THE STATE OF THE NEWS INDUSTRY

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THE FIRST NEWSPAPER

One day edition
“Publick Occurrences” published in 1690 in Cambridge, Mass


“As also sundry doubtful and uncertain Reports, do hereby manifest and declare their high Resentment and Disallowance of said Pamphlet, and Order that the same be Suppressed and called in; strickly forbidden any person or persons for the future to Set forth any thing in Print without License first obtained from those that are or shall be appointed by the Government to grant the same.”
BRIEF HISTORY OF JOURNALISM IN THE U.S.

- 1700’s - Partisan, party press
- 1792 - Key moment - U.S. postal subsidies
- 1800s - Penny papers, more independent press
- 1900s - Muckrakers and the yellow press
- 1920s - Standards begin to be developed, journalism schools
- 1960s and 70s – Surge in investigative reporting
BRIEF HISTORY OF JOURNALISM IN THE U.S

- 1980s – Sales of family newspapers to chains
- 1990s – Corporate journalism and separation from community
- Immense profit-taking, staff-cutting and initial rejection of the Internet
- 2000s – Advertising revenue plummets, newspapers close, staffs decimated
The Plunge in Ad Revenue

Estimated advertising revenue of U.S. newspapers, 1960-2018
DISAPPEARING CIRCULATION

https://www.journalism.org/fact-sheet/newspapers/
The number of newsroom employees at U.S. newspapers declined by 47% between 2008 and 2018

Number of U.S. newsroom employees in each news industry, in thousands

- Newspaper publishers: from 71 to 38
- Broadcast television: from 28 to 29
- Digital-native: from 7 to 13
- Radio broadcasting: from 3 to 3
- Cable television: from 3 to 3

Graph showing the decline in newsroom employees across different industries over the years from 2008 to 2018.
Do You Live in a News Desert?

In the U.S., 171 counties do not have a local newspaper. Nearly half of all counties - 1,449 - have only one newspaper, usually a weekly.

Source: UNC School of Media and Journalism’s Center for Innovation and Sustainability in Local Media
Americans' Trust in Mass Media

% Great deal/Fair amount

- 1997: 53
- 1998: 55
- 1999: 55
- 2000: 51
- 2001: 53
- 2002: 54
- 2003: 54
- 2004: 44
- 2005: 50
- 2006: 47
- 2007: 43
- 2008: 45
- 2009: 43
- 2010: 44
- 2011: 40
- 2012: 44
- 2013: 40
- 2014: 40
- 2015: 32
- 2016: 41
- 2017: 45
- 2018: 41
- 2019: 41
The newspaper industry has continued its relentless downward spiral, which started with the advent of the internet and accelerated during the Great Recession. The pace of the decline has not slowed. New research shows that over 2,000 newspapers have closed since 2004, a staggering figure given that the industry was once among the largest employers in America.

NEWS OF IMPENDING CUTS at The Denver Post came first from Twitter. “In a staff meeting, the @DenverPost editor just told us that we are cutting 30 positions in the newsroom,” wrote City Hall reporter Jon Murray. “There are some sobs in the room.” The paper soon confirmed that its newsroom of around 100 would be reduced by almost a third, slashing its capacity to cover one of the nation’s booming cities. (Its newsroom had already been cut by two thirds, from 300 at its peak.)
MORE LAYOFFS AT CHICAGO TRIBUNE
HOW BAD IS IT?

Newspaper Death Watch

Chronicaling the Decline of Newspapers and the Rebirth of Journalism

Tronc Eviscerates New York Daily News With 50% Staff Cut

The cuts for the newspaper industry's '50s were once thought to be a 'deep-six' for news, but that's not proving to be the case for New York City, which is suffering an unprecedented decline in local news coverage. The latest casualty is the New York Daily News, which on Monday and had several staff cuts.

The Washington Post points out that this means that a paper with employed 450 journalists in 1988 will now have a skeletal staff of just 50 when the latest round of cuts.

Tronc's newspaper employment has fallen by 25% since 2010, from 2,000 to 1,500 as of late 2016.
Private equity has been gobbling up newspapers across the country and systematically squeezing the life out of them to produce windfall profits, while the papers last. The cost to democracy is incalculable. Robust civic life depends on good local newspapers. Without the informed dialogue that a newspaper enables, the public business is the private province of the local commercial elite, voters are uninformed, and elected officials are unaccountable.

The Post is just the most recent outlet owned by “vulture” hedge fund Alden Global Capital to face the ax. Alden controls Digital First Media, the country’s second largest newspaper chain, which has a pattern of gutting newsrooms and selling off valuable office space to squeeze profit from the industry. In the Bay Area, it has decimated the San Jose Mercury News, cutting a newsroom of more than 400 down to about 40 staffers.

News-Gazette Media, Champaign, affecting 130 employees including members of the Printing, Publishing and Media Workers Sector of the Communication Workers of America, Champaign-Urbana Typographical Union Local 444. The job cuts are the result of the paper being sold, according to the WARN notice. The News-Gazette in August reported it had been purchased by Community Media Group, headquartered in downstate West Frankfort. First layoff date is Oct. 31, with layoffs to be completed by Nov. 13.

https://patch.com/illinois/champaign/over-500-illinois- layoffs-nestle-newspaper-cut-employees
Local dailies and weeklies are in a slow death spiral. They missed the digital rendezvous. Operating losses cause owners to lay off staff and shrink content, further depressing readership and ad income, leaving little to reinvest in digital. Local web-only media are feisty in a few places, but no substitute for a robust newspaper, whether print, web, or a blend.

In 2018, viewership for network local affiliate news stations (ABC, CBS, Fox and NBC) declined in key time slots – morning (6 a.m. to 9 a.m.), evening (4 p.m. to 7 p.m.) and late night (11 p.m. to 2 a.m.) – according to Comscore StationView Essentials® data. The average audience (defined as the average number of TVs tuned to a program throughout a time period) for the morning news time slot decreased 10% in 2018. Local TV average audience for the late night and evening news time slots also declined (14% for both). Audience for the midday news (11 a.m. to 2 p.m.) and prime news (8 p.m. to 11 p.m.) time slots both declined 19%. 

https://www.journalism.org/fact-sheet/local-tv-news/
On the whole, the news offerings of U.S. public broadcasters have been marked by relative financial stability and, in the past year, little to no audience growth.

https://www.journalism.org/fact-sheet/public-broadcasting/
According to this study, however, most Americans think their local news media are doing just fine financially. About seven-in-ten say their local news media are doing either somewhat or very well financially (71%), while about a quarter say their local news organizations are not doing well (24%).

https://www.journalism.org/2019/03/26/most-americans-think-their-local-news-media-are-doing-well-financially-few-help-to-support-it/
Many Americans think their local news outlets are doing well financially

% of U.S. adults who say their local news outlets are doing ___ financially

<table>
<thead>
<tr>
<th></th>
<th>Very well</th>
<th>Somewhat well</th>
<th>Not too well</th>
<th>Not at all well</th>
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<tr>
<td></td>
<td>19%</td>
<td>51</td>
<td>19</td>
<td>6</td>
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Few say they have paid or given money to a local news source in the past year

% of U.S. adults who have ___ in the past year

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<th>Paid for local news</th>
<th>Not paid for local news</th>
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<td></td>
<td>14%</td>
<td>84</td>
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Note: Question wording asked, “In the past year, have you directly paid or given money to any local news sources by subscribing, donating or becoming a member?” Respondents who did not give an answer are not shown.

“For Local News, Americans Embrace Digital but Still Want Strong Community Connection”
PEW RESEARCH CENTER
MEANWHILE:
SOCIAL MEDIA AS NEWS SOURCE

Social media sites as pathways to news
% of U.S. adults who get news on each social media site

- Facebook: 43%
- YouTube: 21%
- Twitter: 12%
- Instagram: 8%
- LinkedIn: 6%
- Reddit: 5%
- Snapchat: 5%
- WhatsApp: 2%
- Tumblr: 1%

Source: Survey conducted July 30-Aug. 12, 2018.
“News Use Across Social Media Platforms 2018”
PEW RESEARCH CENTER
About two-thirds of Americans get news on social media

% of U.S. adults who get news on social media ...

- Never: 32%
- Sometimes: 27%
- Hardly ever: 21%
- Often: 20%
- 68% ever get news on social media

But most social media news consumers expect news there to be inaccurate

% of social media news consumers who say they expect the news they see on social media to be ...

<table>
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<th>Largely inaccurate</th>
<th>Largely accurate</th>
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<td>57%</td>
<td>42</td>
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Note: No answer responses not shown.
Source: Survey conducted July 30-Aug. 12, 2018.
“News Use Across Social Media Platforms 2018”
PEW RESEARCH CENTER
THE RISE OF SOCIAL MEDIA MANIPULATION

Challenging Truth and Trust: A Global Inventory of Organized Social Media Manipulation

Samantha Bradshaw, University of Oxford
Philip N. Howard, University of Oxford
SOLUTIONS SO FAR

- Return to local ownership without concern for profit
- “Benign” millionaires and billionaires
- Topic driven newsrooms and newsletters
- Nonprofit newsrooms
THE RISE OF NONPROFITS

Global Investigative Journalism Network

Member organizations

2001: 20
2019: 183
THE RISE OF NONPROFITS IN U.S.

Institute for Nonprofit News

Member organizations

2009: 27
2019: 240
Local News in America Is Dying. Charity Might Save It

Some 200 nonprofit websites are hustling to keep state and city governments honest. Many are succeeding.

By Gerry Smith
April 25, 2019, 3:00 AM CDT

The City, a website covering local news in America’s biggest metropolis, debuted this month with a bank account some of its nonprofit peers could only dream of.

Backed by almost $10 million from philanthropies and individuals, the New York-based news organization has more than double the cash that nonprofit-pioneer the Texas Tribune had when it started 10 years ago.
VALUE OF REAL NEWS

“Each dollar spent on stories can generate hundreds of dollars in benefits to society. Stories costing thousands to produce can deliver millions in benefits across a community.”

Economist James Hamilton, Democracy’s Detectives: The Economics of Investigative Journalism
WHAT IS GOOD NONPROFIT NEWS

- Diverse Sources
- Independent confirmation of facts
- Supporting documents or data
- Transparent funding
- Corrections
- Separation of news from opinion
SUSTAINABILITY MODEL

- Donations
- Subscriptions
- Memberships
- Community events
- Publications and educational material
- Collaborations
- Focus on certain topics
- Better use of technology – digital and mobile
LOCAL AND REGIONAL NEWROOMS

CU-CitizenAccess.org

MidWest Center for INVESTIGATIVE REPORTING

https://investigatemplnorth.org/