

## Summary of Discussion with Bruce Benidt

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

<http://civiccaucus.org>

**Friday, May 15, 2009**

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**Present:** Verne Johnson (chair), David Broden, Paul Gilje, Jim Hetland (phone), Jan Hively, Tim McDonald, John Mooty, Jim Olson (phone), Wayne Popham (phone)

**A. Context of the meeting**—The Civic Caucus is increasingly concerned with the future of media in state, and its role in civic and public affairs. What does the future of the news business look like? What possible models exist? Are they profitable?

Bruce Benidt, communications consultant and a former newspaperman himself, will provide insights from his perspective of a leader in the ‘Save the Strib’ movement.

**B. Welcome and introductions**—Bruce Benidt is a communications consultant. He is a frequent facilitator of strategy, team-building, leadership and planning sessions, and has been a national keynote speaker on communications and learning. He has more than 25 years of experience in communications as a public relations executive, college teacher and daily newspaper reporter.

After 12 years with Weber Shandwick, Bruce started his own consulting and coaching business in 2001. Prior to working in public relations, Bruce was for 10 years a daily newspaper reporter, most recently with the Minneapolis *Star Tribune*. He was an assistant professor of journalism for four years at Minnesota State University, and has been part of the adjunct journalism faculty at the University of St. Thomas in St. Paul for 20 years.

Welcome also to Jan Hively, a new participant with the Caucus core group.

**C. Comments and discussion**—During the internal discussion, the following points were raised:

**1, Broken economic model for newspapers**--Bruce opens by asking if anyone present has seen “State of Play,” a 2009 movie starring Russell Crowe as a reporter, digging up a story (<http://www.imdb.com/title/tt0473705>). The movie shows the mechanics of printing papers, with towering machines and massive gears. Very heavy operation. “No wonder the business is going away,” Bruce said, in the face of new technologies.

But long before a story is even published and printed somebody needs to do the legwork: sit in city council meetings, follow a beat, go to the doors of a business or organization that needs to be checked out. Who is now going to do this important component of newsgathering?

Bruce believes Minnesota can find an answer to preserving great daily journalism – whether it’s delivered on newsprint or on the web or in new ways. It will take creative thinkers who know web marketing and networking, journalism and business. The traditional newspaper

may die, but we need to make sure good journalism and an informed community don't die also. That requires a new approach to creating and delivering a daily newspaper, to meeting people's needs for news, information and entertainment.

**2. Fewer news reporters--**Many people in media today, such as bloggers and commentators, are not doing real reporting, he says. The danger of having newspapers die is not the fall of media companies making 20 percent margins, but that there are fewer reporters on the beat. Those left are working twice as hard, and in many cases have less experience.

In the case of the Star Tribune, a member asked about the role of its debt load in the paper's troubles. What has hit the paper is a perfect storm, Bruce said, to use one reporter's term. The owners went into deep debt to purchase it, and the paper now operates at a loss, on top of factors such as advertising migrating to websites, the economy falling apart and declining circulation.

Someone asked if there is anyone saying to Bruce: Newspapers are dead, accept it? Conventional wisdom says they are dead, he replied, but some smart people disagree.

**3. Finding a way forward with entrepreneurs--**We can't let this decline in the quality of newsgathering happen, Bruce insisted. A member asked: Do you have an answer?

No, he replied, but he has an approach. We need to get entrepreneurs in here. Bruce described himself as 'a convener; independent, trying to bring people together.'

Physical plant is too expensive. Nobody knows how to make money on the web where newspapers have been giving away their product for free. But Bruce is convinced that there is a way forward, if creative people try new solutions.. "There need to be three or four different kinds of people at the table: a technology visionary; someone that understands journalism; an angel investor with a civic conscience. This is the kind of entrepreneurial team that will be able to make progress.

**4. Ideas around the future of the news business--**People are bringing ideas to the Save the Strib movement. They are being innovative in finding ways to charge for things other than advertisements and subscriptions.

Some papers are streaming video from third parties, he said. Or the paper could "out-Craigslist, Craigslist." Others have suggested theme-specific editions of a paper, with perhaps seven or eight different focuses printed out and delivered in a smaller-than-full-size, as requested. There could be an arts version, a policy version.

We are breaking down the lines of how reporters are paid, Bruce followed. Seymour Hersh, a well known reporter, is not employed by anyone. He sells his work. Editors may call him and request his assistance on a story.

**5. Possible new model for news gathering and distribution--**This leads to an idea among those present: a 'journalist institute,' where reporters come together cooperatively, have desks and overhead, then sell their news to people who in turn print and distribute it.

One possible example of a new model:

Two operations

<u>News Gathering</u>	<u>Creative production and distribution</u>
Newsman cooperative, independent journalists	Companies and individual entrepreneurs
Sell content	Purchase content
Share office space, administration	Run presses; use digital distribution
Probably non-profit	Probably for-profit

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**6. Non-profit newspapers?**--Would it be possible for newspapers to operate as non-profits? Congress is looking to make it easier, Bruce replied, for media to make that shift. MinnPost operates as a non-profit but it cannot endorse candidates.

Should the community foundations finance a non-profit paper? They may have a role, in supporting a journalist institute or in providing startup money for new ideas. One member worried that foundations cannot subsidize losing enterprises—media is too big, and it would take away from other commitments of the foundations. There needs to be—must be—a ways to make money.

Bruce agreed, but other members said that foundations may have a strategic role to play, assisting in areas of the business where they can be of most help.

**7. New ways to read the news**--A member said that he uses the internet to collect and group different stories he wants to read. Another says that he likes hard copies of papers so that

he can read them at his discretion. You can do both, Bruce said, and will be able to do so with more ease in the future. Amazon just came out with a larger Kindle, a portable electronic reader which could organize stories. Or some digital entrepreneur might print out and put together an amalgamation of news stories, personalized by someone on their computer, and bring it to you. This is the kind of thinking that needs to happen.

The Pioneer Press is going to begin charging for web content. The Wall Street Journal does. The Strib has print-only stories. People are starting to nibble-back, Bruce said, but subscription fees are not the only—or even the primary—source of revenue, so this will have a limited impact.

**8. Citizen v. professional journalism--**A member pointed out that the Twin Cities Daily Planet fields writings from community members, and accepts for publication based on its quality and relevance.

There is a paper in North East Mississippi, <http://nems360.com/>, with a fleet of citizen journalists, Bruce followed, and this may be one answer to who might sit in those boring meetings. But, “citizen and professional journalists are differently-orientated.” Professional journalists have special training to examine and present information in an unbiased fashion. Citizen journalists are often very talented, he said—in cases more so than professional journalists—but their lack of professional status is a big drawback. Local issues may be difficult to cover in an unbiased way.

A member noted that good reporters are those that can go to events and understand them, to know what’s going on and read between the lines, and “not get snowed.”

**9. Finding leadership in Minnesota for innovation in newsgathering-distribution--**A member asked Bruce if he sees any evidence of a leader in Minnesota who will strive to save the collective news media?

There are several groups devoted to this, Bruce said, and the beginnings of people with money that might act as angel investors to new ideas. This is a civic good, and we need investors willing to receive lower monetary returns but realize running media provides a civic benefit.

We need a process for innovation in newsgathering, he continued, not a static ‘solution.’ There is not going to be one solution that works into perpetuity. Times are always changing now.

A member asked if Bruce is aware of anywhere in the country with leadership on this? He replied that he didn’t know, but that could be his ignorance. Many places are trying to save something old, he noted, and that will not work.

A member wondered if the Governor should convene an action group. Another member countered that business should be the one to step in and provide leadership, admitting that, “This is good for us, and good for society.”

Whoever creates this thing, Bruce said, referring to a new media model, will get bitten by it. Remember that the media is critical, and is nobody's pet. They will be creating a public good, but it won't necessarily be friendly to them.

**10. Possible next steps in Minnesota for a new approach to news--** A member asked Bruce what he sees as the end-goal of his role, in this.

"The end for me is a group of people at a table that say, 'Yes—we're going to do this,' and either buy out the remains of the Strib, allow the two papers to die and move in, or take some other approach.

"But the point is," he said, "that entrepreneurs need to move in."

Bruce sees his role as a convener, bringing people together who can (perhaps with his help) frame and move an action plan. "I then have no problem backing away," he said.

The problem here is not about selling the news. The Strib website is the 10<sup>th</sup> busiest in the country, while Minneapolis is only the 14<sup>th</sup> largest city. They must be doing something right, he said. The challenge is ad revenue, which probably won't come back. But there must be a business model that works; it just needs to be discovered.

**11. Whether the Civic Caucus approach should be expanded--**It was noted that the Civic Caucus circulates a limited amount of information that isn't news but is more discussion of issues prior to news events or after the news events have occurred. We interview people with knowledge and ideas about certain issues and distribute their comments in a manner that is easily followed. We're able to cover only a limited number of topics and circulate that information only to a limited number of readers. There might be potential for expanding this approach to become a modest supplement to the regular news-gathering-distribution process.

There was talk about covering events, writing notes, and using those as a piece of reporting for the public good. "Someone goes to a nice event," a member said, "sits quietly, leaves with some materials under their arm. But all content is lost. To put together and send around notes would keep ideas alive that are presented, even though there may be no 'news'."

This mode approaches the way journalists used to operate, and has been used in public affairs for many years. "Verbatim summaries are worthless, absolutely worthless," the member said. "You need someone who knows what is going on to cover something and write it up," with context. This person may be someone in the field with expertise, an executive, a journalist, etc.

The Strib could be a bulletin board for such a process, Bruce said. This sounds like a very viable tool for getting quality content for no cost to the distributor. It also departs from citizen journalism a bit, reserving the writing of notes for someone with special qualification relative to the event.

**12. Thanks**--Thanks went out to Bruce, from the group. "Let me know if I can be helpful," he said.