

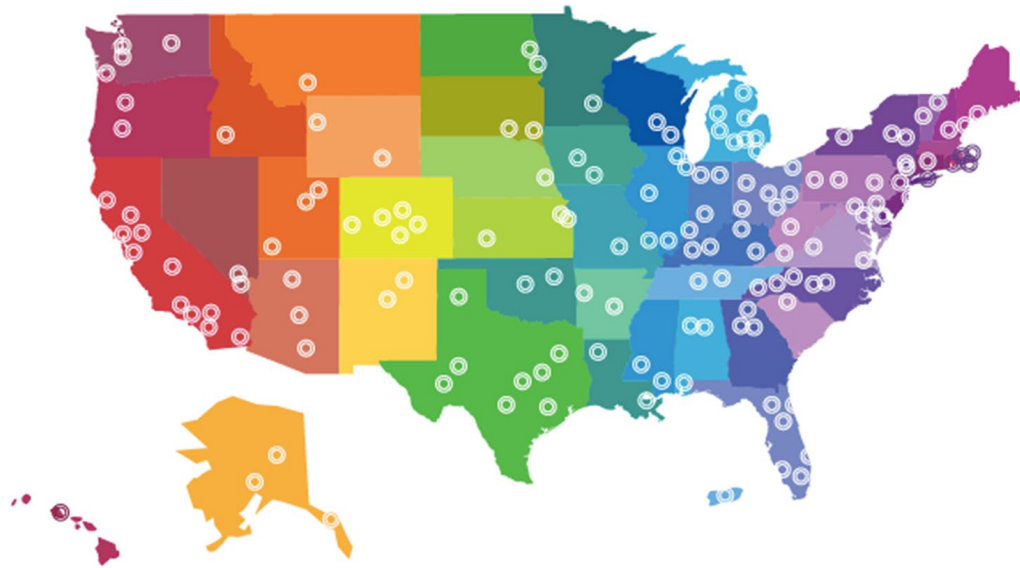
# Changing Dynamics in Local Journalism

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December 8, 2022  
2 pm ET/11am PT

# ABOUT PUBLIC MEDIA COMPANY

**Public Media Company** is a nonprofit consulting firm dedicated to serving public media. We leverage our business expertise to increase public media's impact across the country.



Public Media Company works in partnership with stations in urban and rural communities to find innovative solutions and grow local impact. We have worked with **over 300 radio and TV stations in all 50 states**

[www.publicmedia.co](http://www.publicmedia.co)

# PRESENTERS



**Erin Moran**  
CEO  
Public Media Company



**Carlos Barrionuevo**  
Director  
Public Media Company



**Mark Contreras**  
President and CEO  
Connecticut Public



**LaFontaine Oliver**  
President and General Manager  
Your Public Radio Corp

# WHY ARE WE HERE?

The crisis in local journalism has pushed public media, philanthropy, and concerned communities to collaborate more and look for new models of service

## Today's Agenda

- Public Media's role
- Public Media Company's role
- Overview of newspaper model & outlook
- Public Media Leaders' perspectives

# PUBLIC MEDIA'S LOCAL JOURNALISTS

- The largest distributed nonprofit news network in America
- Locally-owned, operated and governed

## An Increasing Number of Local Journalists are Working in Public Media

Source: Corporation for Public Broadcasting

|              | 2016        | 2017        | 2018        | 2019        | 2020        | 2021        |
|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Radio        | 2539        | 2659        | 2853        | 2939        | 2888        | 2911        |
| TV           | 1155        | 1207        | 1184        | 1240        | 1272        | 1237        |
| <b>Total</b> | <b>3694</b> | <b>3866</b> | <b>4037</b> | <b>4179</b> | <b>4160</b> | <b>4148</b> |

By comparison, between 2016 and 2020, newspaper newsroom employment dropped from 42,450 to 30,820

# PUBLIC MEDIA IS RESILIENT

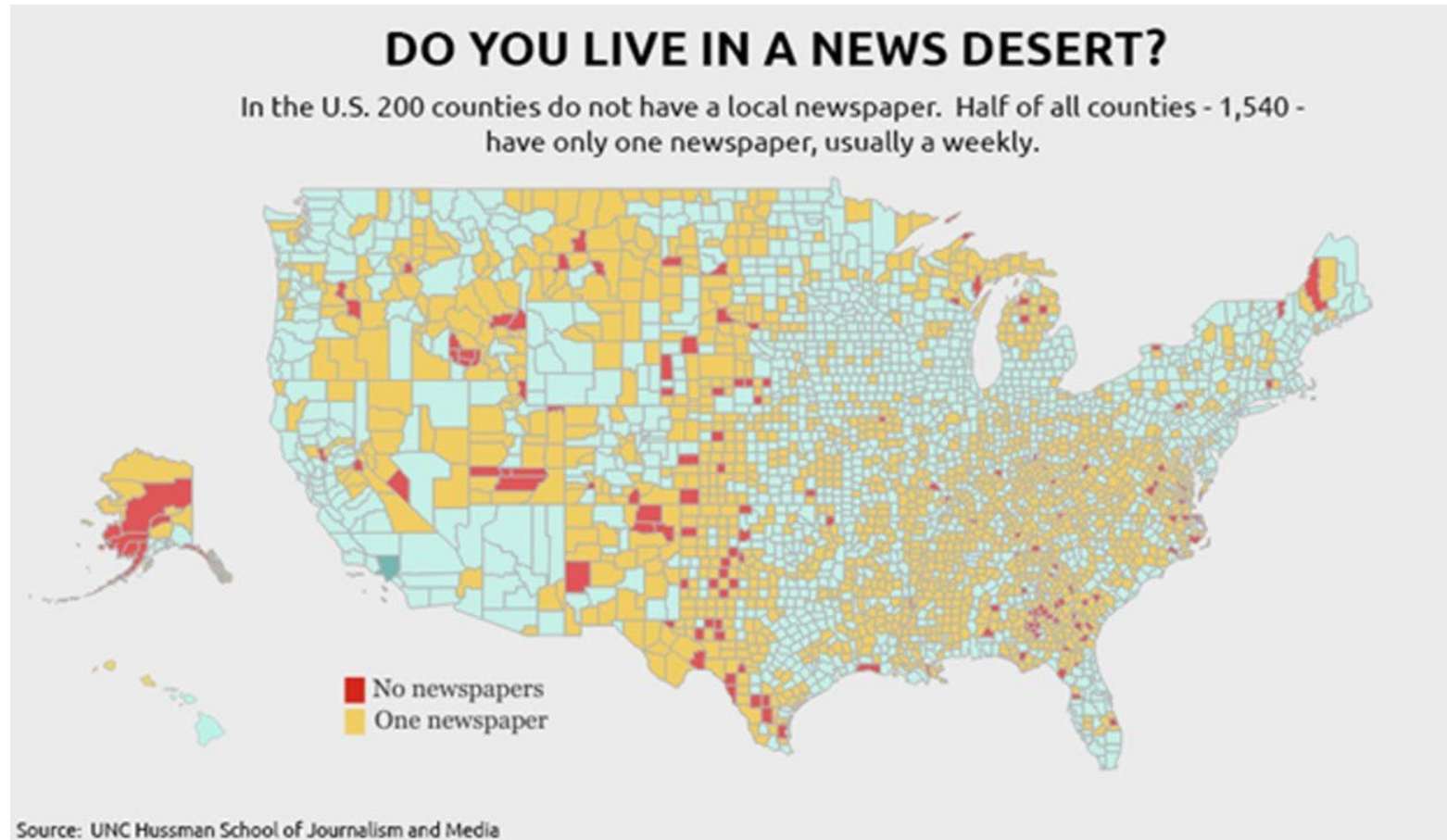
- Sustainable business model (many digital outlets are replicating the model)
- Free service to 98% of the US

In the first year of the pandemic public radio organizations committed to covering local news saw a net loss of just two positions

- News-Oriented stations account for 88% of public radio's full-time local journalists
- Part-time journalists at news-oriented stations increased by a net of 39 positions (+12%)
- Contract journalism personnel among the organizations declined by four positions (-3%)
- Several stations with the largest losses as of January 2021 have since been hiring to levels above their January 2020 numbers

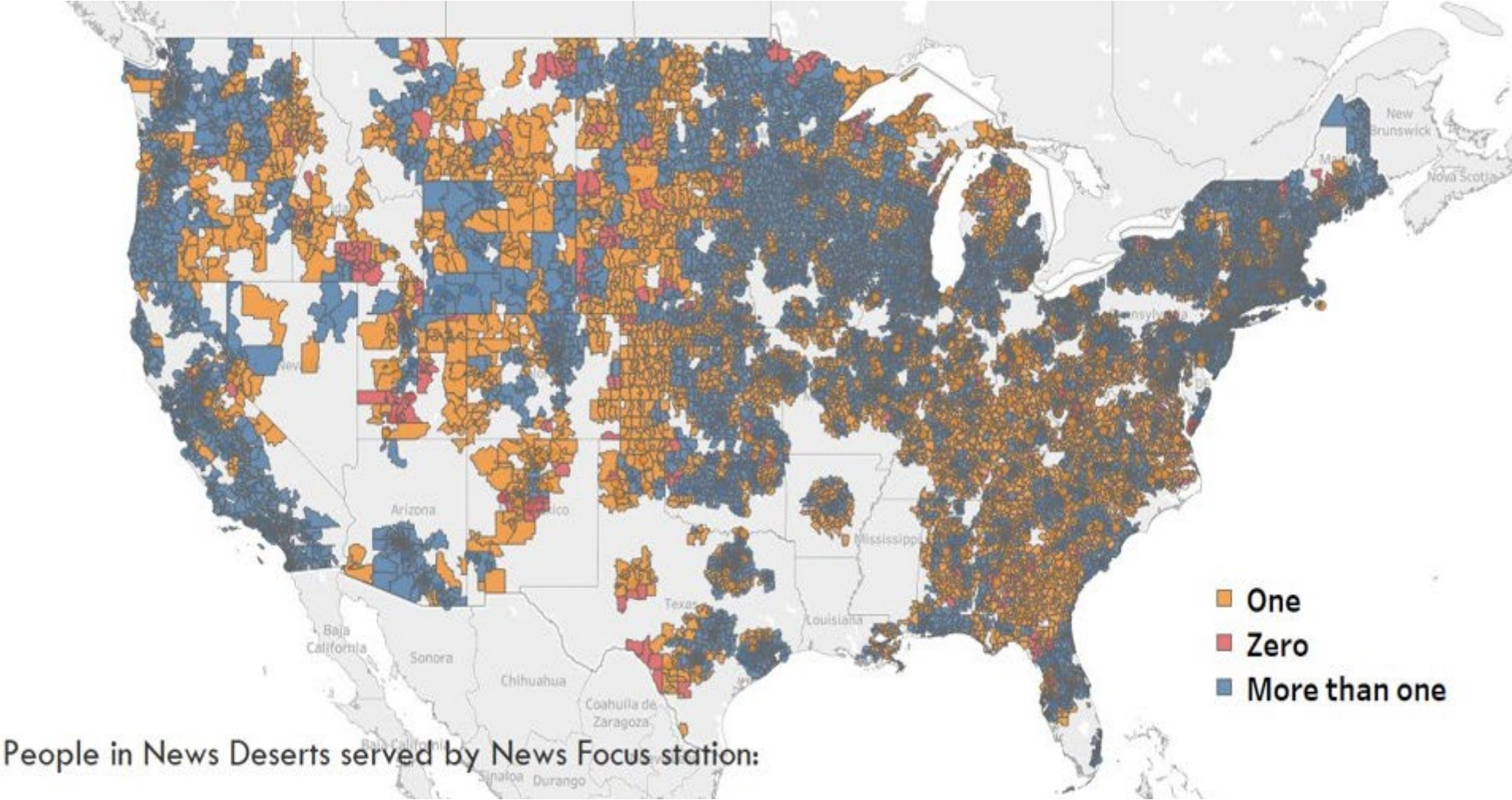
# NEWS DESERTS: A NEWSPAPER PROBLEM

- Local journalism dominated by local newspaper newsrooms
- Perception that other players – public and commercial broadcasting - cannot replace print newsrooms
- All of the above creating “News Deserts” – communities without a local newsroom





# NEWS DESERTS: LOCAL PUBLIC RADIO REACH





# PUBLIC MEDIA COMPANY'S ROLE

**Strategic consulting** aimed at sustainability, innovation and service focused on:

- **Expansion of local newsrooms** through acquisition of newspapers and/or digital news sites
- **Fostering collaboration within markets and regions**
- **Evaluating opportunities** with local partners
- **Strengthening public media organizations**

# PUBLIC MEDIA COMPANY'S ROLE

## The Texas Newsroom



NEW ENGLAND NEWS COLLABORATIVE STATIONS »



KQED  
KPBS  
CapRadio  
KPCC/LAist  
KCRW



2018

2019

2020

# PUBLIC MEDIA COMPANY'S ROLE

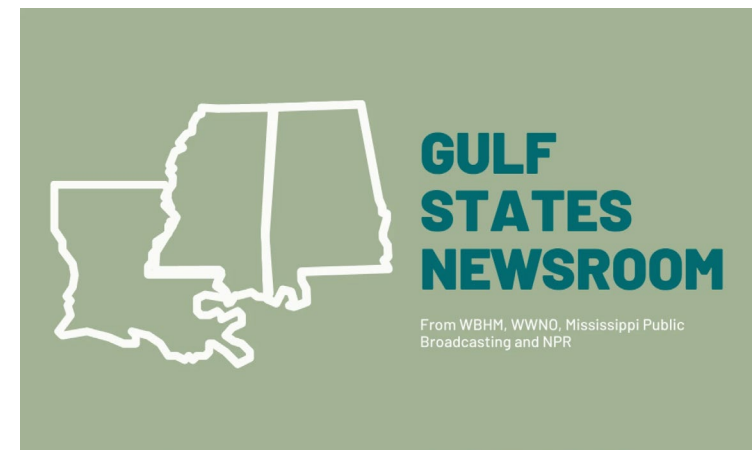
— National Trust for —  
**LOCAL NEWS**



Colorado  
**NEWS**  
Conservancy

**CHICAGO  
SUN★TIMES**  
*The Hardest-Working Paper in America*

**WBEZ91.5**  
CHICAGO'S **npr** NEWS STATION



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2021

# PUBLIC MEDIA COMPANY'S ROLE



WLPR-FM  
VISIT WEBSITE >



WFYI-FM  
VISIT WEBSITE >



WFYI-TV  
VISIT WEBSITE >



WVUB-FM  
VISIT WEBSITE >



WVUT-TV  
VISIT WEBSITE >



WVPE-FM  
VISIT WEBSITE >



WNIT-TV  
VISIT WEBSITE >



WNIN-FM  
VISIT WEBSITE >



WNIN-TV  
VISIT WEBSITE >



WBAA-FM/AM  
VISIT WEBSITE >



WYIN-TV  
VISIT WEBSITE >



WFIU-FM  
VISIT WEBSITE >



WTIU-TV  
VISIT WEBSITE >



WBOI-FM  
VISIT WEBSITE >



WFWA-TV  
VISIT WEBSITE >



WBST-FM  
VISIT WEBSITE >



WIPB-TV  
VISIT WEBSITE >



THE BALTIMORE BANNER  
Nonprofit. Local news.



- Cincinnati Public Radio (Cincinnati)
- Ideastream Public Media (Cleveland/Akron/Canton)
- WCSU (Wilberforce, Ohio)
- WGTE (Toledo)
- WOSU Public Media (Columbus)
- WYSO (Yellow Springs)
- WYSU (Youngstown)

— National Trust for —  
**LOCAL NEWS**



**Denton**  
Record-Chronicle



2022

# NEWSPAPERS: A BRIEF RECAP

Historically, newspapers have been the primary source of local journalism with the largest newsrooms in a community.

Journalism was supported with generous margins from near-monopoly market power in local advertising.

## Since 2001

- Financial resources shrank as ad habits changed; key categories went to digital competitors
- Local digital ad revenue rose, but not nearly enough, as FB, Google & others took 85% market share

## Since 2008 recession

- Owners cut newsrooms, degraded value for loyal readers, accelerated death spiral
- Private equity loaded up on debt and strip-mined newspaper assets such as real estate - did not reinvest in digital or product

## Today

- Newspapers are generally cash flow-positive with free cash flow funding acquisition debt or investor returns, **NOT** journalists or investment in new platforms or initiatives



# NEWSPAPER OWNERSHIP

*Accelerating Industry trend toward exiting business & further consolidation*

## Three groups of owners

- **The Vultures** – Private-equity groups milking business model and real estate assets for returns
- **The Dreamers** – Billionaire philanthropists supporting local institutions
- **Family ownership groups** – Pondering legacy, next-generation leadership

## Critical time for current ownership

- Economics for core print product are challenged
- Investment capital not available
- Potential buyers or other options for exit have shrunk

## Emerging option

- **Community-supported, mission-based non-profit models**, new or expanded

# PHILANTHROPY & MEMBERSHIP STEPPING IN

- **Local and National Philanthropists increasingly view newsrooms as a community asset to be saved and supported, essential to supporting their efforts to strengthen communities, preserving local ownership**
  - American Journalism Projects in Houston (\$20 million), Cleveland (\$7 million)
  - Launch of digital nonprofit in Baltimore (\$50 million)
  - Philanthropy-backed merger of Chicago Public Media and Chicago Sun-Times (\$60 million)
  - Lenfest/Philadelphia Inquirer
  - Knight Foundation investments in local news support networks (\$9 million)
  - Significant community-wide funding for startups announced in 2021/2022
  - FJC, a Foundation of Philanthropic Funds, lending to National Trust for Local News
- Member support is a potential future revenue stream to offset the decline in print-based revenue.
- Continued growth in individual and major donor support for local journalism. Membership and subscription increasingly intertwined.
- **Big Leap – Chicago Public Media/Chicago Sun-Times dropping paywall for membership**

# WHY ARE THESE HAPPENING NOW?

## **Declining newspaper value prompt owners to consider immediate changes**

Family-owned papers are looking for options to preserve their legacies; *Public Media has emerged as an option (particularly after Chicago Public Media – Chicago Sun-Times merger)*

- Also note: Ownership changes to “benevolent owners” present opportunity for increased collaboration (e.g., WYPR and Baltimore Banner)

## **Daily newspapers represent an opportunity or partners for a public media organization to:**

- Advance goals to increase journalism with expanded newsroom and daily journalism
- Rapidly expand digital footprint with a strong digital brand
- Deepen commitment to part or entire broadcast service area
- Galvanizing force to engage with a broader local and national philanthropic community focused on local journalism

# OVERVIEW OF BALTIMORE



Together WYPR and The Baltimore Banner can have an outsized positive impact on the communities of Baltimore



Reporting Heft – Largest Local  
Newsroom in Maryland

Content Breadth

Multi-Platform Content

Younger, Diverse Audience

# BALTIMORE COLLABORATION

## CONTENT

- Aggressively expand local content
- Maintain WYPR content philosophy, tone and impartiality
- Expand non-news content

## BRAND

- Maintain WYPR as an independent brand
- Promote & grow the brand alongside The Banner

## DISTRIBUTION

- Expand reach and distribution of WYPR radio platform
- Expand reach of content across platforms

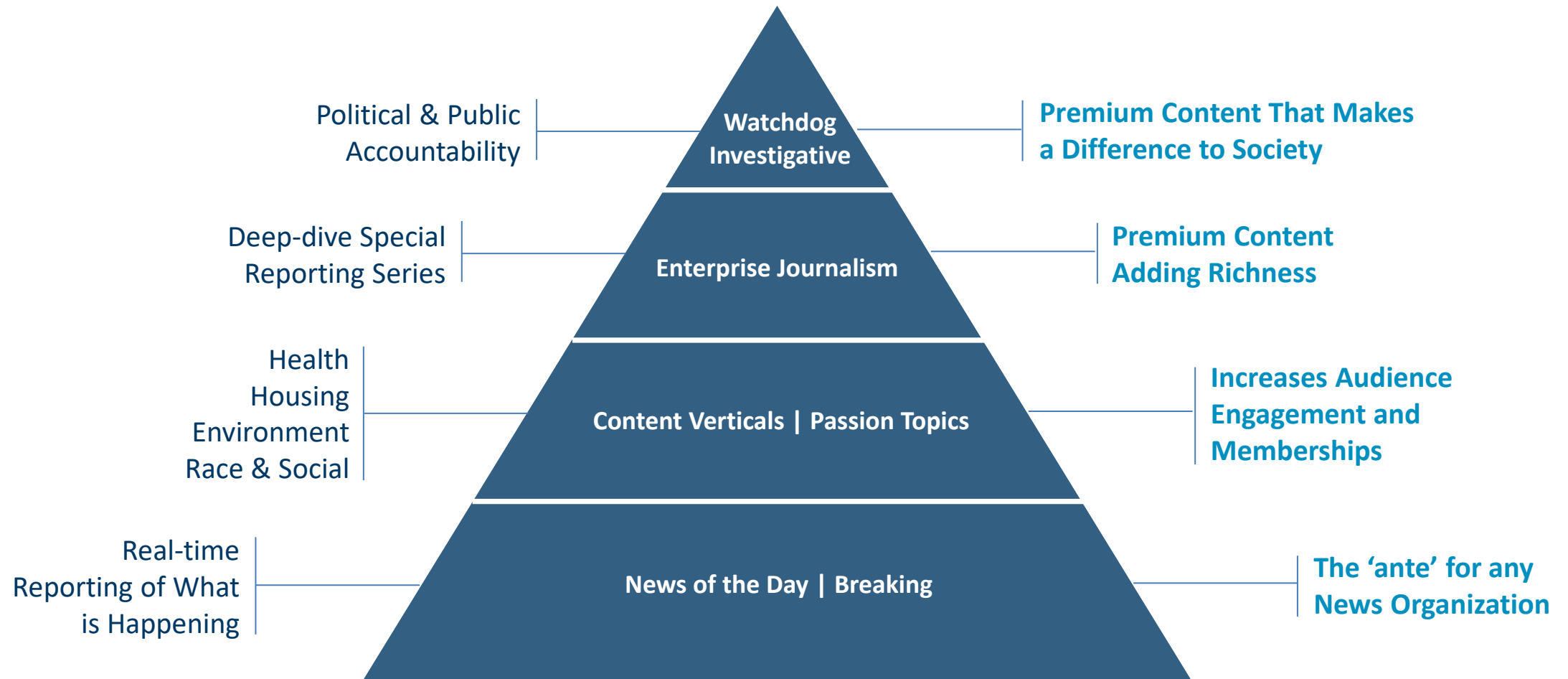
## MEMBERS/AUDIENCE

- Expand audience for WYPR
- Aggressively grow members for WYPR
- Cross-promote the brands



# The partnership will enable a more robust ability to provide content to our communities

A small staff can only really focus on News of the Day, scale is needed to move through the content pyramid

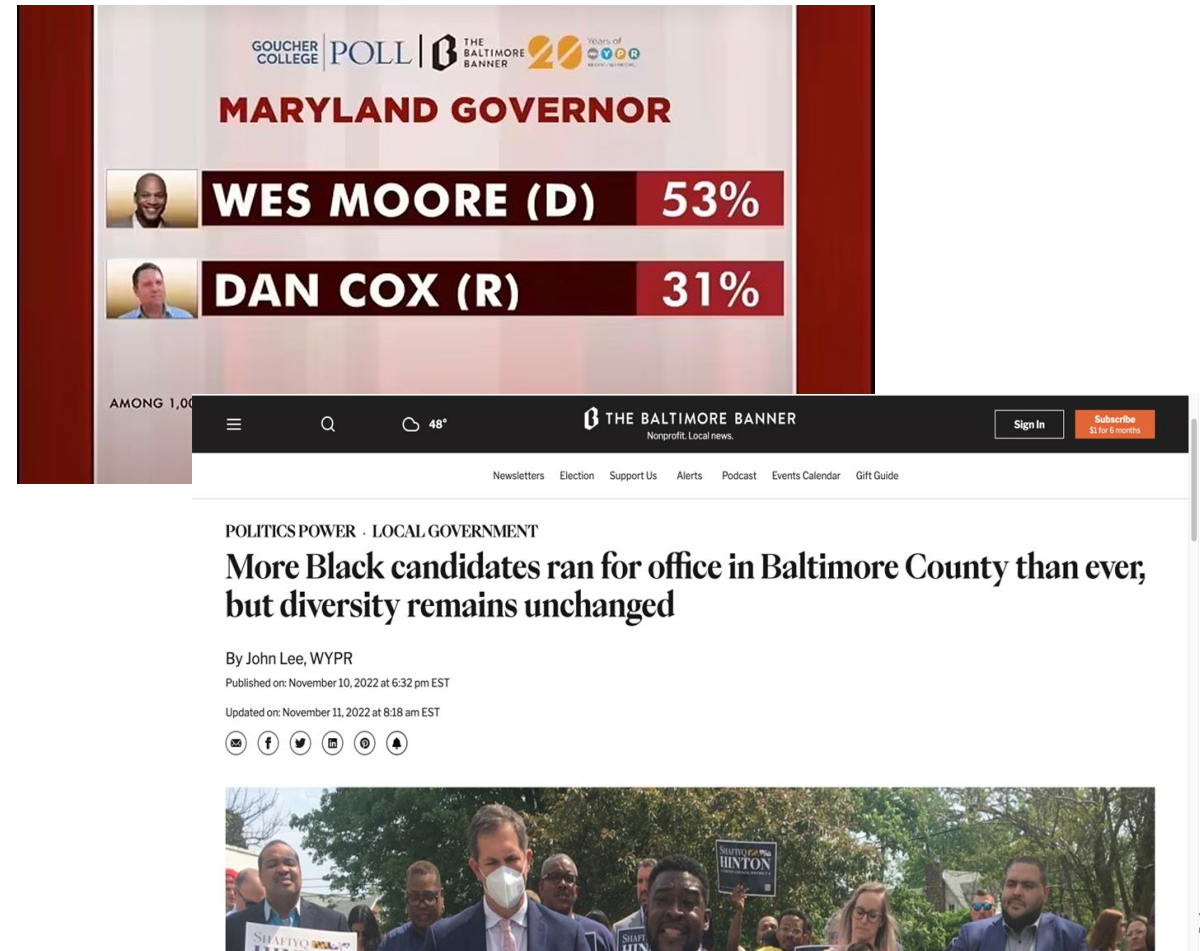


# Where we are today

- **Two newsrooms working together**
  - Election coverage
  - News of the day
  - Joint reporting and investigative reporting projects
- **Programming Integration**
  - Developing joint podcasts
  - Banner reporters on WYPR shows
- **Cross promotion**
  - On-air and on-line
  - Joint newsletter development
  - Subscription offers
- **Exploring joint sales**
  - WYPR team to begin selling Banner
  - Banner able to sell WYPR
- **Joint Funding Opportunities**
  - Exploring

- **Web Stories**

- WYPR stories on Banner site
- Soon Banner stories on WYPR site



## News-related activities

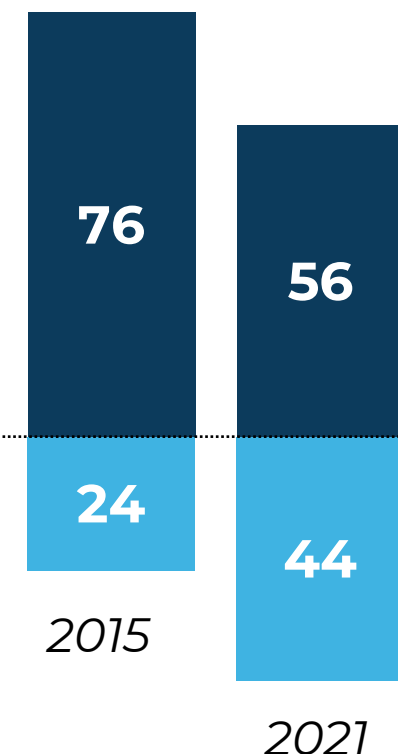
- New England News Collaborative
- The Accountability Project—Investigative journalism project focused on Connecticut government, business, education, environment.
- Joint Washington DC reporter shared with the Connecticut Mirror
- Civility initiative in partnership with Braver Angels of Connecticut and others
- RFA Reporters—Housing and Latino Communities

# The share of Americans who receive TV via cable or satellite at home has fallen

*% of U.S. adults who say they ...*

**Receive** TV via cable or satellite at home

**Do not receive** TV via cable or satellite at home

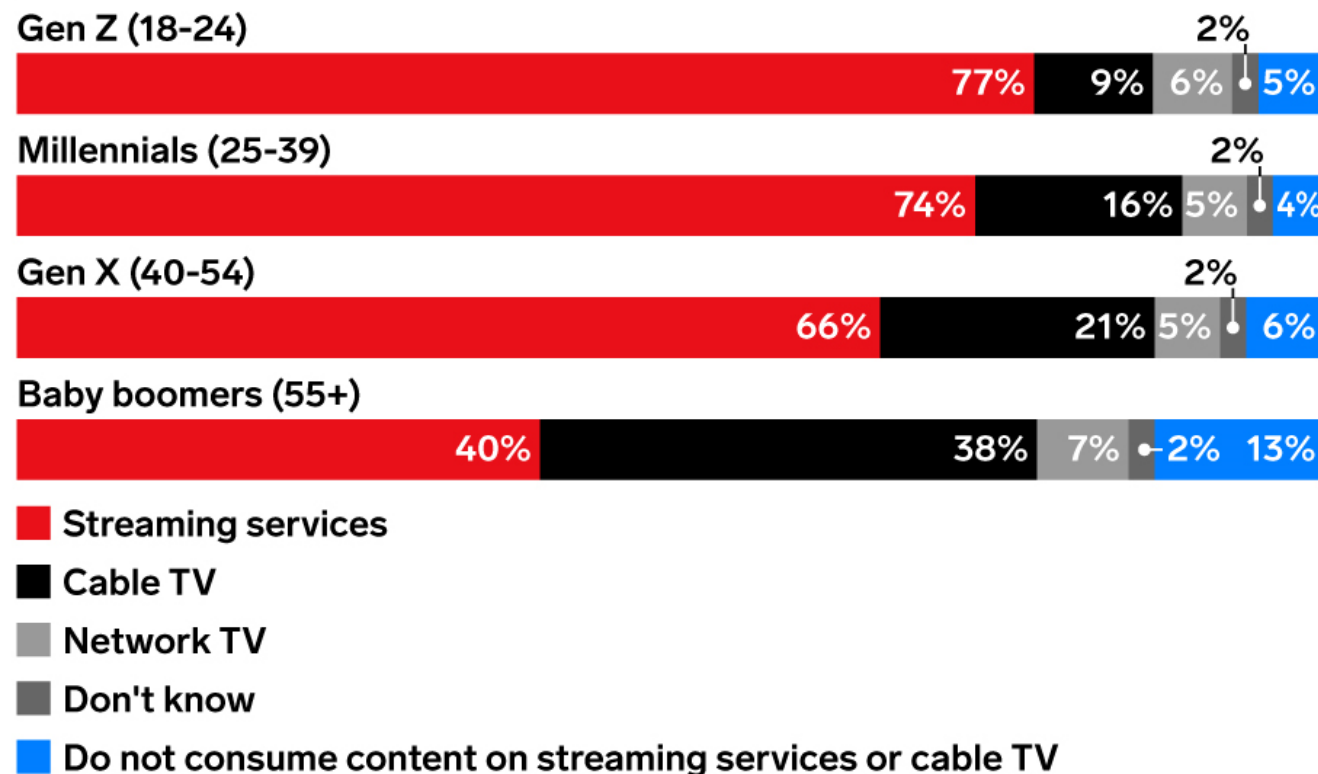


Note: Respondents who did not give an answer are not shown.

Source: Survey of U.S. adults conducted Jan. 25-Feb. 8, 2021.

## On Which Platform Do US Adults Spend the Most Time Consuming Video Content?

% of respondents, by generation, July 2021



Note: numbers may not add up to 100% due to rounding

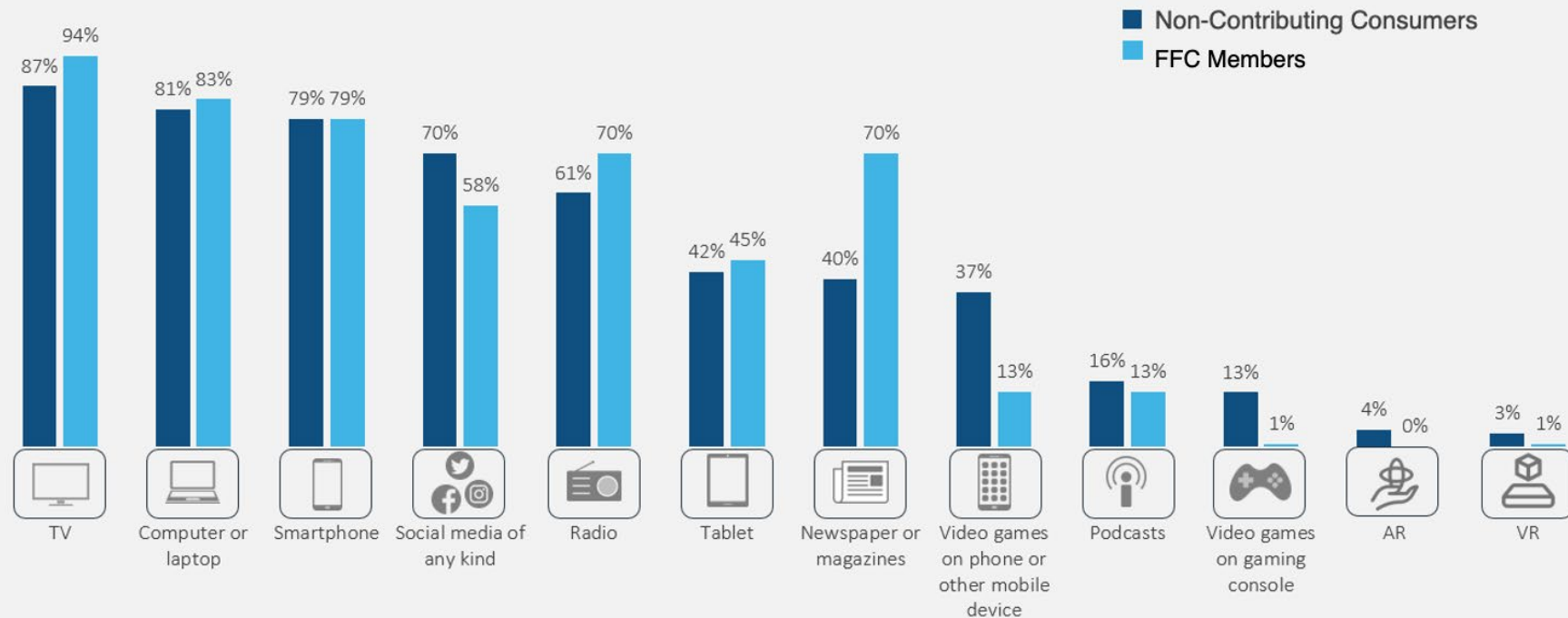
Source: R.R. Donnelley & Sons Company, "The (Un)Expected Report," Oct 5, 2021



# How will they consume the content we make?

## CT Public Media Consumption Profile

### Daily Media Usage by Segment



S7: How often do you consume media in each of the following ways?

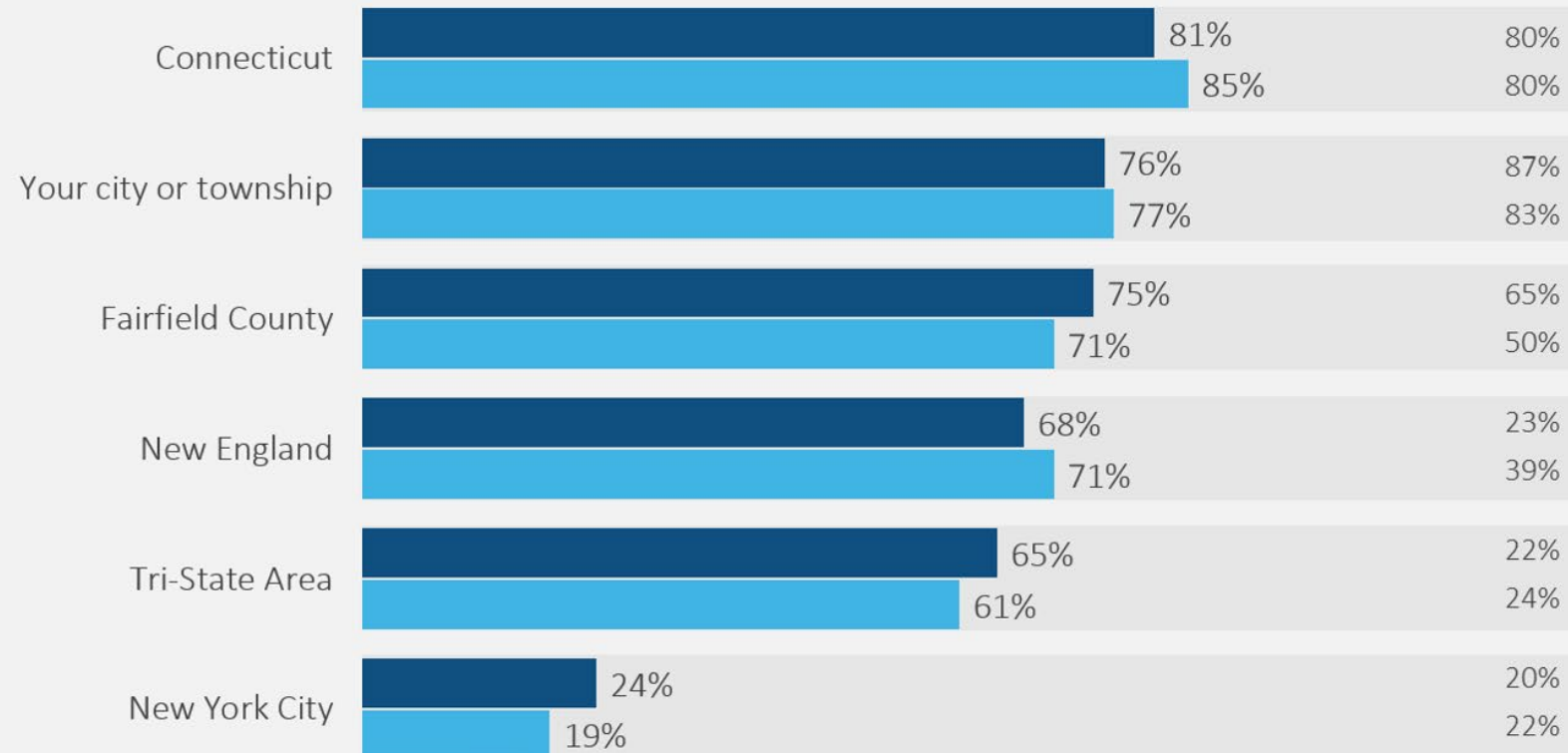
# Common (and bad) assumption: Fairfield County residents only identify as being part of New York City.

How much do you think of yourself as a member of each area? (%4+5)

Within top 3 communities identify with most

■ Non-Contributing Consumers

■ FFC Members



FFC media consumers overwhelmingly identify with Connecticut and their own township – not New York City.

AA4: Thinking about each of the following specific geographic areas, how much do you personally identify or think of yourself as a member of each of them?  
AA5: And which of these areas or communities do you most identify with?

ch do you personally identify or think of yourself as a member of each of them?

## OUR DIGITAL FOOTPRINT

Mark Contreras, President & CEO

android 



 chromecast



VIZIO

 deezer

 NEWSBREAK



androidtv



DIRECTV  
stream

Connecticut  
magazine



Roku



SmArT OR LUcky?

YOUR START  
from Connecticut Public

What's On!  
Connecticut Public





# THANK YOU

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