

## BACKGROUND

### Who Will Write the Story? The Critical Role of Local Journalism

#### Virginia Center for the Book Democracy and the Informed Citizen Initiative

*“A vibrant, responsive democracy requires enlightened citizens, and without forceful local reporting they are kept in the dark...[W]e recognize that the press plays a vital role in making people’s voices heard, and in enabling not just their right to speak, but their right to know.”* [Losing the News: The Decimation of Local Journalism and the Search for Solutions from PEN America](#)

#### The Challenges Faced by Local Newspapers

Advertising revenues (the financial mainstay of newspapers) have moved to digital media. Loss of revenues has forced newspapers to reduce news staff and shrink the number of pages they print, making it difficult to adequately cover important news in that community. Both dailies and weeklies across the country have closed; many small dailies have gone to publishing a few times per week or become true weeklies (publishing once per week). Newspaper “content” is being appropriated by other online sites where people can read it for free, without providing financial support for the newspaper.

#### The Ramifications of Weakened Local News

- **Voting and democratic participation decreases** when newspapers close or greatly reduce reporting staff: In-depth election and campaign coverage reduced or eliminated when a newspaper closes or reduces reporting staff – this leads to a less informed and engaged public, as well as fewer local political candidates [Nieman Lab: When local newspapers shrink, fewer people bother to run for mayor](#)
- **Taxpayers pay hidden costs** when the community newspaper closes  
“The city feels poorer, politically and culturally. According to a new working paper, local news deserts lose out financially, too. Cities where newspapers closed up shop saw increases in government costs as a result of the lack of scrutiny over local deals.” [City Lab: The Hidden costs of losing your city’s newspaper](#) “[O]ur results indicate that local newspapers hold their governments accountable, keeping municipal borrowing costs low and ultimately saving local taxpayers money.” [Science Direct: Financing dies in darkness? The impact of newspaper closures on public finance](#)
- The public receives information that isn’t **vett**ed or **fact-checked** when a newspaper closes – government officials can issue statements and make comments that are incorrect when there is no newspaper in the community [Pew Trusts: As local news outlets shutter, rural America suffers most](#)
- **Inadequate coverage of important issues** such as poverty, crime, education, the environment, local government if newspaper closes or reduces staff
- Arts and cultural institutions have **reduced community exposure** for programs and services
- Some news organizations turning to foundations and government-funded sources, which have the potential to bring undue influence [CJR: When money is offered, we listen: foundation funding and nonprofit journalism](#)
- Local vs National News [Journal of Communication: Newspaper closures polarize voting behavior and state of public trust in local news](#) **What are the local news dynamics in your city?** [Enter your metro area in this Pew Research Center site](#) to see profiles of the local news community (or one with similar demographics)

## **Revitalizing Local Journalism: Success Stories**

### **Profitability and accountability in Oregon**

In 2015, a journalist and his family purchased their ailing local paper to ensure robust coverage of local government and community; that investment has yielded surging revenue, doubled circulation, and multiple awards (including ProPublica funding for an additional reporter). [NPR: Digging deep into local news, a small newspaper in rural Oregon is thriving](#)

### **Leveraging unique skills of the news organization to diversify revenue streams in Ohio**

In Mansfield, Ohio, Source Media Properties has drawn on the skills of all staff members to build out a successful membership program and for initiatives like Brand Solutions, an in-house content marketing agency, which brings in revenue from new corporate sources. [Editor & Publisher: Roundtable: News publishers have a clear focus with finding innovation and success in 2020](#)

### **A microcosm of funding models in Denver**

A group of journalists departed a hedge-fund backed legacy newspaper to use tech seed funding to launch a digital initiative which provides free content for news outlets across the state in addition to its own online publications and is now mainly self-sustaining as a public benefit corporation. [Columbia Journalism Review: The Colorado Sun, one year after the 'Denver rebellion'](#)

### **Reaching an underserved community in Michigan**

Flintbeat.com covers local news and important community issues; parent company Brown Impact Media Group earns revenue as a news content and strategy consultant and supports news literacy and youth journalism efforts in underserved communities. [A Landscape Study of Local News Models Across America: Emerging Nonprofit Models in Local News](#)

## **Meeting the Fiscal Challenges: New Models for Funding**

In [A Landscape Study of Local News Models Across America](#), the Shorenstein Center's Heidi Legg interviewed a range of experts working in media startups and legacy news organizations to identify these five trends shaping the business of journalism:

**The Billionaire Local Newspaper Club:** This category includes local and mid-sized newspapers that get an infusion of cash from billionaire owners to ramp up their digital presence and editorial coverage.

**Emerging Nonprofit Models:** Eliminating the profit motive, nonprofit news organizations that get funding from private donors, tech companies and foundations are becoming more common. The [Lenfest Institute for Journalism](#) and the [American Journalism Project](#) are two large players that each have \$40 million to fund local news innovation.

**For-Profit Models:** There aren't many new commercial startups in the local news space, but a few are trying to produce news while turning a profit by wading into digital consulting or hosting events.

**Mobilizers:** Projects like [Report for America](#) and [ProPublica's Local Reporting Network](#) aim to bolster local news coverage and investigations with a national approach at a local level.

**Accelerators:** This last category focuses on organizations that train local news startups on how to improve their digital savvy. Examples include [The Information Accelerator](#), the [Lenfest Institute](#), [Facebook Accelerator](#), [Google News Initiative](#), and the [Membership Puzzle Project](#) at New York University.

*From [Journalist's Resource: 5 trends that could save local news: A Q&A with Heidi Legg](#)*

### **To Consider**

#### **A deal with the devil? How to reconcile funding provided by the very tech competitors that have contributed to the decline**

“Taken together, Facebook and Google have now committed more than half a billion dollars to various journalistic programs and media partnerships over the past three years, not including the money spent internally on developing media-focused products like Facebook’s Instant Articles and Google’s competing AMP mobile project. The result: These mega-platforms are now two of the largest funders of journalism in the world. The irony is hard to miss. The dismantling of the traditional advertising model—largely at the hands of the social networks, which have siphoned away the majority of industry ad revenue—has left many media companies and journalistic institutions in desperate need of a lifeline. Google and Facebook, meanwhile, are happy to oblige, flush with cash from their ongoing dominance of the digital ad market. The result is a somewhat dysfunctional alliance...” [Columbia Journalism Review: The platform patrons: How Facebook and Google became two of the biggest funders of journalism in the world.](#)

#### **Radical thinking**

“We know that civil society, at least on the local level, is in danger. We know that we risk not having an informed populace. Could a new movement address the information needs of a local community that would be remembered by future generations the way these nonprofits are?” [The Atlantic: My newspaper died 10 years ago. I’m worried the worst is yet to come.](#)

### **To Take Action**

#### **[Knight Foundation: Considering supporting local news as a ‘Public Good?’ Here’s the whole story: More foundations and high-net worth individuals are funding local news. Learn how to join them.](#)**

Recommendations for stakeholders from the PEN America Report *Losing the News* include:

- Philanthropists: Increase donations to journalism, prioritizing local reporting and diversity, increasing support for research and prioritizing editorial independence
- Federal Government: Consider regulation; ensure universal broadband access; increase financial support (and suggesting taxes on tech companies to subsidize local news). [See this op-ed by California Congressman Mark DeSaulnier on his introduction of the Saving Local News Act [Columbia Journalism Review: Op-ed: Local journalism is dying. Bold action can save it.](#)]
- News Consumers: Subscribe (and donate) to local news outlets; voice support to elected officials; notify local news outlets of stories that should be told

### **Resources for Further Reading**

- [PEN America: \*Losing the News: The Decimation of Local Journalism and the Search for Solutions\*](#)
- [Brookings: \*Local Journalism in Crisis\*](#)
- [Shorenstein Center: \*A Landscape Study of Local News Models Across America\*](#)
- [Knight Foundation: \*State of Public Trust in Local News\*](#)