplace
- Less worry about pay walls and "losing eyeballs”

# APPLICATIONS RESEARCH

- Steve Mott assembles data on the digital-information and payments marketplaces
- Martin Langeveld considers applications
- Jeff Vander Clute studies technologies



[page](#) [discussion](#) [edit](#) [history](#) Log in / create account

## Blueprint-participants-langeveld

### About Martin Langeveld [edit]



Martin Langeveld spent 30 years in the newspaper business, 13 of them as publisher. He started at *The Berkshire Eagle* in Pittsfield, Mass., where he served advertising salesman, assistant circulation manager, assistant business manager, promotions manager, marketing director, general manager, and eventually publisher.

In 2000, he became publisher of *The Eagle's* sister newspaper, the *North Adams Transcript*, while serving also as executive vice president & director of interactive media for New England Newspapers, Inc., a four-daily cluster which is part of Denver-based MediaNews Group Inc. In 2006 he moved to the company's Brattleboro, Vermont paper, the *Brattleboro Reformer*. Along the way, he handled the acquisition and management of a number of weeklies and launched a variety of niche publications.

Martin has served on a variety of non-profit boards including two terms as chair and one as treasurer of Hancock Shaker Village in Pittsfield, Mass. He was a founding trustee of the Colonial Theatre Association in Pittsfield, and served as moderator of First Church of Christ in Pittsfield, as a director of the Berkshire Chamber of Commerce and a member of its Economic Development Committee, as director and treasurer of the Massachusetts Newspaper Publishers Association, and as a board member of the Journalism Lab in January, 2009. His positions of dominance in local and national journalism are well known.

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[Main Page](#)  
[Community portal](#)  
[Current events](#)  
[Recent changes](#)  
[Random page](#)  
[Help](#)

search

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- [What linkshere](#)
- [Related changes](#)
- [Upload file](#)
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- [Permanent link](#)

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## Blueprint-participants-vanderclute

### About Jeffrey Vander Clute [edit]



Jeffrey Vander Clute is a consultant to the Donald W. Reynolds Journalism Institute at the Missouri School of Journalism and technology lead on its The Information Valet Project.

Vander Clute is an Internet social-networking and database engineer and business-development executive. He has written software for Web 1.0, 2.0, and 3.0, and has extensive experience with search engines, large-scale databases, and other technologies fundamental to media. He is co-founder and CEO of Semesphere, Inc., which developed several notable social media and social networking applications and is now bringing the social web together with the semantic web. Semesphere is cash-flow positive and has prominent investors on three continents.

He was the principal developer of the Internet's first mass-market social-network, Tripod Inc., which grew to 33 million users worldwide and is profitable to this day. When Lycos Inc. acquired Tripod Inc. for \$58 million, Vander Clute was global operations manager of international business development for the Lycos search engine. He was next VP of information systems of eZiba.com, a transactional website which sold craft objects made by Third World artisans via a web database in partnership with Amazon.com. In that role, Mr. Vander Clute was responsible for building and managing eZiba's massively parallel relational database transaction system, and deployed an Oracle-based e-commerce system with warehouse integration. He has sold medical-imaging software for a global teleradiology network based in Australia, and served as an advisor and technology executive for Clickshare Service Corp. and is familiar with that company's patented distributed-user-management technology. Vander Clute graduated summa cum laude from Williams College with a B.A. degree in mathematics. He lives in Palo Alto, Calif.

[Main Page](#)  
[Community portal](#)  
[Current events](#)  
[Recent changes](#)  
[Random page](#)  
[Help](#)

search

toolbox

- [What linkshere](#)
- [Related changes](#)
- [Upload file](#)
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- [Printable version](#)
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## 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?



# SCHOLARLY

## RESEARCH: *“Negotiating Privacy in the 21<sup>st</sup> Century”*

- Seth Ashley / Amanda Wysocki / Lee Wilkins
- How do you implement privacy in your own life?
- Connecting philosophy to people who live it
- Help journalists understand choices
- Help InfoValet understand privacy / information tradeoffs



## PRIVACY RESEARCH ELEMENTS

- Millennial attitude testing -- “FIG” groups
- National phone survey, adults 18-65
  - *media use; demographics / details unveiled May 27, D.C.*
- Internet surveys of IRE, SABEW, health writers
- Survey via Facebook and friends
- Visit with FTC regulators





## 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?**

- Part 1: Emily Sussman's historical survey – 1995-now
- Part 2: Circulate . . . Coming Aug. 31



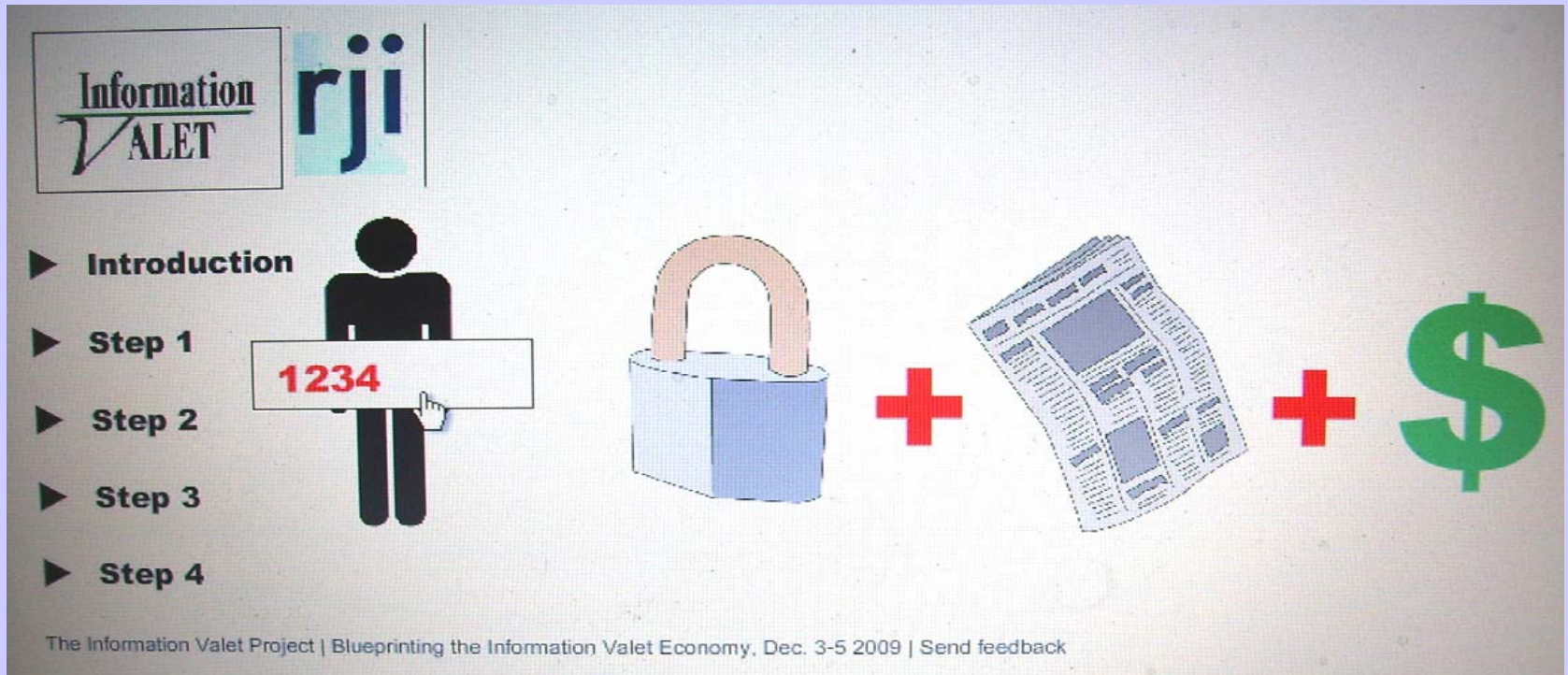


**IDEA . . . to research . . . to experiments**

**Modeling three initial examples . . .**

- A logging and settlement service  
(modeled – too complicated to start)
- An in-page “widget”  
(modeled – still too complicated to start)
- A unique ownership structure  
(modeled – capital challenge)

## Modeling experiment No. 1



**Information VALET** **rji**

- ▶ Introduction
- ▶ Step 1
- ▶ Step 2
- ▶ Step 3
- ▶ Step 4

1234

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+

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The Information Valet Project | Blueprinting the Information Valet Economy, Dec. 3-5 2009 | Send feedback

<http://web.missouri.edu/~bowera/infovalet.html>  
(Thanks to Andrell Bower / Meredith Purcell )



## MODELING EXPERIMENT No. 2

USE CASE: Jeff is a software engineer.

Using the Circulate Toolbar, he has profiled himself as follows:

### **The profiling which informs the news served:**

- He is interested in the semiconductor industry.
- He follows John Deere & Co. stock prices.
- He graduated from the Univ. of Kansas.
- He listens to WBUR's "On Point" regularly.

### **The profiling which informs the text/display ad offers:**

- His occupation as a software engineer.
- His expressed interest in cuisine.
- His expressed interest in music.

**WHAT HAPPENS?**

Click here to place your classified ad **24/7**

## BUSINESS ROUNDUP



Intel's challenge to a licensing agreement may present an obstacle to AMD's plans in Malta. (Associated Press)

### Intel moves to cancel AMD pact

Six Flags says debtholder won't meet  
Momentive posts higher loss for '08

BLOG: Plug Power's \$64.3 million loss | The Buzz

MORE: Business section | AMD special section

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## PROM PERFECT



### Prepare for prom

Prom-planning tips for all budgets, plus photos, stories and more in our special section

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### Bernanke says recession could end in 2009

MORE: News on the economy

## LATEST LOCAL NEWS

More Stories | Photos | Video

Police identify man found dead in Coeymans **NEW**

Rash of violent thefts on Albany streets 9:41 a.m.

Several injured in Lake George accident 12:00 a.m.

Momentive posts higher loss for '08 11:11 a.m.

Six Flags says debtholder won't meet 11:13 a.m.

Highway patrol buskin plan expected to survive 6:55 a.m.

Siena deadline about 9:00 a.m. 12:00 a.m.

Soon you can say mail it to Malta 12:36 a.m.

Dunn Memorial job didn't lend itself to night work **NEW**

Red flags a sign of state's aging spans **NEW** 7:06 a.m.

More Stories | 7-Day Archive | Local News Section

## ST. PATRICK'S DAY



### St. Patrick's Day celebrations

View photos from around the region

Were you Seen at the parade in Albany on Saturday?

Submit your photos

## PHOTO GALLERIES

Buy Photos | All Photos

## SIENA SEEN



Were you Seen celebrating Siena's NCAA tourney selection?



Mar. 17  
Fleetwood Mac  
(Cancelled)

Apr. 17  
The Dead

All Event Tickets

## DURING THE LINCOLN SIGNATURE LEASE EVENT



2008 LINCOLN MKX

2008 LINCOLN MKZ

ROLLOVER TO  
**LEARN MORE**

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Click here to place your classified ad **24/7**

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Six Flags says debtholder won't meet 11:13 a.m.

Hit train in Basking Ridge believed to survive 8:55 a.m.

Siena seals tie about 9 12:07 a.m.

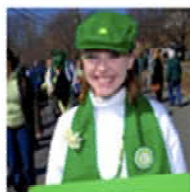
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## Jeff's InfoValet

Your earnings: 915 credits



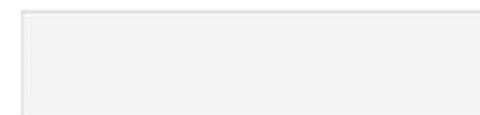
### Info for You:

Intel moves to cancel AMD pact  
Quad-City unemployment rate jumps to near 7%  
Jayhawks land No. 3 seed in Midwest  
Listen live to WBUR!

### Sponsored:

Watch the new Kindle 2 demo video!  
Applebys wants to treat you to dinner!  
Download new Emmylou Harris tracks!

Support this Site: [kachingle](#)



Ad served by InfoValet

## SIENA SEEN



Were you Seen celebrating Siena's NCAA tourney selection?



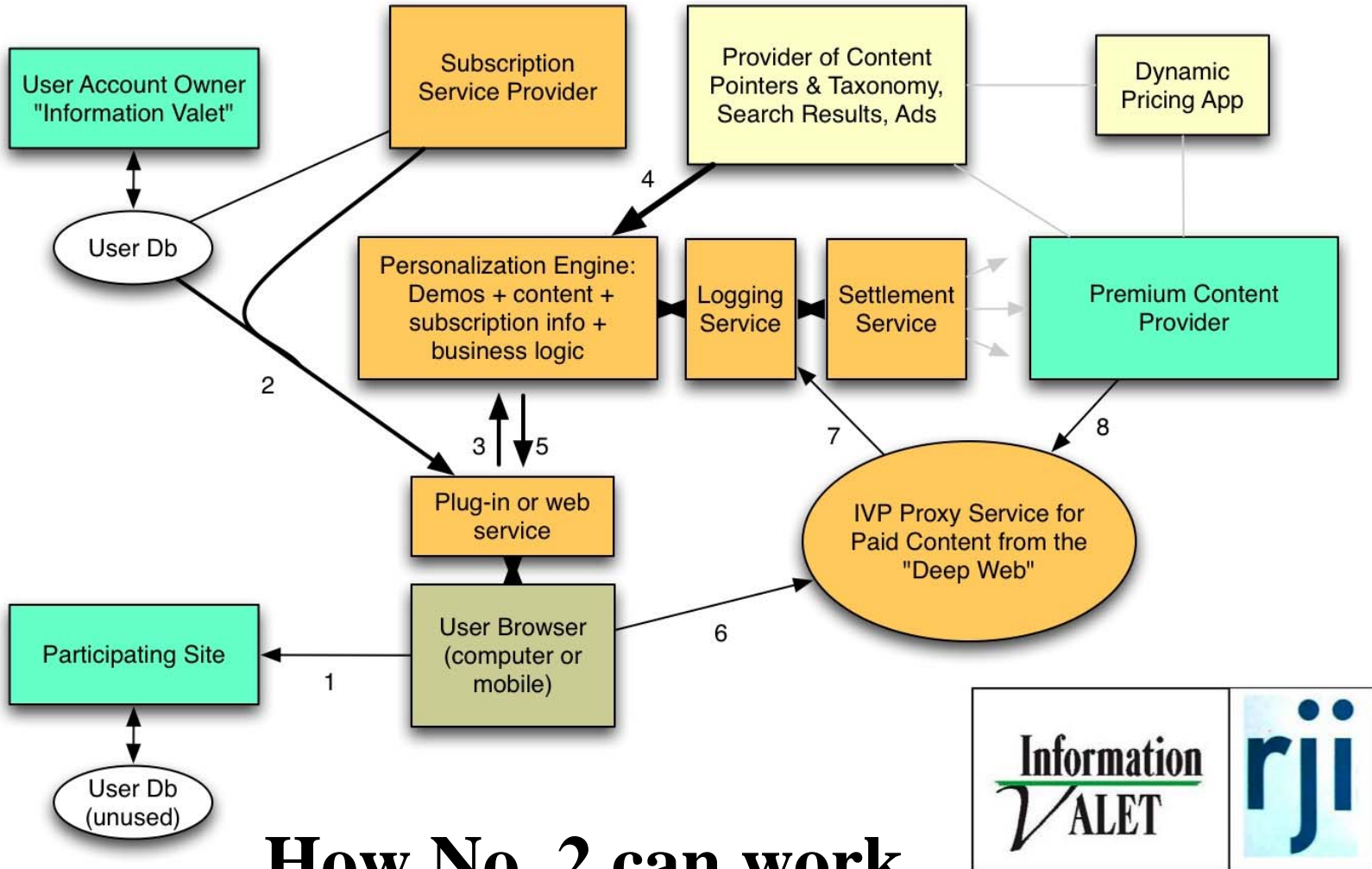
Apr. 30  
Dane Cook

Mar. 17  
Fleetwood Mac  
(Cancelled)

All Event Tickets

# Information Valet: The Emergence of the Deep Web

Confidential - Rev. 20090301



## How No. 2 can work





## **EXPERIMENT No. 3**

# **The Journalism Trust Association**

- Started with Dec. 3-5 "Blueprint" to frame issues
- 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 company





## **InfoValet Service Corp. – Convenor, integrator, (operator?)**

- For profit LLC or L3C / controlled by JTA
- Convenes industry around specific system
- Makes/enforces rules for use of InfoValet logo/service
- Integrates, contracts with advertising, tech, financial-service pieces
- Any profits dividended to JTA and other stakeholders
  - Transaction fees, license fees



## CONCLUSION:

# Keep it simple!

- Authentication, logging network deferred
- In-page widget simplified
- Ownership simplified
  - Classic corporate form
  - Founder control “friendly” to journalism



## 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.

## Testing the millennial market

- The strat-comm capstone: “Campaigns”
- The IVP marketing team:



- Presentation: Friday, 2 p.m., Spencer



## **FIRST APPLICATION**

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

... Coming Aug. 31

... MORE THIS EVENING

