

# THE STATE OF THE NEWS INDUSTRY

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# BRIEF HISTORY OF JOURNALISM IN THE U.S

- “Publick Occurrences” published in 1690 in Cambridge, Mass
- One edition published. Shut down by Colonial government after one edition.
- “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.”

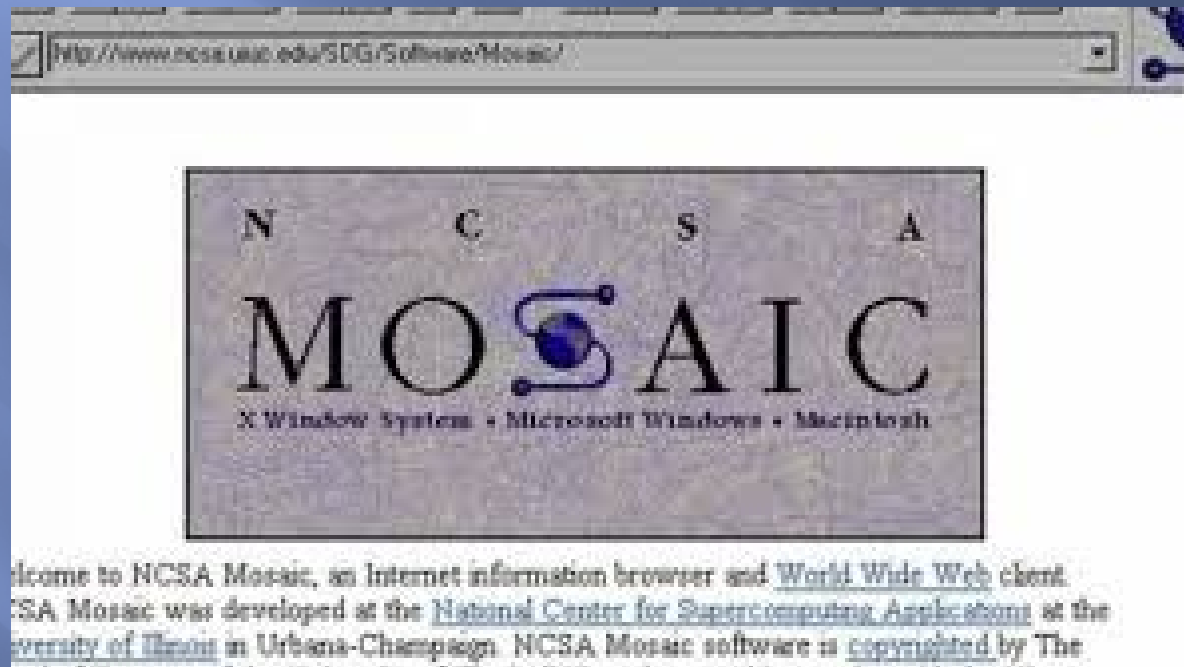
# BRIEF HISTORY OF JOURNALISM IN THE U.S

- 1700's - Partisan, party press
- 1792 - Key moment - U.S. postal subsidies
- 1800s - Penny papers, independent press
- 1900s - Muckrakers and the yellow press
- 1908 – Missouri establishes first journalism school
- 1920s - Standards begin to be developed, 1960s and 70s – Surge in investigative reporting

# BRIEF HISTORY OF JOURNALISM IN THE U.S

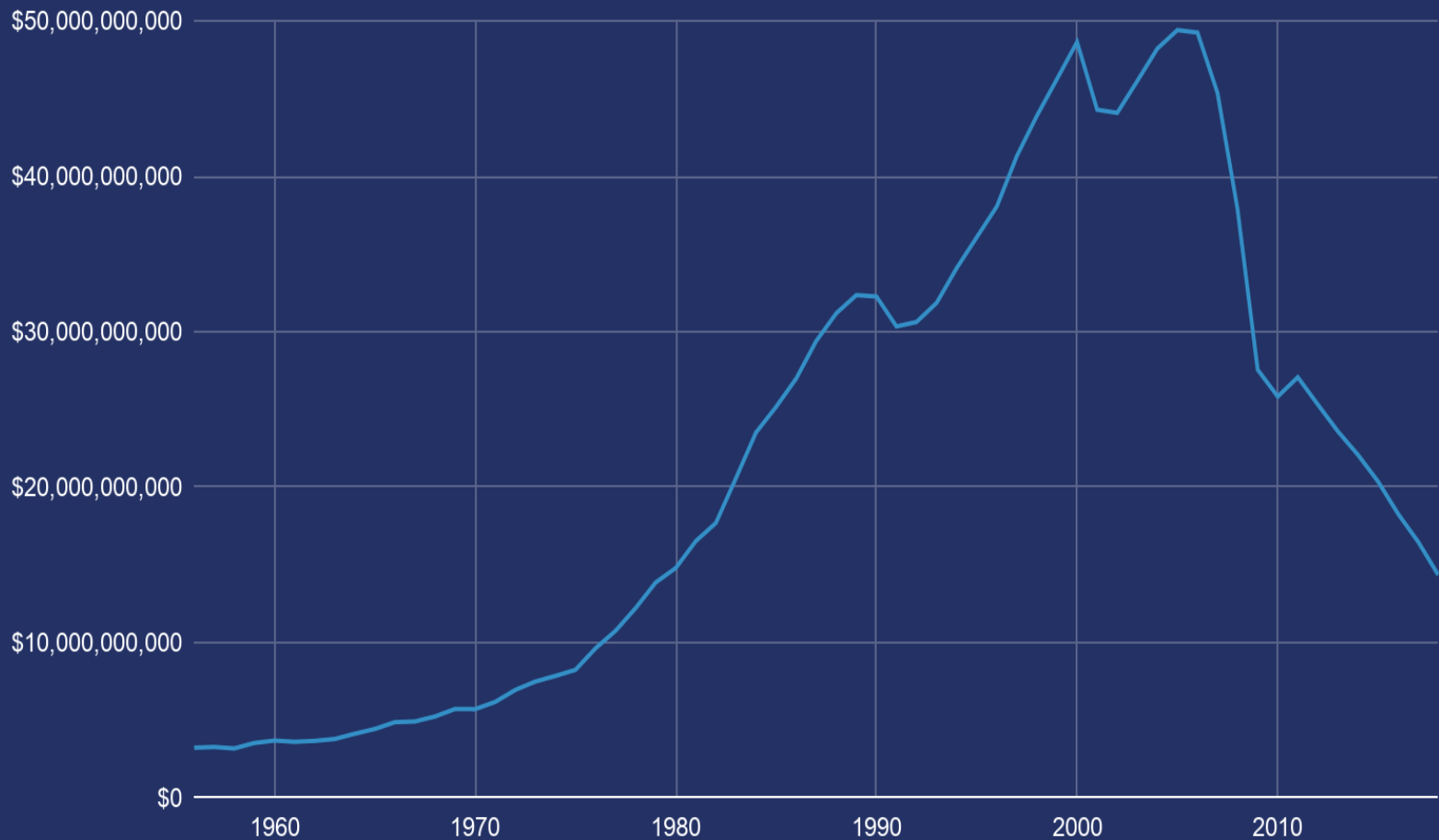
- 1980s – Sales of family newspapers to chains
- 1990s – Corporate journalism and separation from community
- Immense profit-taking, staff-cutting and initial rejection of the Internet
- 2000s – Advertising revenue plummets, newspapers close, staffs decimated

# THEN THE WEB BROWSER

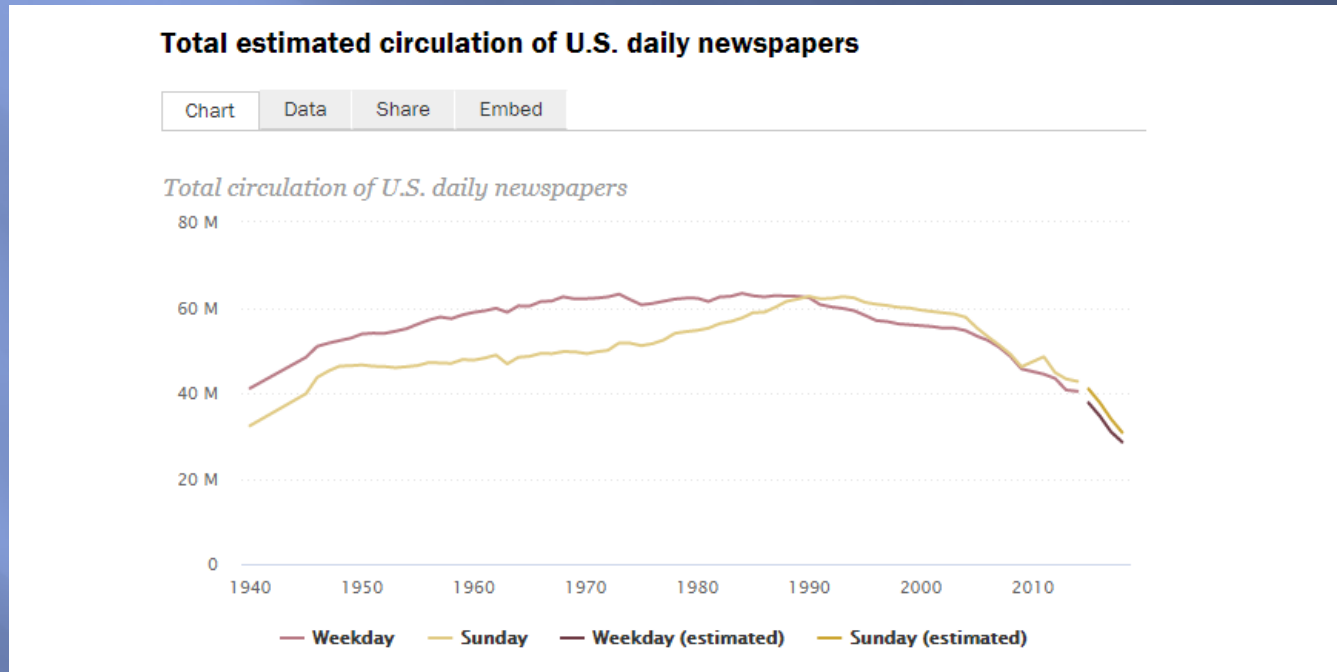


# THE PLUNGE IN AD REVENUE

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



# DISAPPEARING CIRCULATION

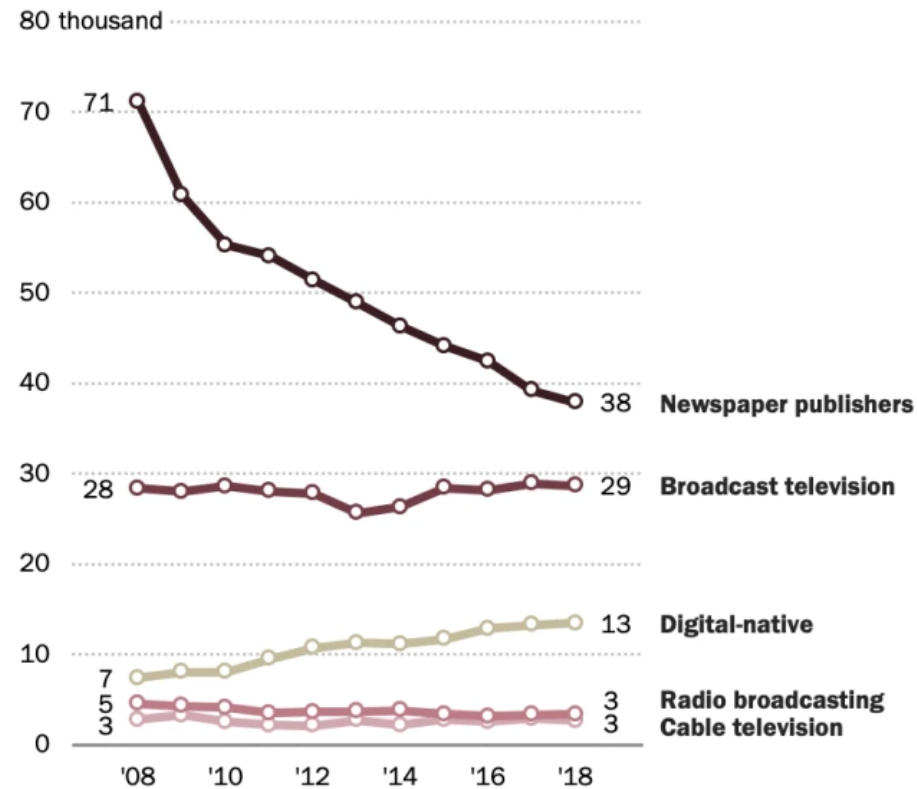


- <https://www.journalism.org/fact-sheet/newspapers/>

# DISAPPEARING JOURNALISTS

## 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

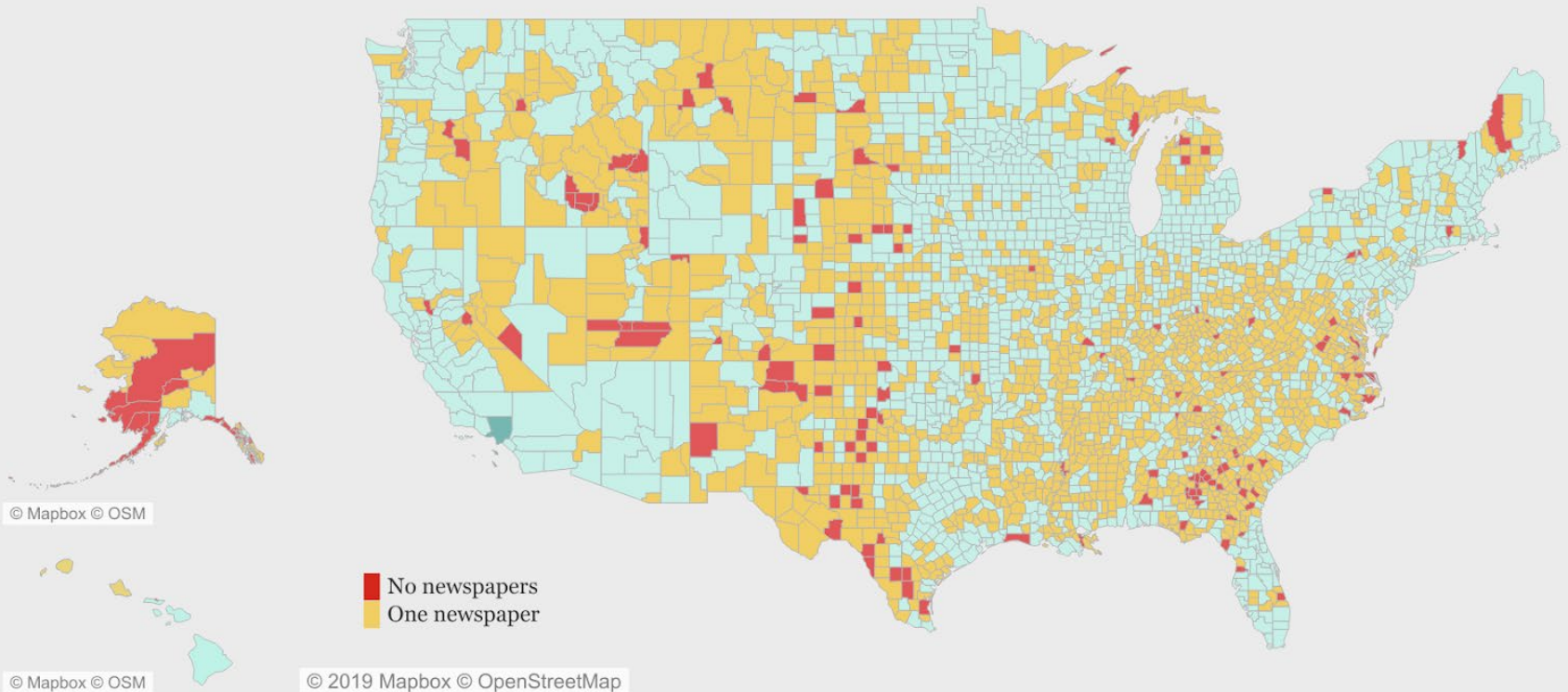




# DISAPPEARING NEWS

## 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

# ROCKY MOUNTAIN NEWS CLOSES - 2009



# OVER 2000 AMERICAN NEWSPAPERS HAVE CLOSED IN PAST 15 YEARS

- 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.
- <https://247wallst.com/media/2019/07/23/over-2000-american-newspapers-have-closed-in-past-15-years/>

# DENVER POST

- 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

Founded March 5, 2007

Chronicing the Decline of Newspapers and the Rebirth of Journalism

Paywall-Free

R.I.P.

### Tronc Eviscerates New York Daily News With 50% Staff Cut

North American metro dailies that have closed since this site was created in March, 2007

By paulgillin | July 24, 2018 - 7:54 pm - Posted in [Hyper-local](#), [Layoffs](#)

[Tucson Citizen](#)  
[Rocky Mountain News](#)  
[Baltimore Examiner](#)  
[Kentucky Post](#)  
[Cincinnati Post](#)  
[King County Journal](#)  
[Union City Register-Tribune](#)  
[Halifax Daily News](#)  
[Albuquerque Tribune](#)  
[South Idaho Press](#)  
[San Juan Star](#)  
[Honolulu Advertiser](#)  
[Tampa Tribune](#)  
[McKeesport Daily News](#)  
[Pittsburgh Tribune-Review](#)  
[Wikipedia list of defunct U.S. newspapers](#)

W.I.P.

Works In Progress: Major metro dailies that have cut

The cure for the newspaper industry's ills was once thought to be a "hyper-local" focus, but that's not proving to be the savior 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 said it would cut its newsroom staff by half. The *Washington Post* points out that this means that a paper that employed 400 journalists in 1988 will have a reportorial staff of just 45 when the latest cuts new owner Tronc take effect.

U.S. newspaper employment has fallen by 55% since 2000, from 424,000 people to 183,300 in mid-2016, according to the Bureau of Labor Statistics. Ironically, the cuts are hitting hardest in New York, which is one of the media capitals of the world. Politico notes that *The Wall Street Journal* shut down its own experiment in hyper-local journalism called "Greater New York" in 2016 while *The New York Times* has cut back on metro coverage and the *Village Voice* shut down its print edition last year. *Newsday* pulled out of Manhattan long ago and no one knows about the condition of *The New York Post*, whose finances are closely held secret of owner Rupert Murdoch. BuzzFeed Editor-in-Chief Ben Smith, who is a veteran New York reporter, summed it up best, telling the *Post*, "Politicians know nobody is watching in a state where everything from economic development to the electoral system is plagued by systematic corruption." The *Daily News* has won 11 Pulitzer Prizes, including one last year for its work with ProPublica on the abuse of eviction rules in New York City. Arthur Browne, who served as editor-in-chief of the *Daily News* last year, told the *Daily Beast* last year that the borough of Queens, which has 2.3 million residents, now has no full-time court reporter, despite the fact that it experiences 35,000 major crimes a year and that the local courthouse hears 200,000 criminal cases annually.

Robert York, the *Daily News*'s new EIC, asked the staff for 30 days to define a new strategy, which was apparently not in place before the firings were announced. York has a 20-year-plus journalism career, including some recent successes with the Allentown, Pa. *Morning Call*, but his background has been mostly limited to features and photography, and he has no experience in the rough-and-tumble New York market. Among the casualties was former *Daily News* EIC Jim Rich, who had reportedly resisted demands for further



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Poll

What Do You Think of Jeff Bezos' Purchase of the Washington Post?

- It's the shot in the arm the industry needs

# HOW BAD IS IT?

The New York Times

Opinion

## Will The Chicago Tribune Be the Next Newspaper Picked to the Bone?

Journalists worry that a New York hedge fund with a big stake in the paper will impose draconian cuts, as it has elsewhere.

By David Jackson and Gary Marx  
The writers are investigative reporters at The Chicago Tribune.

Jan. 19, 2020

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An illustration showing several large stacks of newspapers. In the background, there is a stylized city skyline with various buildings in shades of orange and red. The newspapers in the foreground are stacked high, with some pages visible, including one with the word 'fant.' and another with 'inel'.

- <https://www.nytimes.com/2020/01/19/opinion/chicago-tribune-alden-capital.html>

# PRIVATE EQUITY

- 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.
- <https://prospect.org/health/saving-free-press-private-equity>



# PRIVATE EQUITY AND HARVESTING

- 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

[https://www.cjr.org/the\\_media\\_today/denver-post-cuts-digital-first.php](https://www.cjr.org/the_media_today/denver-post-cuts-digital-first.php)

# LOCALLY

- 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>
- [https://www.news-gazette.com/news/news-gazette-media-to-be-sold-to-community-media-group/article\\_ff336582-43bd-5131-bdab-f46735458815.html](https://www.news-gazette.com/news/news-gazette-media-to-be-sold-to-community-media-group/article_ff336582-43bd-5131-bdab-f46735458815.html)

# THE OVERVIEW

- 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.
- <https://prospect.org/health/saving-free-press-private-equity>

# DECLINE IN AUDIENCE IN LOCAL BROADCAST

- 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/>

# NO GROWTH AUDIENCE IN PUBLIC BROADCASTING

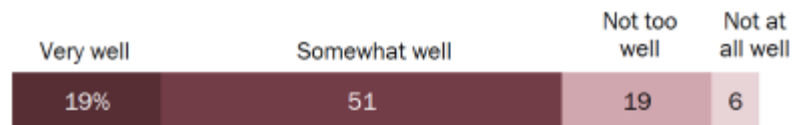
On the whole, the news offerings of U.S. public broadcasters have been marked by relative financial stability and, in the past year, little to no audience growth.

<https://www.journalism.org/fact-sheet/public-broadcasting/>

# NOT PAYING FOR LOCAL NEWS

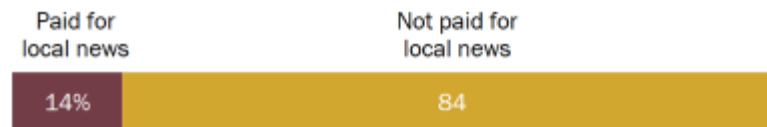
## Many Americans think their local news outlets are doing well financially

*% of U.S. adults who say their local news outlets are doing \_\_\_ financially*



## 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*



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.

Source: Survey conducted Oct. 15-Nov. 8, 2018.

"For Local News, Americans Embrace Digital but Still Want Strong Community Connection"

PEW RESEARCH CENTER

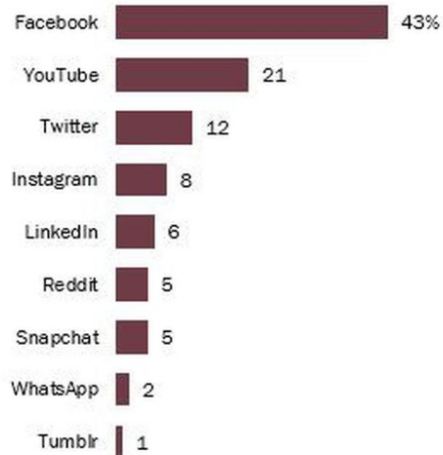
# YET: PEW STUDY ON PERCEPTION OF LOCAL NEWS INDUSTRY

- 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/>

# 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*



Source: Survey conducted July 30-Aug. 12, 2018.  
"News Use Across Social Media Platforms 2018"

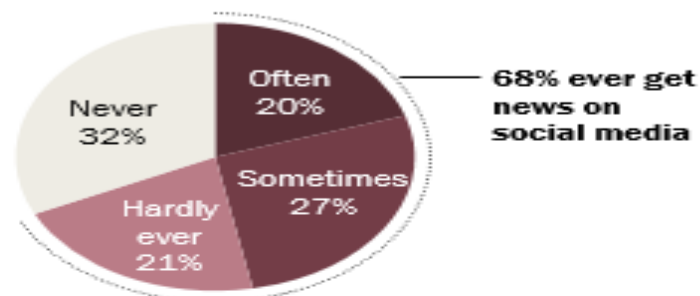
PEW RESEARCH CENTER



# DISAPPEARING CREDIBILITY

## About two-thirds of Americans get news on social media

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



Note: No answer responses not shown.

Source: Survey conducted July 30-Aug. 12, 2018.

"News Use Across Social Media Platforms 2018"

PEW RESEARCH CENTER

# DISAPPEARING TRUST

## Americans' Trust in Mass Media



# THE RISE OF SOCIAL MEDIA MANIPULATION



Computational  
Propaganda  
Research Project

**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



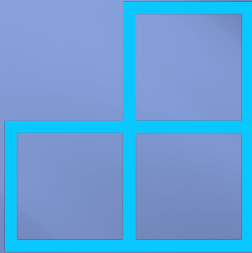
Global Investigative Journalism Network

**Member  
organizations**

**2001: 20**

**2019: 183**

# THE RISE OF NONPROFITS IN U.S.



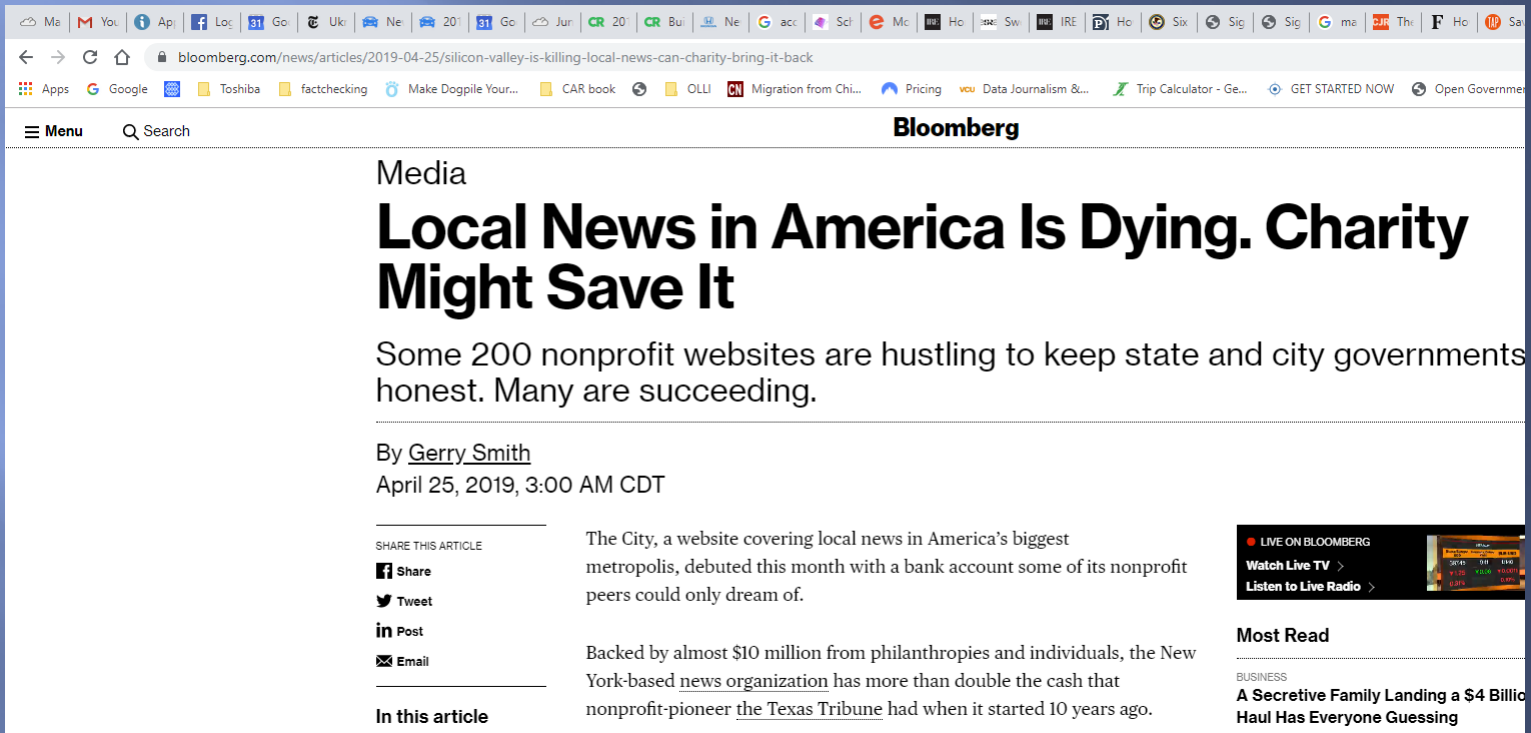
**Institute for  
Nonprofit News**

**Member  
organizations**

**2009: 27**

**2019: 250**

# NONPROFIT NEWS



The image is a screenshot of a Bloomberg news article. At the top, there is a browser address bar showing the URL: [bloomberg.com/news/articles/2019-04-25/silicon-valley-is-killing-local-news-can-charity-bring-it-back](https://www.bloomberg.com/news/articles/2019-04-25/silicon-valley-is-killing-local-news-can-charity-bring-it-back). Below the browser bar is the Bloomberg logo and a search bar. The article is categorized under 'Media' and has the main headline: 'Local News in America Is Dying. Charity Might Save It'. The sub-headline reads: 'Some 200 nonprofit websites are hustling to keep state and city governments honest. Many are succeeding.' The author is identified as Gerry Smith, and the article was published on April 25, 2019, at 3:00 AM CDT. On the left side, there are social media sharing options for Facebook, Twitter, LinkedIn, and Email. The main text of the article begins with '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.' Below this, it states that the website is backed by almost \$10 million from philanthropies and individuals, and is more than double the cash that nonprofit-pioneer the Texas Tribune had when it started 10 years ago. On the right side, there is a 'Most Read' section with a sub-heading 'BUSINESS' and a featured article: 'A Secretive Family Landing a \$4 Billion Haul Has Everyone Guessing'. There is also a 'LIVE ON BLOOMBERG' section with options to 'Watch Live TV' and 'Listen to Live Radio'.

Media

## 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

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**In this article**

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.

**LIVE ON BLOOMBERG**  
Watch Live TV >  
Listen to Live Radio >

**Most Read**

BUSINESS  
**A Secretive Family Landing a \$4 Billion Haul Has Everyone Guessing**

# 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](http://CU-CitizenAccess.org)



<https://investigatemidwest.org/>