This collection of articles provides additional insight into the topics discussed at Thwarting the Rise of News Deserts, a symposium on March 28, 2017 at the Newseum in Washington, D.C., sponsored by the UNC’s School of Media and Journalism and the Knight Foundation.

The Rise of a New Media Baron and the Emerging Threat of News Deserts, published in October 2016 by the Center for Innovation and Sustainability in Local Media, documented the dramatic changes that have occurred in newspaper industry over the past decade and the implications this has for communities throughout the country. Especially in small and mid-sized communities, residents rely on the local newspaper as their primary, if not sole, source of credible and comprehensive news. Therefore, the fates of communities and their newspapers are inherently linked.

In this series of articles, we update recent newspaper ownership changes, profile a privately held company that has bought more than a hundred newspapers in the last three years, and explore the connection between local journalism and the health of communities and citizenship in North Carolina, Michigan and Alaska. Two of the articles examine how five local papers in eastern North Carolina – only two of which are independent – covered the 2016 elections and the devastating aftermath of hurricane Matthew. Another chronicles what happens in a Michigan community when the local newspaper stops printing a daily edition and goes digital first. In another, the editor of an award-winning twice-weekly newspaper explores what it would mean to the community if his paper was sold or shuttered.

Each of the articles advances the conversation and offers a slightly different perspective on the possibilities and obstacles newspapers and communities across the country are confronting together in this digital era. As The Rise of a New Media Baron and the Emerging Threat of News Deserts concluded: “It will take a collaborative effort by many interested parties to meet the challenges posed . . . during a time of great economic and technological disruption. The fate of local newspapers and communities hangs in the balance.”
CONTENTS

Thwarting the Emergence of News Deserts

Who Owns Your Newspaper? An Update on Recent Sales
05/11

Adams Publishing: A Newcomer With a Different Ownership Model?
12/15

What a Family-Owned Paper Means to a Community
16/17

Does Ownership Affect Reporting?
18/31

What Makes the News? TV’s Coverage of Rural Communities
32/37

Ann Arbor: Citizenship and The Local Newspaper
38/42

Newsroom Partnerships: From Competition to Cooperation
43/46

Spotlight on Research
47/50
**Introduction**

Japan’s telecommunications conglomerate, Softbank Group, announced in mid-February that it was purchasing, for $3.3 billion, the giant investment firm Fortress Investment Group, which manages more than $70 billion in various assets, ranging from real estate to debt collection agencies. Although it was not mentioned in many press accounts, Fortress also owns and manages the largest newspaper chain in the U.S., New Media/GateHouse, which publishes more than 600 newspapers, shoppers and business journals in 35 states.

The purchase of the New Media/GateHouse newspapers by a Japanese conglomerate was the latest twist in a decade of upheaval and dramatic change for the newspaper industry. More than a third of the country’s 7,900 newspapers have changed ownership since 2004. Many papers were purchased at depressed prices by hedge funds, private equity funds and other types of newly formed investment entities, such as New Media/GateHouse.

As local newspapers continue struggling to gain an economic footing in the digital era, the industry may be reaching another inflection point as these new media barons contemplate their next move.

- Will they sell their newspaper properties and exit the market, moving onto other, more attractive investments?
- Can they find buyers willing to take on the risk and uncertainty facing the industry and invest for the long-term?
- How patient will these investment groups be with under-performing assets?
- If they cannot find buyers, will they simply shutter their distressed newspapers, leaving small and mid-sized communities across the country without a source of local news?

The Rise of a New Media Baron and the Emerging Threat of News Deserts, published by the Center for Innovation and Sustainability in Local Media in October 2016, documented the rise of these new investment entities and the long-term implications for the communities where their recently purchased newspapers were located. These new media barons differ from traditional newspaper owners in three distinctive ways:

- For the most part, they lack journalism experience or the sense of civic mission traditionally embraced by owners, publishers and editors of newspapers.
- Unlike large private chains, such as Hearst or Advance, or the publicly traded ones, such as Gannett or McClatchy, newspapers often make up a minimal share of their diverse investment portfolios.
- The investment firms actively manage their portfolio of assets. They buy, sell, trade and continually adjust, with a short-term focus on the bottom line and return for shareholders. Many of the newspapers owned by investment entities have been sold two or more times over the past decade.

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**NEWSPAPERS OWNED BY THE 25 LARGEST COMPANIES**

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**SOURCE:** UNC Database
Since the report was published, there have been several transactions that may portend yet another shift in newspaper ownership, as new players enter the market and others, including some of the large investment firms, seek to sell their newspaper holdings. Among the major headlines:

- The purchase of Fortress and New Media/GateHouse by Japan’s Softbank.
- The exit of one of the large investment firms, 10/13 Communications.
- Gannett’s withdrawal of a bid to buy the tronc/Tribune chain after shareholders questioned the strategy and long-term value of merging the country’s second and sixth largest newspaper companies.

Analysis of the most recent data compiled by the University of North Carolina found that over the past 12 months:

- Consolidation in the industry has continued, reaching historic highs. The largest 25 newspaper chains now own almost a third of all of the country’s newspapers.

### KEY CHANGES AMONG LARGEST 25 COMPANIES RANKED BY NUMBER OF PAPERS OWNED: AUGUST 2016 - MARCH 2017

**Company Type:** Public Investment Private

#### AUGUST 2016

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<td>Morris Multimedia</td>
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**SOURCE:** UNC Database

New Media/GateHouse continued its rapid growth.

Adams Publishing bought all of ECM’s papers.

Hearst Corporation moved into the Top 25 after a number of acquisitions.

10/13 Communications sold nearly all of its newspapers in two large transactions.
• However, unlike past years, there were no mega-acquisitions in 2016. Most of the purchases were of small newspaper chains and daily newspapers in small and mid-sized markets.

• Of the investment groups, only New Media/GateHouse has continued to seek out and aggressively purchase newspapers. In contrast, the other large investment groups seemed to hit pause or begin paring back their newspaper holdings in 2016. The 10/13 Communications group, based in the Southwest, sold all but five of its 45 weekly newspapers in two transactions. Unable to find a buyer for its chain of more than 200 papers, Digital First, the country’s third largest chain, continued selling individual properties. Other investment firms were rumored to be shopping some of their newspapers.

• Longtime family owners of small and mid-sized newspaper chains continued to disappear as they were purchased by some of the largest newspaper groups. The privately held Adams Publishing Group, formed in 2014, became the country’s sixth largest newspaper owner by purchasing two of those family-run enterprises – ECM Publishing and Jones Family Media. For more information on the Adams group, see “Adams Publishing: A New Model of Ownership?” on page 14.

Largest 25 Continue to Grow
The country’s largest newspaper owners have continued to consolidate control of the
approximately 7,900 surviving newspapers in the country, of which only 1,300 are dailies and the rest weeklies or nondailies. In 2017, the largest 25 companies owned 31 percent of all newspapers, including more than half of all dailies. This was up from 21 percent in 2004.

The 2016 report categorized each of the largest 25 owners into one of three categories:

- A publicly traded company, such as Gannett or McClatchy.
- A traditional private chain, such as Hearst or Advance.
- An investment entity, in which the principal owners and/or operators are hedge and pension funds, or private and publicly traded equity firms. Examples include New Media/GateHouse, owned and managed by Fortress Investment Group, and Digital First, owned and managed by Alden Capital.

Publicly Traded Companies: Since 2004, the number of large publicly traded newspaper chains has decreased by half from six to three. Gannett, Lee Enterprises and McClatchy were all three sidelined until recently because of the debt they assumed prior to 2008 to buy other newspaper chains. Today these three large publicly traded companies own 439 newspapers, up from 377 in 2014. Gannett, the country’s second largest chain in terms of number of papers, and the largest in terms of total circulation, has been the most aggressive acquirer. Its 2016 purchases include the Journal Media Group, headquartered in Milwaukee, Wisconsin, and the North Jersey Media Group, best known for its ownership of the Bergen Record. In contrast, Lee and McClatchy have tended to acquire or dispose of individual properties. In 2016, Lee sold the Daily Herald, in Provo, Utah, to the privately held Ogden Group while McClatchy, owner of the News & Observer in Raleigh, North Carolina, purchased the nearby Durham Herald-Sun from the Paxton Media Group, a private company.

Investment Entities: Over the past decade, the number of large investment entities more than doubled from three firms in 2004 to seven at the beginning of 2016 – New Media/GateHouse, Digital First Media, CNHI, tronc/Tribune, Civitas Media, 10/13 communications and BH Media. Most of their papers were acquired in bulk through bankruptcy proceedings between 2009 and 2013. In 2016, only New Media/GateHouse, the largest of the seven, continued to aggressively purchase newspapers. In the closing months of 2016, it acquired five papers from the privately held Harris Enterprises in Kansas, as well the Columbia Daily Tribune in Missouri. At the beginning of 2017, it acquired Ohio’s Dix Communications, which included five dailies and 14 weeklies. Simultaneously, it sold papers in Illinois and Oregon.

In contrast to New Media/Gatehouse, the 10/13 group, which was the twentieth largest newspaper owner at the beginning of 2016, aggressively pared back its holdings. The firm sold 40 of its papers in two transactions, transferring ownership of the Houston-area papers to the privately held Hearst, and selling 14 Dallas area weeklies to S.A.W. Advisors LLC. S.A.W. is headed by Scott A. Wright, who has extensive experience managing private equity-owned newspapers. In his LinkedIn profile, Wright says, “My professional goal is to maximize value of media companies. This includes acquisitions, divestitures, substantial reorganizations and executive management.”

Despite the downsizing of 10/13, the remaining six largest investment entities owned 1059 newspapers at the beginning of 2017 – more than the total owned by the 16 largest private corporations or the three largest publicly traded ones.

Private Chains: Although they often operate below the radar, several private companies once again became active acquirers of newspapers. As a result, the number of newspapers owned by private chains has risen to 923 from 791 in 2014.

In the second half of 2016, Adams Publishing Group became the sixth largest newspaper owner with two purchases of family-owned chains. It acquired more than 42 community-owned newspapers in Minnesota with a total circulation of almost half a million from ECM Publishers, the country’s twenty-second largest chain at the time. Adams also expanded into Tennessee and North Carolina with the purchase of 13 papers, including three dailies, from the fourth-generation, family-owned Jones Media.

In recent months, Hearst Corporation, which now
owns 62 papers, became the fifteenth largest chain in the country. In August, Hearst, which already owned the Houston Chronicle, purchased one daily and 23 weeklies in the Houston area from 10/13 Communications. Then, in January, the company acquired the Pioneer Group, which owned three weeklies and two dailies in Michigan.

Both Adams Publishing and Hearst appear to operate with a longer-term strategy and more of a journalistic mindset than the investment groups. A recent Poynter article described the revitalization of the Houston Chronicle under Hearst’s ownership. Before selling the Jones Media Group to Adams, CEO Gregg Jones said he ascertained that the new owners were not buying the papers with the goal of “flipping” (or selling) them in only a few years. Jones joined Adams Publishing after the purchase as an executive vice president, responsible for managing most of

the papers east of the Mississippi owned by the private chain.

**Big Acquisitions Are Missing**

There were more newspapers sold in 2016 than in any year since 2007, the year leading up to the Great Recession of 2008. However, in contrast to previous years, there were no major transactions. The total value of all newspaper sales in 2016 was less than each of the single largest transactions in 2013, 2014, and 2015, according to Dirks, Van Essen & Murray, a leading merger and acquisition firm in the U.S. newspaper industry.

Among the large transactions that didn’t occur in 2016:
- Gannett’s potential $1 billion acquisition of tronc/Tribune fell through at the last

### NEWSPAPERS ACQUIRED, SOLD, MERGED, OR CLOSED BY INVESTMENT FIRMS 2004–2017

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**SOURCE:** UNC Database & Various Press Releases

Number of newspapers listed may not reflect total shown in press releases, which may include non-community newspapers (i.e. shoppers, business journals, etc.).
Who Owns Your Newspaper? An Update on Recent Sales

minute with shareholders and institutional lenders questioning the financial viability of the merger as both companies posted less than stellar earnings. If the acquisition had been approved, Gannett would have owned 362 newspapers with a total circulation of more than 8 million. This compares with New Media/GateHouse, which owns 453 newspapers in smaller markets and has a circulation of approximately 4 million.

• Alden Global Capital, a closely held, privately owned hedge fund manager, gave up its effort to sell Digital First Media, the country’s third-largest newspaper owner in 2015 and began to divest individual papers and merge the remaining ones that are located in the same geographic area. Industry analysts believe Alden does not want to remain in the industry long-term.

Though large transactions were absent in 2016, Japan’s SoftBank assumed management of New Media/GateHouse when it purchased the newspaper chain’s parent company, Fortress Investment Group, in February. Revenues of $600 million from the New Media/GateHouse newspapers comprise less than one percent of the $70 billion in assets managed by Fortress, which will continue to be based in New York and operate independently within the SoftBank corporation, according to news accounts. Softbank’s holdings include Sprint in the U.S., Alibaba in China, Yahoo in Japan and ARM Holdings in the United Kingdom.

Disappearing Family Owners

Between 2004 and 2014, the number of independent family owners declined by 22 percent nationally. Many of the sales in mid- to late-2016 marked the end of long-time family ownership. According to Dirks, Van Essen & Murray, the 50 daily newspapers that were sold in 2016 had been owned by their sellers for an average of 46.3 years.

• In May, the Dille family sold the daily Elkhart (Indiana) Truth to Kentucky-based Paxton Media Group. The paper had been locally owned for more than 125 years and under the Dille family’s control for more than 60 years.

• In August, the Rutland (Vermont) Herald and its sister paper, the Barre-Montpelier Times Argus, were sold to Maine-based partners Reade Brower and Chip Harris. The Mitchell family had owned the Rutland paper since 1947 and the Barre-Montpelier paper since 1964.

• New Media/GateHouse acquired two dailies and a small chain of newspapers from family owners in 2016. First, in July, the company acquired the Fayetteville Observer in North Carolina, which had been owned by the same family for 93 years. Two months later, New Media/GateHouse purchased the Columbia Daily Tribune in Missouri, which the Waters family had owned for 111 years. The company also acquired six newspapers in Kansas and Iowa from Harris Enterprises, which had been controlled by the Harris family since 1907.

• In August, Adams Publishing acquired two family-owned chains – ECM Publishers in Minnesota, which had been family-owned for 40 years, and Jones Media, which had been family-owned for 100 years.

Update on State Case Studies

Investment firms own between a fifth and a third of the newspapers in many states in New England, the upper Midwest and the South. The half dozen largest investment groups own and operate more than 1,059 newspapers in 41 states, or more than 15 percent of all U.S. papers. Many of the papers are located in economically struggling small and mid-sized communities, with few alternative reliable sources of news.

The 2016 report featured case studies on six states where investment firms owned a significant portion of newspapers: Massachusetts, Illinois, Ohio, North Carolina, Kentucky and West Virginia. On average, in these six states, investment entities own 20 percent or more of newspapers. However, in parts of Massachusetts and West Virginia investment firms own as much as two thirds.

Ohio is the only state where there has been a significant change in investment ownership in recent months. In January 2017, New Media/GateHouse announced their purchase of the privately held Dix Communications, which included five dailies and 14 weeklies. New Media/GateHouse already had a significant presence
in and around Columbus, the state capital, and owned a handful of papers near Canton. The Dix purchase gave the company a strong presence in the Akron area, in the eastern part of the state. New Media/Gatehouse now owns 49 papers in Ohio.

Investment companies own one third – or 93 – of Ohio’s 300 newspapers and control a quarter of the state’s 3.9 million total circulation. The investment entity, Civitas, the nation’s eighth largest chain and Ohio’s second-largest owner, has a track record of closing “underperforming” newspapers. In Ohio, it closed three weeklies in 2013, two in 2015, and another two in 2016. The first three closed were all in the Dayton suburbs, and the remainder were in smaller communities along the lakefront near Sandusky.

Looking Ahead

Consolidation often occurs in an industry experiencing declining growth and market share. Over the past decade, the challenging economics of the newspaper industry upset long-standing ownership patterns, and led to the rise of a new media baron, investment entities that swooped in and bought newspapers at distressed sales.

Except for New Media/GateHouse, most of the large investment firms sat on the sidelines in 2016. Some appear to be ready to exit the market entirely. For investment companies seeking to sell their properties, a number of questions remain:

- Will their newspapers be acquired wholesale or sold off in piecemeal fashion?
- If a buyer cannot be found, will more newspapers be shuttered? Since 2004, more than 50 dailies have been closed or merged and several hundred weeklies have ceased publication.
- Who will buy newspapers in 2017? Will it be the large legacy private and public chains, such as Hearst or Gannett, or newly formed entities such as Adams Publishing?

Multiple news stories have pointed to Gannett’s desire to grow through acquisitions. An article in the Wall Street Journal in October of 2016, published just before the tronc/Tribune purchase fell through, mentioned that the country’s largest publicly traded chain, which currently owns 258 papers, plans to cut 2 percent of its workforce while focusing on more acquisitions.

Over the past two years, large private companies have also begun actively buying again. Will Hearst and Adams Publishing Group usher in a new era of proprietors who are more interested in long-term return on investment, instead of short-term earnings growth? Both of these owners have indicated that they intend to pursue a different management approach than the investment firms. Will other buyers follow their lead?

Finally, is there yet another model – either for-profit or non-profit – that brings ownership of a paper back to the community where it is located? Several newspapers have been purchased recently either by wealthy individuals or by non-profit foundations with ties to the community. For example, the Alaska-based Helen Snedden Foundation purchased both the Fairbanks Daily News-Miner and Kodiak Daily Mirror in early 2016 from Digital First. The Snedden family had previously owned the News-Miner from 1950 to 1992. “Putting these newspapers into the hands of the foundation means there won’t be shareholder pressure for a market-rate profit,” said a spokesman for the foundation.

As turnover in ownership continues at a brisk pace, the newspaper industry is potentially on the cusp of another inflection point. Who owns and operates local news organizations will have long-term economic, social, and political consequences for the health and welfare of the thousands of communities across the country.

Research Specialist Cody Allen contributed to this article.
It was no secret that Gregg Jones didn’t want to sell his family’s 100-year-old newspaper chain. He’d operated Greeneville, Tennessee-based Jones Media for 15 years and loved everything about the business. But the rest of the family overrode his wishes. Forced to sell the company that had been in the family for four generations, Jones was determined to get the best possible buyers for the papers and the 400 employees he considered friends.

The list of potential buyers for the three dailies and 10 weeklies in Tennessee and western North Carolina included large hedge funds and private equity groups, which, for the past decade, have been the most voracious acquirers of newspapers. Instead, in August 2016, Jones turned over the keys of his company to Adams Publishing, a little-known chain based near Minneapolis.

In only three years, Adams Publishing Group LLC has become the sixth-largest newspaper chain in the U.S., by number of newspapers owned. The company, owned by billionaire investor Stephen Adams and his family, appeared on the publishing scene in March 2014, purchasing 34 papers spread across Minnesota, Wisconsin, Ohio, and the Chesapeake region, from American Consolidated Media. Since then Adams Publishing has purchased more than 80 newspapers, and by the end of 2016, it owned 109 papers – mostly weeklies and small dailies located in the Midwest.

Chief Executive Officer Mark Adams, 55, and his company have flown largely under the radar, unknown to those outside the industry. At a time when most legacy newspapers in the country are struggling economically, why is Adams Publishing buying so many papers? What is its long-term strategy, and will it prove an antidote to the prevailing business model used by private investment and hedge funds?

Over the last decade, corporate investors have sought to wring profit from their newspaper holdings by selling real estate assets, cutting costs, and firing workers. Many of their purchases were made between 2009 and 2013 at historically low prices for newspapers, when several large legacy chains filed for bankruptcy.

Their purchases were funded with significant debt. Additionally, those corporate owners have been willing to sell, trade or close unprofitable papers.

“The hedge funds destroyed these publications. They destroyed what the brand stood for. ... They destroyed what it took so long to build,” Jones said.

In contrast, Adams Publishing is buying properties to nurture them back to life, said Jones, 67. Jones is now an executive vice president with Adams Publishing and responsible for most of its papers east of the Mississippi.

“When Adams was doing their due diligence on me, I was doing my due diligence on them,” Jones said. “I wanted to find the best buyers possible, and I thank God for the Adams family every day.”

Before selling his company, Jones says, he asked Mark Adams “point blank” if his intentions were to buy, strip costs, and then resell. “Mark said, ‘Nope. I want to build a company where people are proud to go to work,’” Jones said. “I’ve seen no indication through their actions so far to contradict that statement.”

**TIMELINE OF ADAMS PUBLISHING GROUP**

<table>
<thead>
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<th>Year</th>
<th>Month</th>
<th>Acquisition</th>
<th>Number Newspapers</th>
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<td>March</td>
<td>American Consolidated Media</td>
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<td>Huckle Media LLC</td>
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<td>Sept.</td>
<td>Athens (OH) News</td>
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<td>March</td>
<td>Dundalk Eagle</td>
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<tr>
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<td>July</td>
<td>Post Community Media Group’s Southern MD Newspapers</td>
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<td>July</td>
<td>LaPean Publications</td>
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<td></td>
<td>Aug.</td>
<td>ECM Publishers</td>
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<tr>
<td></td>
<td>Sept.</td>
<td>Jones Media</td>
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*Number of newspapers acquired reflects totals provided in press releases and may include non-community newspapers (i.e. shoppers, business journals, etc.)
Adams Publishing kept all of the more than 400 Jones Media employees, maintaining their existing salaries and benefits, he said.

Jones and others in the industry believe Adams Publishing may have hit on a way to make money in local journalism the old fashioned way: by producing high-quality newspapers that serve the local community.

The company looks to buy nonmetro publications where the newspapers or groups have revenue of about $10 million, said Larry Grimes, of W.B. Grimes & Co., a Gaithersburg, Maryland-based mergers and acquisitions advisory firm specializing in media properties. Adams Publishing looks for large niche markets and buys within a geographic region. So far, the company has focused primarily on purchasing papers in the Midwest, but it owns publications as far to the east as the Jersey shore.

Adams Publishing works to reduce costs by centralizing production, accounting, and other low-value, back-office functions, Grimes said. Journalistically, reporters and editors are able to produce stories that can be used by other papers in the chain, holding down the costs of the various newsrooms by forming a sort of co-op. On the revenue side, Adams offers group advertising buys. With the financial resources of the Adams family, the papers are not short on funds if an investment is needed.

“They are embracing the strategic acquisition model of the past, and they are doing it beautifully,” Grimes said. “They have no financial shackles and substantial funding.”

Mark Adams did not respond to repeated requests for an interview. He is the second of four sons of billionaire investor Stephen Adams, 79, who has built an eclectic mix of businesses, including outdoor advertising, camping supplies, radio stations, and wineries in the U.S. and Europe. Stephen Adams and his two other sons are active at the board level of Adams Publishing, but leave operations to Mark Adams.

Before forming Adams Publishing, Mark Adams worked in private equity, concentrating on business-to-business, specialty, and consumer magazines. He is a graduate of Tufts University.
Whether the Adams Publishing strategy pays off or not will depend in large part on the initial purchase price of the publication. This is a good time to buy papers because they are at historically low valuations, said Gary Greene, managing director of Cribb, Greene & Associates, a Helena, Montana-based media brokerage and consulting company.

Newspaper selling prices depend on the health of the local economy in which they are located. Papers in more affluent communities sell at higher multiples, although even those prices are low relative to historic standards, Greene said.

Before the economic recession of 2008, newspapers sold for as much as 13 times annual earnings, according to industry sources. Currently, newspapers sell in the range of three to five times earnings.

Adams Publishing tends to focus on purchasing family-owned newspapers located in counties that are average or above average in affluence. Only 25 percent of the newspapers that Adams Publishing owns are located in counties with above-average poverty levels, according to U.S. Census Bureau data. In contrast, between 40 and 60 percent of the newspapers owned by some of the largest investment-owned chains – such as New Media/Gatehouse and Civitas – are located in counties with above-average poverty rates.

Additionally, while corporate investors have tended to buy large chains in financial distress, Adams Publishing leans toward purchasing papers in relatively good financial health. Since Adams is a private company, it does not disclose the finances of its newspapers. Based on the number and type of newspapers that Adams owns, industry analysts estimate that annual revenue for the company is between $100 million and $150 million.

To date, Adams Publishing has paid cash for the newspapers it acquires. In contrast, many hedge funds and private-equity consortiums have financed their acquisitions with significant debt. To pay off the loans, the newly acquired newspapers have had to employ a number of cost-cutting measures, including cutting staff, freezing wages and reducing benefits.

Since purchasing its first newspaper chain three years ago, Adams Publishing has tended to follow the same buying pattern. The publisher first identified a privately held, family-operated chain it wished to purchase. It then approached the owners of those papers, even if they hadn’t publicly announced that the properties were for sale. In this way, Adams Publishing avoided the sort of auctions that drive up prices.
“Adams identifies the publications that can have healthy margins,” Jones said. “They are directing operations in a different way than did the hedge funds.”

Whether Adams Publishing will continue to purchase papers remains to be seen. But the important question for the industry becomes: Will Adams Publishing’s contrarian strategy of producing high-quality newspapers and investing for the long-term serve as a model for other potential newspaper buyers?

Jones said he believes the family is on to something.

“This family hasn’t had many missteps in their business dealings,” Jones said. “These are smart people. They wouldn’t be doing this if it weren’t a good investment.”
The Pilot in the eastern North Carolina town of Southern Pines celebrates its 97th year in 2017, all as a privately owned, community newspaper. The paper has a long history of distinguished publishers and owners, including the author James Boyd and his wife Katherine, and the author and poet laureate Sam Ragan. In 1996, The Pilot was purchased by group led by the Daniels family, founders and owners of the News & Observer in Raleigh for 100 years. Since then, The Pilot’s business has grown from a twice weekly newspaper to include: a monthly state business magazine and the three lifestyle magazines serving Pinehurst, Greensboro and Wilmington; a telephone directory division; a digital media services agency; and The Country Bookshop in Southern Pines. The paper has won numerous honors over the years and was honored the past two consecutive years as the best community newspaper in the country by the National Newspaper Association. This article by Editor John Nagy appeared in The Pilot on January 15, 2017.

I use downtime around the holidays to catch up on my desk reading, an eclectic collection of magazine articles, reports, and other assorted clippings I set aside for later.

This pile goes quickly, because by the time I get around to it, these pieces are either outdated or I've forgotten why I found them interesting in the first place.

That wasn’t the case with the recent study I read from the UNC-Chapel Hill School of Media and Journalism. The report, written by school professor Penny Abernathy, lays out the state of newspaper ownership today and what that means for communities across the country.

The title — “The Rise of a New Media Baron and the Emerging Threat of News Deserts” — doesn’t exactly roll off the tongue, but its contents have been rumbling around my head the last week or two.

The report looks at how hundreds of small-town papers have been snapped up over the last few years by private investment groups and newspaper chains, and what that means for the towns those papers serve.

The bottom line here is, well, that the bottom line means more to these newspaper owners than the interests of the communities and the people in them.

In North Carolina, one out of every three newspapers is controlled by an out-of-state chain or private equity group. Moore County is surrounded by these entities. Papers in Sanford, Rockingham, Laurinburg, Lumberton, and Fayetteville all fall into this category, as do papers a bit farther away in Greensboro and Asheboro. The two largest newspapers in the state — in Raleigh and Charlotte — are owned by Sacramento, California-based McClatchy.

Newspaper ownership can seem an esoteric subject of little consequence to you and this community. But look at it this way: Would you rather have a vibrant downtown or blocks of vacant storefronts and a bustling Wal-Mart out by the highway? Do you make it a point to support local businesses or instead frequent corporately owned restaurants and retailers? The comparisons are apt.

The “new media barons” focus only on profit, not reinvestment, and surely not about investment in the greater communities in which they operate. Notice I didn’t say “serve.”

Consider the case of Tarboro, about an hour east of Raleigh. That town, about the size of Southern Pines, has been without a local newspaper since 2014, when Alabama-based private equity firm Community Newspaper Holdings Inc. shut one down rather than try to sell to another owner or neighboring paper.

Its skeleton operation had been cut to the point where it could be cut no further. So no more community news, calendar events, civic group pictures, or high school sports. Not even one place to catch up on the obituaries.

Everything we do at The Pilot — the paper, the magazines, the phone directories, The Country Bookshop — is interrelated, and, in some way, we all play a role in the success of the others.
So what would happen if The Pilot decided to sell all its assets tomorrow to one of these “investors”? Almost right away, many of your friends and neighbors who work here would be laid off, meaning about 25 fewer people working and spending money downtown. A news staff of 12 would be cut in half, and likely more. Same for advertising. Circulation? That’d be handled out of state, so that’s three more layoffs. Same with accounting.

As for other pieces of our business: The magazine division — PineStraw, O.Henry, Salt and Business North Carolina — would likely be sold off and those jobs relocated. Moore and Lee County Telephone Directory would be put up for sale and its staff slashed. And The Country Bookshop? The same, and who knows if a new buyer could make a go of the shop, since The Pilot handles its bookkeeping and promotion.

As for the downtown block of Pennsylvania Avenue between Broad and Bennett streets The Pilot owns, well, that’s prime property. The Pilot’s offices under a new owner would likely be moved to a little out-of-the-way office building, and the downtown properties would be put up for sale, dropping 16,000 square feet of vacant office space on an already saturated market.

For The Pilot’s new owner, all these changes would bring an incredible return on its investment. It could likely recoup its cost within two years or less. You can see why these little-town newspapers are so sought after.

Gauge the energy level of the people. Then come see us and talk to some of those we’ve hired from there.

Folks in those communities regularly call us, asking about us buying their local paper and doing for them what The Pilot does here. One of those calls came last week. They’re tired of a 12-page paper devoid of local news, and they look at our 40-page all-local product with envy.

The Pilot has no intention of leaving Moore County a news desert. In the past couple of years, we have invested hundreds of thousands of dollars in new staff, new technology, new initiatives like The Sway and First Flight Digital, and new acquisitions like Business North Carolina. Virtually every day, Publisher David Woronoff and I talk about other possible ventures or investments in this community.

We, like you, are here because we’ve recognized the specialness of this community. Visitors are surprised by the vibrancy of our towns, the quality of our restaurants, the challenge of our golf courses, the beauty of our landscapes. They want to return. They want to live here. We are the overwhelming choice for young military couples and families.

Since our early days in Vass 97 years ago to our storied local ownership over the decades, The Pilot has been unwavering in its commitment to the Sandhills. That commitment extends far beyond what you find in the pages of a newspaper or website or Facebook page.

We remain faithful to being that oasis in the news desert.
In the fall of 2016, local newspapers in eastern North Carolina scrambled to cover two major stories: the upcoming November 8 elections, which had important down-ballot state and local races, and the damage caused by historic flooding in the wake of Hurricane Matthew, which hit the state exactly one month earlier, on October 8. The following two articles explore how five local papers in the region covered both events.

Two of the papers are family-owned and operated: The Pilot in Southern Pines and The News Reporter in Whiteville. Both are published twice weekly, with circulations of less than 15,000. Both have received national awards for their journalism; with the News Reporter receiving the Pulitzer Public Service award in 1953 for its courageous stand against the Ku Klux Klan.

The other three papers are owned by recently formed investment groups. The Fayetteville Observer, the state’s oldest continuously published daily paper, was recently purchased by New Media/GateHouse from a family that had owned the paper for four generations. GateHouse is owned and operated by Fortress Investment Group, which manages more than $70 billion in assets, including private railroads, golf courses and real estate.
The other two papers – the Robesonian and The Laurinburg Exchange – are part of the Civitas Media chain of 90 newspapers, which are mostly located in small, economically distressed communities in the South and Midwest. Civitas Media is owned by Versa Capital Management, a private equity firm based in Philadelphia. According to Versa’s website, it focuses on buying “distressed properties.” In a 2012 Wall Street Journal article Michael Bush, then-CEO of Civitas Media, said that newspapers in smaller communities were better positioned to be economically successful because they had lower fixed labor and manufacturing costs and fewer competitors than metro newspapers. The Robesonian and Exchange fit the typical profile of Civitas papers.

Research has shown that local newspapers have historically set the agenda for debate of major policy issues in their own communities. How residents of communities where these five newspapers are located respond to both the 2016 election and Hurricane Matthew could determine the quality of life they will experience in future years. The next two articles analyze and compare the coverage of these two major events by the independently owned newspapers and those owned by investment firms.

### SUMMARY OF NEWSPAPERS

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<tr>
<th>Newspaper</th>
<th>City, County</th>
<th>Owner</th>
<th>Freq.</th>
<th>Circ.</th>
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<td>10,635</td>
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<td>24.3% (17)</td>
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*Excludes Sports editors and writers
- White
- Black
- American Indian
- Hispanic
- Other
The November 2016 election followed one of the most contentious campaign seasons in recent memory. As a “purple” swing state, North Carolina was considered pivotal in the presidential election. Both Hillary Clinton and Donald Trump visited the state over 10 times. The race for governor was one of the closest in the nation, with only 10,000 votes separating Roy Cooper and incumbent Pat McCrory after 4.7 million ballots had been cast.

As most of the national and regional press was closely following the executive races, North Carolinians were also going to the polls to choose hundreds of state legislators, county commissioners, county school board members, judges, and other locally elected officials. While voters could find an endless stream of information on the presidential election, small community papers are often the only source they have for substantive, in-depth coverage of local elections.

With the stakes so high, this election offered a useful test of how different types of newspaper ownership affect campaign coverage. A 2016 report by the Center for Innovation and Sustainability in Local Media documented the rise of a new type of newspaper owner – private equity funds, hedge funds and other newly formed investment partnerships – that had purchased hundreds of papers over the past decade. By 2016, these investment entities owned more than 1,000 papers nationwide. This includes 40 of North Carolina’s 185 papers.

This follow-up report uses case studies to investigate how these ownership changes affected coverage of local elections. The analysis, which reviewed 40 days of reporting leading up to the November 2016 election, covers five newspapers in the Cape Fear region of North Carolina:

- Two independent newspapers (The Pilot in Southern Pines and The News Reporter in Whiteville);
- Two newspapers owned by Civitas Media, an investment company (The Robesonian in Lumberton and The Laurinburg Exchange);
- One formerly independent newspaper that was acquired by the investment-owned New Media/GateHouse in August 2016 (The Fayetteville Observer).

As readership, revenues, and newsroom staffs have declined across the industry, many newspapers have relied primarily on cost-cutting to meet profit expectations. As a result, newsroom and editorial staffs declined by 40 percent between 2005 and 2006. This has left many smaller newspapers struggling to be aggressive watchdogs in their communities, some of the country’s most vulnerable. In turn, the larger regional newspapers have also pulled back from outlying rural communities, further diminishing the oversight of major issues that could affect entire regions.

At the same time, many independent, locally owned newspapers, which have also been suffering from declining revenue, have demonstrated their commitment to their communities. To varying degrees of success, these papers have sought ways to increase revenue while maintaining their traditional level of in-depth reporting and strong editorial voice.

Clear Trends Emerged From the Analysis:

- The Fayetteville Observer confined its coverage to national races and local elections with jurisdiction over Cumberland County and did not cover local elections outside its home county in great depth.
- The two independently owned newspapers, The Pilot and The News Reporter, tended to cover local races in greater detail than their investment-owned peers, dedicating more space to staff-written articles about state and local elections. They also published candidate coverage earlier than the other papers, helping prepare early voters.
- The Robesonian and The Laurinburg Exchange both relied heavily on wire service reports, which included significant national coverage, to fill their pages.
• Only one of the newspapers – the independently owned Pilot – endorsed candidates in local elections.

The Cape Fear Region

The Fayetteville Observer has traditionally sought to serve the entire 10-county Cape Fear region, which includes Columbus, Moore, Robeson and Scotland counties, home of The News Reporter, The Pilot, The Robesonian, and The Laurinburg Exchange, respectively. Much of this region is economically and socially vulnerable, suffering from high poverty rates, subpar public school education and poor health outcomes. Robeson and Scotland counties have the highest poverty rates in the state. Few schools in Columbus, Robeson, and Scotland counties scored higher than a “C” on their school report cards. Additionally, these three counties were among the least-healthy counties in the state in 2015, with high rates of obesity, diabetes and heart disease.

Cumberland, Robeson, and Scotland are all majority-minority, which means they have more nonwhite residents than white residents. Only 11 percent of the nation’s counties fit into that category in 2013. In Robeson County, four out of every 10 people identify as American Indian.

These challenges and characteristics make the civic role of the community newspaper even more critical. Newspapers, which have long enjoyed strong profit margins, have traditionally worked to foster a well-informed electorate and to provide accountability for legislators. But growing financial hardships in the newspaper industry have depressed profits and coverage alike.

Many metro newspapers have been forced to focus their coverage closer to home at the expense of the outlying areas, and The Fayetteville Observer is no exception. Newsroom staff was already shrinking before its sale to New Media/Gatehouse in August. As a result, coverage of the Cape Fear region has shrunk.

Charles Broadwell, the former local owner and publisher of The Fayetteville Observer, said, “We never wanted to pull back too much on those folks, so we kept delivering The Observer, but at the same time with the recession, all the changes in our industry, we did have to cut staff. ... Our journalistic numbers had to come down so we could stay profitable, and, unfortunately, that meant fewer boots on the ground. Our ability to get to some of those outlying counties, if you will, it was tough.”

Shortly after acquiring the paper, New Media/GateHouse offered companywide employee buyouts. The Fayetteville Observer declined to say how many staff members accepted the offer, saying only that it was a "small number of people in the newsroom." Long-time prep sports writer Earl Vaughan Jr. was one of those reporters – he had been with the paper for 44 years and tweeted on September 8 that he had accepted a buyout offer. According to its website, the paper now has about 20 non-sports newsroom staff members.

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*Excludes editorials and articles not written by staff members.
Before the sale to New Media/Gatehouse, the Observer published stories about layoffs or major buy-outs. For example, an article from March 2015 announced a new round of layoffs and noted that the paper had eliminated about 130 jobs since 2007, including an unspecified number of newsroom employees – a 30 percent decline.

All of these cutbacks have diminished the paper’s abilities to cover outlying areas in the Cape Fear region. Most concerning are those counties that constitute some of the state’s poorest areas, already contending with weakened newspapers of their own. As Broadwell notes, “What worries you is that we have fewer boots on the ground … smaller, local papers around us, many of them have been hammered even harder than The Observer has.”

Similarly, The News & Observer in Raleigh, the state capital, has been forced to reduce its coverage of areas outside its home territory. Historically, the paper has been instrumental in coverage of statewide policy issues, including its Pulitzer Prize-winning reporting on the rising environmental costs of hog farms in eastern North Carolina in the mid-1990s. However, since 2000, the total newspaper staff has declined from about 1,200 full-time-equivalent employees to just 350 in April of 2016, greatly constricting the paper’s ability to cover eastern North Carolina.

Dan Barkin, managing editor of The News & Observer, noted that the paper has not employed a full-time reporter in Eastern North Carolina in the past decade and that the paper’s “focus on Eastern NC shifted years ago to a focus on the Triangle – particularly Wake County.”

Barkin also cited limited resources at smaller local newspapers as a threat to investigative journalism. Local papers “try to do a good job within their resource constraints,” he said, “but there isn’t any of what I would call watchdog or accountability reporting. When this is absent, local government officials operate in a different environment than their counterparts in urban areas, and so – without anyone really looking over their shoulders, looking at records, available to follow up tips – they can fall into bad habits.”

### The Value of Local Newspapers in Local Elections

The media’s influence on elections is a point of great contention among journalists, researchers, and policymakers. The rise of “fake news” and alternative news sources that have been able to quickly find national audiences through social media have many worried that the waning influence of newspapers will decline even more rapidly.

Newspapers have three main levers for informing their electorate and shaping the debate: (1) regular coverage of candidates, (2) question-and-answer (Q&A) features that provide a forum for candidates to offer their positions on issues, and (3) editorial endorsements to help voters in their candidate selection, especially in elections where voters have little information on specific policies, offices, or candidates (e.g. judges).

According to a recent Nielsen Scarborough study, despite changing readership habits, newspapers still reach 69 percent of the U.S. population each month. For community papers, political coverage of local elections is especially salient. A wealth of information is available to readers, from a number of sources, such as metro papers, on gubernatorial and other state races. However, little information is readily available to voters on local races. The local newspaper is usually the only one covering the election of officials like city council members, county commissioners, district judges, and state representatives. Metro newspapers, especially as newsroom cutbacks occur, have minimal capacity to cover candidates outside their central areas of readership. For example, The Fayetteville Observer limited its candidate Q&A’s to districts that were at least partly located in Cumberland County, and The News & Observer had minimal coverage of races outside its delivery area in the Raleigh-Durham-Chapel Hill area.

Only one of the newspapers in the analysis – The Pilot – published candidate endorsements, which follows a national trend of newspapers abandoning the practice of writing endorsements. This shift sometimes comes at the behest of their absentee parent companies. Halifax Media Group, for instance, which was acquired by New Media/GateHouse in 2014, had adopted a no-endorsement policy for all of its publications.
When The Press Democrat in Santa Rosa, California, was sold by Halifax to local owners in 2012, the paper quickly resumed writing editorials. Publisher Bruce Kyse wrote, “It seems incongruous to us that the one time a newspaper would not offer its opinion is when it comes to making the most important decision a community makes together — choosing elected leaders.”

The reasons for deciding not to publish endorsements may vary. A large chain may, for example, want to maintain independence or avoid alienating readers who disagree with the paper’s views. But shrinking resources may also be to blame. David Haynes, editorial page editor at the Milwaukee Journal Sentinel, which no longer endorses candidates, told the Columbia Journalism Review that filling the information void at the local level would be difficult. “Unfortunately, I don’t think I can fix it with endorsement editorials. I don’t have staffing for the broad-brush editorials we once did.”

Endorsements require significant research and consideration. David Woronoff, part-owner and publisher of The Pilot, said that before endorsing, the editorial board meets with each of the candidates and solicits input from experts in the field. Similarly, Kyse said the Santa Rosa paper spent 45 minutes to an hour with each candidate before making an endorsement. Woronoff firmly believes that endorsements are an important way his paper can be a resource for its community, noting that the paper’s leadership and staff “believe, to our core, that we exist to serve our community. Too many media companies today have that reversed, and they think the community exists to provide them a living, and that has been the Wall Street corporate ownership of our newspapers.”

Early Voting and the Need for Early Information

As more voters go to the polls earlier, newspapers must adjust their coverage to accommodate their readers’ need for timely information (e.g. earlier endorsements). In the 2012 election, about a third of all U.S. votes were cast before Election Day, and the number of early voters more than doubled in North Carolina between 2004 and 2012. In some counties, as many as two out of three voters had already voted before Election Day 2016. However, many newspapers have been slow to react.

When newspapers wait until late into the election season to publish Q&A’s with candidates, as they mostly did in our analysis, many voters go to the polls without the independent background research and analysis the paper offers. The Pilot is the only paper in the analysis that published all of its Q&A’s before the start of early voting. The News Reporter, the other independent newspaper, published the last of its Q&A’s on October 31, which was earlier than all three of the investment-owned newspapers. The Laurinburg Exchange, for example, published its final Q&A on election day, when two-thirds of the county’s votes had already been cast. Donnie Douglas, editor of The Robesonian, said, “Early voting has changed the whole thing. … We’ve always done it this way, and we haven’t adjusted yet to the early voting.”

The flooding that devastated much of eastern North Carolina in the wake of Hurricane Matthew made it difficult for three of the newspapers in this analysis to track campaigns and to provide detailed candidate Q&A’s in a timely manner. The storm hit the state on October 8, exactly one month before Election Day and only 12 days before the start of early voting. Lumberton was already suffering from mild flooding due to severe storms that had hit the area before Matthew’s arrival, and it took two weeks for the floodwaters to subside once the storm had passed. Areas of Fayetteville and Whiteville were also flooded by the storms, stretching their reporting staffs thin as they tried to cover both the disaster and the election simultaneously.

In response to a reader’s question that asked if The Fayetteville Observer could publish its election guide earlier, Alan Wooten, an editor, wrote, ”for the most part, the Observer prints the voter guide near the beginning of early voting. This year, it was pushed back a week because of our responsibilities covering Hurricane Matthew.” Similarly, Les High of The News Reporter also attributed his paper’s late coverage, at least in part, to the flooding.

The importance of early voting in North Carolina was compounded by efforts to require voter identification and restrict early voting. In July, a federal appeals court struck down a state law that required photo identification in order to
be eligible to vote and reduced the number of early voting days to 10 from 17, among other things. The court said the bill, “targets African-Americans with almost surgical precision.” Even after the ruling, county boards of election, which were all controlled by Republicans, still sought, to limit early voting as much as possible during the 2016 election. The North Carolina Republican Party sent suggestions on how best to limit early voting. Dallas Woodhouse, the North Carolina Republican Party’s executive director, wrote in an email, “Republicans can and should make party line changes to early voting.” Suggestions in his email included limiting the number of polling sites, eliminating Sunday voting, and closing college campus voting sites. A GOP press release on November 6 found the decline in early voting among African-Americans, and the increase in white early voters, to be “encouraging.”

The Cape Fear region was at the center of this effort: Scotland and Columbus counties both kept early voting sites closed on Saturdays and Sundays while Moore County kept its precincts closed only on Sundays. Additionally, Moore and Cumberland counties were found in a lawsuit brought by the NAACP to be illegally purging names from the voter rolls. When covering the ruling, both The Pilot and The Fayetteville Observer relied on reports from non-staff sources, The News & Observer and The Associated Press, respectively.

### The Independents: The News Reporter and The Pilot

The two independently owned newspapers in our analysis demonstrated their commitment to their communities by covering local elections in great depth, publishing Q&A’s earlier and using their editorial voices to set the agenda.

The two newspapers are located in distinct communities. Columbus County, home of The News Reporter, has a significantly higher poverty rate, with one in four people living below the poverty line while Moore County, home of The Pilot, has a poverty rate in line with the U.S. average (15.5 percent). Columbus County is largely composed of farmland, factory sites, and swamps. Moore County, on the other hand, is filled with golf courses, horse stables, and retirement communities, in addition to its rural farming areas. The Pilot also has about twice as many newsroom staff members as The News Reporter.
Both papers, however, share an important characteristic: They have owners who live in their respective towns. As David Woronoff, the part-owner and publisher of The Pilot, noted, “Twenty years ago when the newspaper came out, there were 15 people lined up outside my door, either mad about something we had written, mad about something we hadn’t written, or happy about something we had done.” While he noted that community members might not have the same passion for the newspaper that they did two decades ago, his door remains open to readers.

Les High, who currently serves as The News Reporter’s editor, has emphasized the importance of maintaining its semi-weekly printing. He said that cutting production to one day per week “was drastic and would disrupt loyal reader habits. So, I only want to do that as a last resort.”

These quotes stand in stark contrast to comments from Michael Reed, CEO of New Media/GateHouse, after the company sold two newspapers in Nebraska: “[W]e did not see the Grand Island operation as a good strategic or geographic fit, and felt we could redeploy the capital more effectively elsewhere.” He goes on to say that the company never intended to hold on to the newspaper, “It was always our intention when we recently acquired several properties from Morris Communications to dispose of the Yankton [SD] operation.”

The Pilot and The News Reporter both publish two times a week – less frequently than the three investment-owned newspapers in this analysis, which publish five, six, and seven times a week. As a result, the independent papers rely on their own staff writers to fill their pages, not on wire services.

The News Reporter received the Pulitzer Prize’s coveted Public Service award in 1953 for its coverage of and editorials on Ku Klux Klan activities in Columbus County. The High family has been running the paper since Jim High took over in 1958 after the death of his father-in-law. Les High, Jim’s son, said they had the opportunity to sell the paper, but rejected “a nice offer we got to sell out to a chain in the 1980s. I think we made the right decision.”

The Pilot, which recently won awards from the National Newspaper Association for its editorials, published its editorial endorsements and Q&A’s before the start of early voting on October 20. Woronoff said the editorial staff interviewed each of the candidates and talked with experts in the field before making recommendations. It endorsed a total of 20 races, ranging from statewide offices like governor, down to local Board of Education members. The paper also wrote the longest election-related stories, on average, of any of the papers in the analysis.

When speaking about his paper’s campaign coverage, Woronoff said, “I feel like any subscriber to The Pilot, when they walk into the voting booth, they ought to know every candidate just by virtue of reading the newspaper, and I take it as an affront if we don’t uphold that bargain.”

The News Reporter wrote the next longest election-related stories and, despite being heavily affected by flooding, published its candidate Q&A’s before the other three papers in the analysis. However, nearly a third of voters in Columbus County had already cast their ballots by the time the final Q&A was published. Les High said that the paper “would have tried to have done that earlier, but due to the storm and some unexpected health emergencies,” it was unable to print the Q&A’s before early voting began.

Though the paper did not endorse any candidates, it wrote three editorials on the election. The first appeared on October 31 and called for civility during a tumultuous election. The second, published the day before the election, encouraged voters to exercise their civic right and duty. The third, printed two days after the election, wrote about the rural-urban divide in North Carolina that helped propel Trump to victory and called on leaders in Raleigh and Washington to listen to the needs of rural counties, like Columbus, to help foster equitable growth for all of America.

**The Fayetteville Observer**

Cumberland County is home to Fort Bragg, the world's largest military base, which serves more than 50,000 active-duty soldiers and their families in addition to a large network of contractors and a significant population of military retirees. The base’s presence has
bolstered the economy and created a diverse community. Given the importance of federal government policies, The Fayetteville Observer has robust coverage of national politics – it is the only one of the five papers that dedicated significant staff resources to covering federal elections.

Managing editor Matt Leclercq noted, “We look at world news a little differently than most other papers our size because of what’s happening around the world can directly affect our community.”

Until its sale to New Media/GateHouse, the Observer had been owned by the same family for four generations until this past summer. The family worked hard to find a way to keep the paper independent and profitable, but ultimately, the pressures mounted and Broadwell, the paper’s former owner and publisher, decided to sell. “You can imagine the decision to sell. I was a fourth-generation member of the family and the only one working there at the time. [It] was painful,” Broadwell said. “A consultant came in … and said, ‘Publishing a newspaper these days is not for the faint of heart.’”

It takes time for a new owner to fully implement its operational strategy, and New Media/GateHouse had only owned the Observer for a couple of months before the election. So, in many ways, The Fayetteville Observer covered the election as it had in recent years. It was the most prolific of the five newspapers in this analysis, publishing the most staff-written articles about the campaign and roughly three times as many staff-written stories as wire service stories. Given that it is the only paper that prints seven days a week and has more than double the staff of the next-largest newsroom, its ability to cover more is not surprising. The paper also had the most robust online resources for voters and provided a list of candidates in all contested races in the Cape Fear region. However, given the cutback in regional reporting that had occurred before the sale to New Media/GateHouse, the Observer only had significant detail on races in Cumberland County. Voters in Columbus, Moore, Robeson, and Scotland counties needed to rely on local newspapers for detailed information on their local races.

The Robesonian and The Laurinburg Exchange

Under ownership and management by the investment firm, Civitas, both the Robesonian and The Laurinburg Exchange in Robeson and Scotland Counties, have experienced several rounds of cost cutting in recent years. Today, the two newspapers have thinly staffed newsrooms that rely heavily on wire service reports. The Robesonian has 4.5 full-time-equivalent non-sports newsroom staff members while The Laurinburg Exchange has just 2.5. Despite the small staffs, the Robesonian prints six days a week. The Exchange publishes five days a week.

The Robesonian published nearly five times as many wire service reports on election-related topics than it did staff-written articles, with most wire reports having a national focus. The Laurinburg Exchange also published more wire service reports on the election than staff-written pieces.

The Robesonian, like The Fayetteville Observer and The News Reporter, was heavily affected by the flooding that came in the wake of Hurricane Matthew. Lumberton, the home of the paper, was flooded for weeks after the storm, and the paper’s offices were rendered unusable. According to the paper’s editor, Donnie Douglas, while the flooding made it difficult to cover Matthew’s wake, it had minimal impact on its coverage of local campaigns.

The staff has been steadily shrinking in recent years – it now has about a third of the 18 newsroom staff members it had in 1996 – and Douglas attributes its relatively shallow coverage of local races to this decline. “If you really want to dig deep, you’re not going to get it from us. You’re going to have to do that yourself,” he said. “I think it’s really a staffing thing. We’re in a perpetual position of trying to fill the paper.”

The Robesonian published few staff-written articles on the election until the week starting October 24. The Laurinburg Exchange, which is located in an area that escaped Matthew relatively unscathed, was able to start covering the campaigns earlier. However, neither paper published a candidate Q&A until 40 percent of voters in each county had already cast their votes.
The Laurinburg Exchange published a single unsigned editorial on the election on October 25, when the paper urged its readers to exercise their right to vote. Instead of focusing on important local elections, the Exchange referenced the state and federal elections, writing, “We hope voters will take the time to cast those ballots. It’s important to do so every time elections roll around, but this year, with the presidential and gubernatorial races and a hotly contested U.S. Senate race, that makes voting imperative.”

The Robesonian wrote three unsigned editorials on the election – the first praised Governor McCrory’s response to the flooding and wondered if it might help him defeat Roy Cooper in his re-election bid. The second editorial, published two days before the election, was titled, “Sorry choices heighten need to cast a ballot.” In an effort to encourage readers to vote, the editorial wrote about the shortcomings of both presidential candidates that made them unfit for the office. The final editorial, published the day after the election, was written before the outcome was known, but called for unity in the wake of the result.

Douglas said the paper has not historically endorsed candidates and has not done so during his time with the paper, which he joined in 1996.

**Conclusion**

Even before the sale, The Fayetteville Observer had been forced to cut back its reporting of the ten counties in the Cape Fear Region, and concentrate on covering issues related to Cumberland County and Ft. Bragg. This has put greater pressure on the local community newspapers in the region, which are also under financial strain, to cover local issues and elections. In this analysis, the two independently owned newspapers – the Pilot and the News Reporter – covered local races in greater detail than their investment-owned peers – the Robesonian and The Laurinburg Exchange. They not only dedicated more space to staff-written articles about state and local elections, but they also used the editorials to voice opinions on the race.

*Research Specialist Cody Allen contributed to this article.*
Hurricane Matthew hit eastern North Carolina on Saturday, October 8, with an unexpected ferocity, dumping as much as a foot of rain on the region and leaving reporters scrambling to cover widespread damage. In the days after the storm, the weather was beautiful – moderate temperatures and plenty of sun – which made the flooding seem even more surreal. A natural disaster was unfolding under clear skies.

The staff of the locally owned News Reporter in Whiteville, a small town in southeastern North Carolina, had to react quickly to cover the effects of the storm. Les High, the paper’s editor, had begun the weekend visiting his daughters at the University of North Carolina in Chapel Hill, 145 miles away. As he attempted to travel back home on Saturday, he soon discovered the roads east were flooded, so he returned to his hotel room and began assigning stories. When he finally made it home to Whiteville Sunday night, he found a staff that was determined to meet its Monday deadline.

One of the paper’s reporters had 14 inches of water in his house, but he managed to write more than 1,000 words on the storm, as well as his weekly column. Others had to make their way around flooded roads to get to the paper’s makeshift newsroom – High’s generator-powered home. The small team worked through the night so they could electronically deliver their newspaper on Monday morning to The Fayetteville Observer, which had agreed to print the edition. The copies of Monday’s paper were driven from Fayetteville to Whiteville in a rented truck late that afternoon, and the staff began delivering to as many homes as possible. The four journalists on the paper published over a dozen articles related to the storm in the Monday edition, including the first story to appear in any paper or news outlet about Fair Bluff, a community of 1,000 in southern Columbus County. By Monday, the entire downtown area of that picturesque community, which dated back to the early 19th century, was submerged under the waters of the swollen Lumber River.

The Cape Fear Region: Coping with and Covering a Disaster

Recovery from a disaster such as Matthew is slow and multifaceted, requiring significant coordination among municipal and county governments, state departments, and federal agencies. Water systems were badly corrupted, schools were closed, roads were destroyed, livestock and crop damage was extensive, and thousands were displaced from their homes.

In all, flooding caused by Hurricane Matthew produced an estimated $1.5 billion in damage to over 100,000 homes, businesses, and government buildings and caused more than two dozen deaths in eastern North Carolina. National news organizations – such as NBC and The New York Times – rushed in to cover the disaster. But community newspapers in the region were on the front lines and were the first to arrive on the scene.

Much of the Cape Fear region is economically vulnerable, suffering from high poverty rates, under-performing public schools, and poor health. In Robeson and Scotland counties, for example, one out of three residents lives in poverty. Because of these vulnerabilities, the local newspaper is the primary source of news and information in many of the communities in eastern North Carolina. Through the stories their editors choose to cover and the editorials they write, local papers can provide an historical record of events, as well as a roadmap to recovery, during times of disaster.

This article explores how five area newspapers dealt with the challenge of documenting the aftermath of Hurricane Matthew. This analysis covers the five papers profiled in the previous article on the 2016 elections: two independent newspapers (The News Reporter in Whiteville and The Pilot in Southern Pines); and three papers owned by investment firms (The Robesonian in Lumerton and The Laurinburg Exchange, owned by Civitas) and The Fayetteville Observer (a previously independent paper purchased by New Media/Gatehouse in August 2016.) Data for this analysis was collected over six weeks, from October 1st-November 10th 2016.
The challenges differed from county-to-county, depending on the severity of the flooding and local circumstances. The hardest hit areas included Robeson County (home of the Robesonian) and Columbus County (home of the Whiteville News Reporter), both of which faced historic flooding of towns and communities along the Lumber River. The Cape Fear Rivers also flooded in Cumberland (home of the Observer). Both Cumberland and Moore County (home of the Pilot) dealt with the week-long threat of a dam collapsing on a lake that bordered the two counties. Flooding was least severe in Scotland County (home of The Laurinburg Exchange).

The analysis of coverage in these papers revealed the following:

**Number of stories published:** The Observer published the most staff-written stories on flood-related topics – twice as many as The News Reporter and The Robesonian. This perhaps is not surprising, given that The Fayetteville Observer is the only paper in the area that publishes seven days a week and tries to cover major news events in the 10 counties that comprise the Cape Fear region, which includes Robeson and Columbus counties. It also has more than three times as many newsroom staff members as the other two smaller community papers. The News Reporter and The Robesonian each published the same number of staff-written articles on the flooding, even though the News Reporter is printed only twice weekly compared with the Robesonian, which publishes six times a week.

**Length of stories:** The News Reporter wrote articles that provided the greatest in-depth coverage. Twelve of the 20 longest staff-written stories by word count appeared in the News Reporter. The Fayetteville Observer published five of the longest stories and The Pilot published the other three long articles. The News Reporter and the Pilot had the most average words per flood-related story. Stories in the other three newspapers were considerably shorter.

**Editorials:** While the Observer, News Reporter, and Pilot all published editorials that called for specific actions or policies, the editorials in Robesonian generically called for additional resources to help with the recovery, without prioritizing what was most urgently needed. (There were no editorials on the hurricane aftermath in the Exchange.) The Observer editorials focused on issues that required specific policy action, including one on the dangers of crumbling infrastructure, such as dams, and another on funding recovery with money from the state’s rainy day fund. The News Reporter wrote an editorial documenting long-term drainage issues and another highlighted the need to restructure federal disaster relief to small businesses. The Pilot editorials focused on past failures to secure the ailing Woodlake Dam that threatened to collapse and flood parts of Moore and Cumberland Counties.

**The Digital Editions:** All three of the papers in the most heavily impacted counties relied on digital media to keep residents up-to-date. “The tools that we have at our disposal to report are completely different from what we had (recently) – social media, videos, a more engaging mobile site,” said Matt Leclerq, managing editor of the Observer. The Robesonian was constantly updating its website, as well as its Facebook account. Les High, editor of the News Reporter, said, “We’ve gotten as much positive feedback from both subscribers and nonsubscribers for what we did digitally as we did for what we did in print.”

**The Independent Papers**

The two independently owned newspapers in our analysis – the News Reporter and The Pilot – covered local flooding in great depth and used their editorial voices to press an agenda for moving forward on major policy and funding issues.

The two newspapers cover very different communities. In Columbus County, home of the News Reporter, one in four residents lives below the poverty line. In contrast, in Moore County, home of the Pilot, only 15 percent of residents live in poverty – a rate that is comparable to the U.S. average. Moore County is known for its golf courses, horse stables and retirement communities. The Pilot has twice as many newsroom staff members – eight – as the News Reporter.

The owners of both papers live in their respective communities. “We believe, to our core, that we exist to serve our community,” said David Woronoff, part-owner and publisher of the Pilot.
Local Journalism in the Aftermath of Hurricane Matthew

STAFF-WRITTEN ARTICLES COVERING HURRICANE MATTHEW

Too many media companies today have that reversed, and they think the community exists to provide them a living, and that has been the Wall Street corporate ownership of our newspapers.”

The Pilot and The News Reporter both publish two times a week – less frequently than the three investment-owned newspapers in this analysis, which publish five, six, and seven times a week. As a result, the independent papers rely on their own staff writers to fill their pages, not on the wire services. Publishing less frequently also allowed the reporters to write longer, more in-depth stories about the hurricane.

The extensive coverage of Hurricane Matthew provided by the News Reporter is emblematic of the commitment the paper makes to being the most comprehensive and credible source of news and information about Columbus County. For example, the flooding in Fair Bluff, a town about 20 miles west of Whiteville, received sparse coverage in the Fayetteville Observer, which relied on a correspondent from the Tabor-Loris Tribune to report on the situation. In contrast, the News Reporter provided staff-written articles on Fair Bluff in all its editions throughout October and into November.

It also used its editorial page to address specific policy concerns. One editorial cited the travails of small businesses seeking assistance and advocated for changes in how FEMA (the Federal Emergency Management Agency) supports them.

Another editorial argued that local and state agencies needed to work together to address long-term drainage issues in Columbus County that would prevent significant flooding in the future.

Although Moore County suffered minimal damage from the storm, The Pilot wrote a number of articles on the Woodlake Dam, which was in danger of being breached as the lake rose. The news stories provided continuous updates on the dam’s status, as well as in-depth context and history on the need for longstanding need for repairs. A Pilot editorial chastised the dam’s owners for inaction.

The Investment-Owned Papers

Two of the three investment-owned papers – the Observer and the Robesonian – devoted considerable space and staff to covering the flooding disaster. But the stories in these two papers tended to be less in-depth – and provide less context – than the stories that appeared in the independently owned Pilot and News Reporter. (Scotland County was least affected by the flooding. Most of the stories in the Laurinburg Exchange focused on widespread power outages and wind damage.)

Fayetteville experienced significant flooding, but the Cape Fear River receded more quickly than rivers in other parts of eastern North Carolina. The Cape Fear River was at flood stage for six
days compared with the Lumber River in Robeson County, which overflowed its banks for more than two weeks. The Observer published stories on the flooding in Robeson County and other parts of the Cape Fear region, and the potential breach of the Woodlake Dam in Moore County. However, the majority of its reporting focused on the damage and recovery efforts in Cumberland County. Editorials in the Observer focused on the need to prevent future floods in the Cape Fear region and on funding relief efforts for distressed communities, such as Lumberton in Robeson County.

The Robesonian and its staff faced the greatest challenges. Several staff members were displaced by the flooding and forced to live in shelters. The newspaper’s offices were destroyed and out of commission. Travel was severely limited with the downtown area of Lumberton under water for more than a week. “We were challenged by [the flooding] – I think we responded very well,” said Donnie Douglas, editor of the Robesonian.

Both the Robesonian and the News Reporter have four full-time journalists. Both papers faced similar hardships, including loss of their offices and their printing presses. They published the same number of staff-written stories on the flooding. But the stories in the Robesonian, which is published six times a week, were much shorter than those in the twice weekly News Reporter and tended to focus on specific events or personal stories of hardship and compassion, instead of providing analysis or context to the larger recovery challenges.

Asked if his paper would have been able to cover the storm’s aftermath in greater depth with more staff, Douglas said, “I think so – we still haven’t told the story about people getting in boats and rescuing folks.” He continued, “Right now, I struggle to put out the paper every day.”

In an editorial published on October 19, nine days after the storm hit, the Robesonian acknowledged that it had been struggling to report on much beyond the immediate effects of the storm:

The worst of Hurricane Matthew has brought out the best in many of us. We have been solicited many times to tell the stories of compassion, generosity, even bravery, as local residents have taken care of each other, pushing aside the petty things that separate us, such as race and economic status. As a newspaper, we have struggled to tell those stories, overwhelmed by much that has conspired against our ability to report the news — a newsroom that still is not full staff, the loss of our building, our press temporarily disabled and, immediately following the storm, the loss of internet and power that made (sic) restricted the delivery of news to robesonian.com and social media.”

Conclusion

A story in The New York Times on October 12, 2016 described the devastation along the “lovingly maintained main drag” of Fair Bluff. There was waist-high water on Main Street. “Most of the awnings and street lamps were eerily intact, even as merchandise and storm debris floated through businesses like the Ellis Meares and Son hardware store and community pillars like town hall.”

The flood waters have long since receded. But the citizens of Fair Bluff, like residents of many other communities in eastern North Carolina, are still dealing with the consequences of Hurricane Matthew. Mold damage caused by the flood waters has rendered all the homes and businesses in downtown Fair Bluff and along the Lumber River uninhabitable. Residents wonder whether they should rebuild or abandon their once picturesque downtown and move to higher ground.

The national, state and regional news organizations that covered the flooding have moved on, in pursuit of major stories in other parts of the country. But the Whiteville News Reporter continues its vigil, chronicling the day-to-day lives of the citizens of Fair Bluff while also providing information and data that will help residents make difficult decisions about the fate of that community.

Research Specialist Cody Allen contributed to this article.
Summary

How much time do regional television newscasts devote to coverage of local and state government, as well as public policy issues such as education, health and the environment? This study, which analyzed the content of news shows on three major television stations in central North Carolina during one week in May 2014, found that more than half of all the segments concerned accidents or weather-related events, crime and courts, sports and “soft” features. Only 15 percent were devoted to coverage of local or state government actions or issues surrounding education. Almost all of the coverage centered on newsworthy events, issues and people in the three most populated cities in the coverage area – Raleigh (the state capital), Durham (home to Duke University) and Fayetteville (home to Fort Bragg). Fewer than 10 percent of the news segments were about events or issues in the other 19 counties in the broadcast area, many of which are rural and impoverished. Almost all of those stories were human-interest features. All this raises questions of how well regional stations are covering the issues that can affect the quality of life for residents outside the main coverage area.

A Content Analysis of Local TV Reports in North Carolina

This report analyzes the content of local television newscasts in the Raleigh-Durham-Fayetteville1 market during the week of May 10 to May 17, 2014. It was, in many ways, a fairly typical news week, with no major disasters, natural or manmade, on the national or state level. Top national stories in The New York Times and on the NBC Nightly News included the health care crisis in the Department of Veterans Affairs, GM’s recall of its cars for ignition problems, an earthquake that damaged the Washington Monument, and wildfires in California.

Meanwhile, in North Carolina:

- Duke Power had begun dredging coal ash that had spilled into the Dan River and caused environmental concerns downstream.
- American Idol singer Clay Aiken had eked out a Democratic primary victory in the Second Congressional District when his closest opponent died unexpectedly.
- The Fourth Circuit Court of Appeals in Richmond, Virginia, was considering amendments in Virginia and North Carolina that prohibited same-sex marriage.
- The North Carolina legislature was about to convene a “short session” to consider pay raises for public school teachers, a two-year budget shortfall on Medicaid and restoration of incentives to encourage the filming of television shows and movies in the port city of Wilmington.
- The Federal Emergency Management Agency (FEMA) denied federal aid to communities on the coast hit by tornadoes the previous week.
- The chairman of the Joint Chiefs of Staff, Martin Dempsey, had warned of upcoming layoffs at Fort Bragg, while Blue Cross announced it would add 100 jobs in the Fayetteville area.
- President Obama had awarded the Medal of Honor to an Afghanistan War veteran living in Charlotte.

Additionally, in two of the state’s poorest counties on the fringe of the coverage area – Scotland and Robeson – the major story concerned an attempt by state and local law enforcement to crack down on illegal gaming and betting parlors that had suddenly moved into the area. A separate analysis and paper looked at news coverage of that issue in three local papers (in Scotland, Robeson and Cumberland counties) and found that only the regional paper – The Fayetteville Observer in Cumberland County – had consistently and comprehensively covered the issue in both its news and editorial pages.2

Our analysis looked more broadly at what was covered by the three largest regional television stations in eastern North Carolina. The purpose of our analysis was to determine if local television news stations were performing the roles that

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1The Raleigh-Durham-Fayetteville market is a Designated Market Area (DMA) determined by Nielsen Media Research. It was the 25th-largest market in the country at the time the data was collected. Nielsen determines these markets based on the broadcast reach of groups of television stations by county.

2In our analysis, two stories originated from Robeson County, but neither was about the gaming parlors.
mass media have historically performed. Specifically, were they covering issues that helped citizens throughout the coverage area gain critical information that would inform their debate of and decisions about public policy issues that affect the quality of life in their community (McCombs and Shaw, 1972)? This report also examined whether these stations were performing two other community-building roles that local news organizations have historically played: encouraging regional economic growth and fostering a sense of geographic identity (Abernathy, 2014). To determine this, we examined:

1. Where these organizations were focusing their coverage across a market that includes 22 counties in two states and,
2. What type of coverage areas outside the large population centers were receiving.

**Method**

To accomplish those goals, the author contacted a third-party organization that provided video clips of every newscast broadcast in the Raleigh/Durham/Fayetteville market during the selected dates. This proved to be almost 250 newscasts. For purposes of time, the sample was limited to three news stations that produced local television newscasts in the market, WRAL (CBS affiliate), WNCN (NBC affiliate) and WTVD (ABC affiliate). WRAL and WTVD also produce newscasts for WRAZ (FOX affiliate) and WLFL (CW affiliate), but these were not included. Additionally, Time Warner Cable operated a regional cable news channel in the area, but this was eliminated from the sample because of its larger coverage area, which includes the Greensboro and Charlotte metro areas.

Among these three stations, newscasts from each “day part” (morning, evening, and late) were selected. This produced a primary sample consisting of newscasts that aired at 6 a.m., 5 p.m., 6 p.m., 7 p.m. and 11 p.m. Concurrent with the sampling process, the author developed a coding protocol that would divide these newscasts into individual news segments or stories and classify each segment based on the study variables. A research assistant was recruited and trained in applying the protocol. Following standard practice in academic content analysis, a reliability sample of 10 percent of the total sample was selected and coded by both the author and the research assistant (Riffe, Lacy, & Fico, 2013). Using academically accepted formulas for calculating agreement, it was determined that the agreement between the author and research assistant was within acceptable levels. Some clarifications and adjustments were made to the protocol to ensure better agreement, and the rest of the sample was coded separately.

**Findings**

For this study, news segments did not include weathercasts, traffic reports, teases and promotions. Regardless, almost 2,000 individual news segments were coded within the 78 newscasts. It should be noted that each segment is not necessarily a unique story. For example, the lead story at 5 p.m. may also be the lead story at 6 p.m. One anecdotal finding is that a news story is often repeated several times throughout the day, and even several times within the same newscast, especially during morning newscasts. News segments were coded for the following attributes: length, location, topic, format, whether or not it would be considered “accountability journalism,” and whether or not it fit into a type of accountability journalism specified by the Federal Communications Commission (2011) (This included beat story, investigative/enterprise and interpretive).

**Question 1**

Where is local television coverage focused in central North Carolina?

Television news segments don’t necessarily have one location associated with them. So, for the

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3WNCN does not produce a 5p.m. newscast but it is the only station that produces a 7p.m. newscast. Therefore, WNCN’s 7 p.m. show was substituted for a 5 p.m.

4Two newscasts were dropped from the sample because of technical difficulties with the video files. Also, two newscasts were pre-empted by sporting events.

5The aggregate Krippendorff’s Alpha for all variables was .71, an acceptable score.
purposes of this story, the location of the story was determined based on a few factors:

- The location of a reporter if this was a live segment,
- Where the majority of the video was shot, or
- Where the "action" of the story took place.

Local stories were categorized based on county. There were also categories for stories that were local but could not be placed in a particular county, stories that took place in the state of North Carolina but not within the local market, national stories, and international stories. Finally, stories that were about statewide issues or actions, common because Raleigh is the capital of North Carolina, were also placed in the "state" category.

As its name suggests, the Raleigh/Durham/Fayetteville TV market has three main population centers: Raleigh (located in Wake County), Durham (Durham County), and Fayetteville (Cumberland County). Each of the three stations has some sort of permanent physical presence, be it a full studio or bureau, in each of these cities.

**GEOGRAPHIC FOCUS OF COVERAGE**

<table>
<thead>
<tr>
<th>Location</th>
<th>Number of Segments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>76</td>
</tr>
<tr>
<td>State</td>
<td>341</td>
</tr>
<tr>
<td>National</td>
<td>602</td>
</tr>
<tr>
<td>International</td>
<td>103</td>
</tr>
</tbody>
</table>

Therefore, it should not be a surprise that coverage was heavily concentrated in these three counties. Apart from Orange County (home to the University of North Carolina at Chapel Hill), the rest of the market was rarely covered. Only 168 stories – or less than 10 percent of the total – were about people or events in counties other than Wake, Durham and Cumberland.

What some may find surprising is the amount of “national” coverage. It was by far the biggest category, almost more than news coverage of the three largest cities combined. It should be noted that these stories were purely national. If a station “localized” a national story (a common practice in which local angles or sources are used to talk about a national topic), it was coded as “local.”

State government coverage accounted for the largest proportion of “state” stories.

**Question 2**

What kind of coverage are areas outside the major population centers receiving?

While it is important to understand where news organizations are focusing their energies, not all coverage is the same. As stated above, community journalism serves three critical purposes:

- setting the agenda for public policy debate,
- encouraging economic growth and commerce,
- fostering a sense of geographic identity.

To assess how these needs were met by local television news, this analysis looked at news
segments that fall into three topic categories: local government, business/economic and human/community interest.

The chart above illustrates the overall topic agenda for local news coverage in the Raleigh/Durham/Fayetteville market. Accidents/Disasters, which included weather, garnered the most coverage. A small tornado touched down in Durham and Raleigh on May 15. This accounted for a significant number of stories in this category. Next in volume were stories involving either crime or the courts. Roughly 16 percent of all stories focused on government, including actions taken at the national level.

When we just look at the topics covered in counties outside the major population areas, we get a slightly different picture. While a fifth of the stories from the outlying regions were about accidents and weather disasters, 14 percent were about education, compared with only 5 percent in the three major-market counties. This may be explained by the fact that the University of North Carolina at Chapel Hill is located in Orange County, one of the “other counties” in this analysis. In fact, of the 27 education stories located in the “other counties,” two-thirds (66.6%) were located in Orange County. Additionally, a little fewer than half (44%) of those stories involved UNC in some way.

**Setting the Public Policy Agenda**

The vast majority of local government stories, which include city and county government, are located in the three main population centers. Only 7 percent of local government stories are located in one of the other counties in the major markets.

The FCC (2011) mentions the longstanding role of media outlets – especially local newspapers – in providing “accountability reporting.” The FCC defines accountability reporting as “beat reporting, in which a journalist covers the public meetings of local, regional, or state officials; and investigative and interpretive reporting on ‘quality of life’ issues that affect a community,

![LOCAL GOVERNMENT](chart)
ranging from government corruption to environment and health issues.” On a deeper level, accountability journalism is reporting that holds those in power or those that operate in the public realm accountable to the citizens they are supposed to represent.

Similar to the topics above, a small portion of accountability reporting takes place outside the major population centers (16 percent).

**ACCOUNTABILITY JOURNALISM**

Encouraging Economic Growth

Eleven percent of all business/economic stories originated in one of the “other” counties in the market. However, business/economic stories only made up a small fraction of the total topic agenda (3 percent).

**BUSINESS/ECONOMICS**

Fostering a Sense of Geographic Identity

Finally, it would appear that, of the three historical roles performed by local news organizations, local television stations are best at “fostering a sense of geographic community” by highlighting interesting people and events. Nearly twenty percent of all human/community interest stories involved covering events and people outside the major population centers.

**HUMAN/COMMUNITY INTEREST**

Ownership

One unique characteristic of the Raleigh/Durham/Fayetteville television market is that the three television news organizations represent three different ownership categories. WRAL is owned by Capitol Broadcasting Corporation, a locally owned and operated media company that only owns a handful of other media entities in the area, mostly radio stations. WTVD is owned by its network affiliate, ABC, itself a subsidiary of the Walt Disney Company, a multinational media conglomerate. Finally, WNCN is owned by Media General, a media corporation consisting mostly of local television stations – 72 as of August 2014. According to the stations’ websites, WRAL employs 32 on-air news and weather journalists, WTVD employs 29, and WNCN employs 17. Do locally owned organizations produce better journalism, especially with the apparent differences in news staff size?
As indicated by the charts above, there is little difference in topics among the three stations, despite their difference in news staff size and ownership type. In fact, WNCN, which had the smallest staff, produced more local government news than either WRAL or WTVD. It had slightly fewer stories focused on accidents and disasters, and produced a comparable amount of coverage of business/economic stories, as well as human interest features.

In summary, our analysis found that viewers outside the three major counties in the coverage area – Wake, Durham and Cumberland – received very little coverage. Instead, residents of the outlying counties had to rely on other sources – local newspapers, local radio stations, social media, government websites, their neighbors – for information that would help them make critical decisions about policy issues that would affect the quality of life in their communities. This study did not analyze which local news sources residents primarily relied on, or how “healthy” and “diverse” the news ecosystems in those outlying communities were. What seems apparent from our analysis of a week of coverage in May 2014 is that residents of more rural communities in North Carolina cannot depend on regional television to provide that information.

References


At Slauson Middle School on the west side of Ann Arbor, Michigan, on Election Day 2016, a local nonprofit that works to foster civic engagement had set up for a Party at the Polls – a table full of games and information related to the local ballot. One voter, a nurse at the University of Michigan, arrived and immediately noticed campaign signs outside the school. She walked up to the Ann Arbor Votes party table. What were these signs and who were these people? She had come only to vote for the president of the United States, she said; she had no idea the ballot included races for city, county and Congressional races were taking place.

Some might call this voter apathy. But in Ann Arbor, with a population of 117,000, people call this a byproduct of a disappeared daily newspaper, its ever-struggling digital edition and a fragmented information environment. Its citizens face an ongoing challenge to find relevant, timely and in-depth news in a city that prides itself on being highly educated, politically progressive and above average in household income. That a professional medical worker at a top public university in the U.S. thought she had only to vote for the nation’s president is, residents say, frustratingly common.

“To me, the fact that you live in a community and the local election is not even part of the community dialogue says we are failing in a dramatic way,” says Mary Morgan, executive director of The CivCity Initiative, which includes Ann Arbor Votes.

Morgan’s characterization is particularly poignant. She is a former business and opinion editor for the erstwhile Ann Arbor News. Since the daily newspaper closed almost eight years ago, Morgan has watched how it has affected civic participation, government accountability and community cohesion. Some new publications have come and most have gone, victims of a struggling industry.

Citizen journalists have stepped in to fill voids left by a continually shrinking staff at a digital-first news outlet. They chronicle school board meetings on blogs and live-tweet city council meetings. But many cannot and do not fill the critical role of trained journalists: watchdogs of government.

“Somebody needs to be keeping an eye on government officials, on businesses, on whatever,” says Jim McBee, co-founder The Ann Magazine, a monthly publication. “I think it’s a glorious golden age for graft and corruption.”

Charting a Digital Course

The Ann Arbor News had been Ann Arbor’s daily newspaper since 1835. For several years, three Booth brothers owned it, along with seven other community newspapers in Michigan. Booth Newspapers sold them in 1976 to Advance Publications Inc. for a then-record $305 million. The Newhouse family owns Advance. It is No. 11 on the list of 25-largest companies that own newspapers, according to the Center for Innovation and Sustainability in Local Media.

Advance largely left the Ann Arbor News intact as a daily newspaper that was printed and delivered in the afternoon Monday through Friday and the morning on the weekends. Then 2008 came – a financial crisis, a recession and the digital disruption of the newspaper industry. By 2009, print newspapers felt the downturn in the economy; print advertising sales dropped precipitously. If it was a surprise that daily newspapers in large cities such as Seattle and Denver closed, it was an even bigger surprise.

**FAST FACTS OF ANN ARBOR**

- **Population**: 117,070 (2015)
- **Median household income**: $55,990 (2015)
- **Education**: 71.9% Bachelor's degree or higher, 25 years and older
- **Unemployment**: 2.6% (December 2016)
- **Race**: 73% White alone, 7.7% Black alone, 14.4% Asian alone, 3.6% Two or more races, 70.4% White alone, not Hispanic or Latino

**Sources**: U.S. Census Bureau, Michigan Department of Energy, Labor & Economic Growth
that a newspaper in a college town like Ann Arbor would be among the first casualties.

“Disbelief. Shell-shocked. A sense of being abandoned. A general freak-out,” Morgan said in describing Ann Arbor residents’ reaction to learning their daily newspaper was ceasing publication in July 2009.

Advance’s vision was to march away from a print legacy and toward a digital solution.

At the time, Ann Arbor News’ circulation was 45,147 daily and 59,997 Sunday, according to the Audit Bureau of Circulations. Leadership at the News and at Advance cited myriad reasons for the declining revenue, chief among them the huge loss of classified advertising due to Craigslist. The paper’s publisher at the time, Laurel Champion, told The Associated Press that the “seven-day-a-week print model just is not sustainable here.”

“We have very low home ownership. The population is transient and young. Those demographics have worked against us,” she said.

Steve Newhouse, a spokesman for the family, put a different angle on it. He told the Ann Arbor Observer, a longstanding monthly magazine, in May 2009 “that Ann Arbor was the perfect place to create a new media enterprise. ‘We did research that bore out what we suspected,’ he says. ‘Ann Arbor is a unique community, a thought leader. If there was ever a place to try a direction based on the power of the Internet and tapping into the vibrancy of the community, it would be Ann Arbor.’”

Ann Arbor is a unique place in Michigan, much of that due to the University of Michigan’s presence. More than 70 percent of residents 25 and older have a college degree. It consistently has one of the lowest jobless rates in that state. Ann Arbor also is reliably liberal, so much so that people frequently regard it as a bubble in the state.

So Advance had some reasons to believe its pioneering plan for newspapers would succeed in Ann Arbor, which was the first of the company’s markets to undergo the change. Advance closed the Ann Arbor News and replaced it with a new print and online publication – AnnArbor.com. The print edition would be delivered twice a week to subscribers; the website would be updated around the clock. Both platforms shared the same name. People who worked at the paper were able to apply for a job at AnnArbor.com.

Reaction was strong and swift not only in Ann Arbor; it was the same in the news industry. The closure of the daily newspaper appears to be the most written-about and analyzed in the industry. Numerous general-interest and journalism industry newspapers and magazines published stories. “Ann Arbor kills its newspaper – to save it” was the headline on Time magazine’s story. Its subhead: “Ann Arbor is the first big town to lose its daily paper – now it’s a laboratory for new media.”

The paper’s headline on its own story said: “AnnArbor.com will offer more than local news to an Internet savvy community.” The online version will be will “aggregate information about local social and personal interests in the place where people spend the most time: the Internet.”

‘Death by a Thousand Cuts’

Executives at Advance would not comment for this story about why Ann Arbor was selected to be the first paper to undergo its new direction, nor would they say if their vision has been successful. The print edition’s weekday circulation was 20,857 in 2015, according to the Alliance for Audited Media. Its content is a mix of state and local news, which includes government coverage

**ANN ARBOR’S LIBERAL MAKEUP**

In the 2016 General Election, President Donald Trump narrowly won the state of Michigan. Washtenaw County, where Ann Arbor is located, is one of only eight counties in the state that gave the majority vote to Hillary Clinton.

*Source:* Washtenaw County Clerk/Register

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*Thwarting the Emergence of News Deserts*
– but not as in-depth. It no longer has an opinion page. The website – Mlive.com – has more local and statewide content, and each town has its own section.

The business model applied to the News has since been applied to dozens of Advance’s other newspapers.

Advance’s commitment to being community-oriented was initially visible in 2009. It created a team to blog about neighborhoods and micro-level community issues. Almost two years in, that team was eliminated and there has since been ongoing rounds of layoffs and cost reductions as the news industry in general struggles.

It’s death by a thousand cuts, residents say.

In 2013, three years after replacing the News with Ann Arbor.com, Advance changed the name of the print edition back to the Ann Arbor News and rolled its standalone website into MLive.com, an all-encompassing Michigan news website with sections for each town it serves. Advance reiterated its commitment to local journalism, just delivering it on a different platform. The move widened the gap between it and the community.

“It has been disorienting and has interfered with the cohesion that comes from a shared base of knowledge about daily events,” says Vivienne Armentrout, a former professor who is a blogger and civic activist. “This has varied over months, since the News has had a couple of iterations, some with better coverage than others. But since many people do not follow online local news, the effect was ‘no newspaper.’”

The Ann Arbor News was the mainstream paper of record, but it was not the only newspaper in Washtenaw County. The Michigan Daily is the independent student-run newspaper at the University of Michigan. It covers councils and commissions intermittently, but its transient student staff makes consistency difficult. The 40-year-old Ann Arbor Observer covers civic issues, but its publication schedule hampers its immediate relevancy. The Ann Magazine, started in 2010, also is a monthly with a focus on long-form stories. In late January this year, the magazine created an email newsletter called the ANNthology. The newsletter rounds up and links to the best and most timely stories from 19 news sources, blogs and calendars and emails it to subscribers five days a week.

“It’s a really cool experiment, and we’re having fun trying to find different ways community journalism,” says Kyle Poplin, The Ann Magazine’s co-editor of the ANNthology.

From 2008 to 2014, Morgan and her husband, Dave Askins, ran the online-only Ann Arbor Chronicle. Morgan said they started the Chronicle because “there was a whole raft of government entities not being covered.” The
couple, both trained and experienced journalists who have worked for other newspapers, carried the watchdog role, digging into agendas and following the money. Morgan says the online newspaper was financially stable, but six years in, the couple burned out and closed the Chronicle.

**Accountability Both Ways**

Armentrout started her blog, Local in Ann Arbor, about the same time the Ann Arbor News closed in 2009. She said it was not a reaction. Her blog is a mix of politics and government issues. Her insightful commentary on local media is extensive.

She was one of several citizens who participated in training about citizen journalism that Online News Association and Poynter – two journalism education and membership organizations – conducted in Ann Arbor when the News closed. It inspired citizens in a way that Advance had hoped it would when it went mostly digital. Some citizens tried their hand for a while, but eventually many petered out because of time demands and no payoff. Those who are still active bloggers and social media users identify increasing civic participation as their primary motivation. The uninformed nurse voter is only one of several anecdotes Ann Arbor citizen journalists tell.

Morgan, director of The CivCity Initiative, said one of the nonprofit’s main missions is to inform people and “is a direct response to the sparse amount of civic news in our local media.”

The need for increasing civic awareness in a college town partly shows that a comment Newhouse made when announcing the News’ closure isn’t a precise representation of Ann Arbor residents. Then, Newhouse said: “It’s unusually tech-savvy and a community that’s passionate about everything that’s going on.”

Voter turnout for municipal elections in Washtenaw County is low. In the last decade, turnout has usually bounced around 11 to 14 percent. In 2009, it doubled because of a controversial school tax proposal. In contrast, voter turnout for presidential elections is higher than the national average. Other recent studies have shown that when metro papers stop covering contentious local issues, voter turnout in local elections declines.

Ann Arbor native Ben Connor Barrie started his blog, Damn Arbor, in 2010 when he moved back to the city to attend graduate school. He felt – and still does – that the Ann Arbor News ignored the students in the community.

“It’s insulting to me as a news consumer,” he says.

Connor Barrie and his co-bloggers initially wrote about life in Ann Arbor from a grad student’s perspective. Posts had an attitude and humor. Then as he saw local coverage dwindle, he stepped it up.

“My covert goal has always been to get people to pay more attention to the city council,” he says.

Damn Arbor is an instigator of monthly city council “watch parties.” A handful of residents gather at the Workantile, an office space co-op, on Main Street to watch council meetings and live-tweet them.

Ed Vielmetti usually attends the watch parties. He’s a longtime prolific blogger – so much so that AnnArbor.com hired him in 2009 to be part of its community team. Bloggers covered hyperlocal issues, which Advance promised to do when it closed the News. Vielmetti already had experience in working to get public records by using the Freedom of Information Act, so he started a FOIA Friday column. That helped the paper’s owners fulfill the watchdog role – to the extent a few-hundred-word blog could cover. But when Advance eliminated the community team a year and a half later, once again the government coverage shrank along with the staffing level.

Since leaving the paper, Vielmetti has tried to retain his effort to vet public records. The city of Ann Arbor has a public document request repository. Of the 10 most recent requests submitted, Vielmetti requested six. Of all documents on the portal, he has requested 266. Second to that is MLive’s city government beat reporter, with 44. Vielmetti took his FOIA Friday column to the Damn Arbor blog, but in the last year his self-appointed watchdog role has faded because he focuses more on his personal life.

Citizen journalists will never replace trained journalists who work for a news organization,
Ann Arbor resident and lawyer Andy Buchsbaum.

“They aren’t accountable for what they say,” he says. And when it comes to governments, “the lack of accountability is missing there, too.”

This troubles blogger Monet Tiedemann. She live-blogs Ann Arbor Public Schools meetings at AnnArbivore.com as a “civic obligation.” Her posts are primarily play-by-plays of the meetings but, like so many of the citizen blogs, lack the context and nuance that are an essential part of a newspaper beat reporter’s job. Still, she knows deeper reporting and consistent oversight are necessary.

“Sometimes I ask myself, ‘How much farther do I need to go?’”

Regret, But No Solution

Last year, Morgan illustrated the local media’s subpar government oversight. She discovered a Washtenaw County commissioner was using his elected position to secure a hired position with the county. Commissioners have authority over the person responsible for hiring to fulfill the position a commissioner sought. She questioned his ethics and the county government’s willingness to allow it. The Ann Arbor News covered the story only after Morgan wrote a letter of complaint, which led to the commissioner’s resignation.

“If I had not reported on (the commissioner), it wouldn’t have been daylighted,” Morgan told the Michigan Daily in a story published in January. “In terms of things that are happening in our government that aren’t getting covered, that is a good example.”

Armentrout’s deep involvement in civics and her community makes her Local in Ann Arbor blog among the best examples of citizen journalism. But she knows even her passion is not enough to fill the gap in watching for government transparency.

“Many of us regret this, but even just to publish – aside from paying for reportage – is costly, and there doesn’t seem to be a successful business plan,” she said.
In an age where newspapers face increasingly challenging market pressures, dwindling newsroom budgets have limited newspapers’ ability to cover the critical information needs of communities. To continue providing high-quality journalism, many newspapers have had to change their mindset from being purely competitive with other newspapers to seeking opportunities for collaboration.

Beyond typical foundational collaborations, such as content sharing, many newsrooms have started to move to what Heather Bryant, a John S. Knight Fellow at Stanford University, calls next-level collaborations, which more deeply integrate business and newsroom operations. Bryant started her career in journalism in Alaska, which she says “is the home of the thousand-mile reporter.” Given how sparsely populated the state is, and how much distance can separate population centers, it can be especially difficult to afford robust coverage. This spurred Alaskan journalists to begin collaborations ahead of the curve. “It’s something they’ve been doing for a long time,” Bryant says, “Since the early ’90s.”

Some of the more common partnerships, like source referral and joint reporting, have been practiced for years. However, organizations are increasingly seeking to maximize their thin budgets through more highly integrated collaborations, like shared reporters, back-end resource consolidation, and domain expertise training, among others.

These types of collaboration go much further than simply sharing information – they change the economics of the newsroom. The cost-sharing and interdependence has allowed newspapers to cover more of the things that matter and to do a better job of it.

By working together, newsrooms have reduced redundancy and conducted larger, more significant investigations than they could otherwise. “Knowing that they count on this type of coverage from each other so they don’t have to drop everything and do it themselves has really freed them up to cover the things they really need to …,” Bryant says, “and, on a larger scale, work together to do statewide projects that they couldn’t do on their own.”

Characteristics of a Successful Partnership – and Common Mistakes

Successful partnerships require a lot of planning and coordination. Bryant has identified dozens of partnerships and has found that successful partnerships share some common characteristics:

They give everyone an opportunity to have a voice at the table.

According to Bryant, it is important that no partner dominates the decision-making. Successful partnerships correct for power imbalances between bigger and smaller newsrooms by involving all members in identifying goals and processes. Otherwise, the complete buy-in of both organizations may be at risk. This is especially true for partnerships in which the larger organization, with more resources, could control the decision-making process.

They get buy-in from the teams on the ground.

While commitment from the leadership of partner organizations is important, management must also get the buy-in of the entire staff. “These types of partnerships don’t work well as top-down projects,” says Bryant. Regular and consistent communication is required between leadership and staff that clearly identifies how the partnership will be structured and what both the short- and long-term benefits will be. The creation of governing documents that spell out the agreed obligations and expectations of each partner can avoid confusion or conflict down the road. The competitive spirit that has long driven newsrooms can be hard to shake.

They build trust and develop clear lines of communication.

Beyond getting the initial buy-in from staff members, lasting relationships need to be built and trust must be established. To do so, open lines of communication need to exist between the partner staffs, either via in-person meetings or video conferences. It is also important for partners to do complementary work and to allow individuals to take ownership of niches, such as...
data journalism. This enables organizations to benefit from an expanded array of skill sets and to develop deep expertise in particular areas.

**They are adaptable.**

Regardless of how well-planned the partnership is, it will likely encounter some difficulties. The best partnerships continue to adapt along the way. To do this well, leadership needs to not only encourage open communication and regular feedback, but also be open to changes.

Inevitably, new partnerships will go through some growing pains. Bryant has also identified some of the pain points that can hinder collaboration:

- Dominant partner: One organization cannot have complete control of leadership and agenda setting. Goals and processes need to be developed collaboratively.
- Lack of planning: A number of tasks need to be thoughtfully planned out, including how organizations will communicate and how the editorial and publishing processes will be structured.
- Misaligned needs: Some organizations will need to present reports in different ways, depending on how they communicate. Some will need to create website graphics, while others will need to develop content for radio or television. This makes early planning

### TYPES OF NEWSROOM PARTNERSHIPS

<table>
<thead>
<tr>
<th>Category</th>
<th>Type of Collaboration</th>
<th>What it Means</th>
</tr>
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<tbody>
<tr>
<td><strong>Next Level Collaborations</strong></td>
<td></td>
<td></td>
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<tr>
<td>Shared Reporter</td>
<td>Combining resources to fund the cost of a reporter for a specific topic or location.</td>
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<tr>
<td>Newsroom Embeds</td>
<td>Putting a reporter into a partner newsroom either to learn or for better access to a story.</td>
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<tr>
<td>Back End Resource Consolidation</td>
<td>Optimizing resources in the back end in order to more fully support or fund the news operation.</td>
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<tr>
<td>Joint Event Hosting</td>
<td>Multiple newsrooms planning and managing a news event.</td>
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<tr>
<td>ICE Distribution</td>
<td>Serving as a safety or backup to newsrooms/reporters in areas/situations where they cannot publish or cannot publish safely.</td>
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<tr>
<td>Coordinated FOIA/Lawsuits</td>
<td>Newsrooms supporting each other.freelancers in information requests.</td>
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<tr>
<td>Domain Expertise Training</td>
<td>Sharing expertise of a newsroom via training opportunities with others.</td>
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<tr>
<td><strong>Foundational Collaborations</strong></td>
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</tr>
<tr>
<td>Content Sharing</td>
<td>Sharing photos, audio, video or some other piece of content.</td>
<td></td>
</tr>
<tr>
<td>Content Distribution</td>
<td>Presenting content from a partner to your audience and vice versa.</td>
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<tr>
<td>Coordinated Coverage</td>
<td>Strategically covering a large story so that resources are well deployed.</td>
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<tr>
<td>Contribution to a Larger Product</td>
<td>Contributing individual reporting to a larger project not possible independently.</td>
<td></td>
</tr>
<tr>
<td>Peer Review</td>
<td>Getting feedback and review on complicated reporting such as complex data sets.</td>
<td></td>
</tr>
<tr>
<td>Parallel Reporting</td>
<td>Each partner contributing to a story uniquely.</td>
<td></td>
</tr>
<tr>
<td>Joint Reporting</td>
<td>Reporters from different newsrooms working together on the same final product.</td>
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</tr>
<tr>
<td>Source Referral</td>
<td>Referring partners to people with expertise needed for a story.</td>
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especially important so that each partner effectively contributes to the product.

A Model of Success

Among the dozens of partnerships that Bryant has identified, an early collaboration among public radio stations in Alaska has stood out as one of the most successful examples. In the mid-1990s, as budgets were shrinking, six public radio stations – KTOO, KCAW, KRBD, KSTK, KFSK, and KHNS – came together to devise a plan to fend off the threat of closure. By 1998, according to Bryant, five of those stations, all except for KHNS, had “consolidated back-office support services while each retained full control over editorial operations, schedules and facilities.” Though it did not officially join the group, KHNS has remained an informal partner.

The group, now approaching 19 years old, adopted the name CoastAlaska and based its headquarters in Juneau. The organization provides all the necessary financial systems and supports fundraising, engineering services, and reporting and editorial services. It also offers the following services to other public broadcasting stations: grant reporting, payroll, budget preparations, accounts payable, and membership services, among others.

To build a successful partnership, CoastAlaska focused on setting clearly defined goals and processes as well as strong relationships at every level of its partner organizations. The organizations developed the CoastAlaska Compact, which clearly outlined the services and responsibilities of CoastAlaska and individual member stations.

While the organizations have developed strong relationships based on trust, there was some early skepticism from members. Ed Schoenfeld, the regional news director for CoastAlaska, told Bryant that early on, not everyone had “full trust with other people in the operations so they sort of called me to complain.” In response, he “encouraged them to get to know each other, get to trust each other a little more. And that’s cleared itself up.”

In the end, many of the partners feel that the relationships that have been developed have been beneficial beyond cost savings. The reporters, mostly coming from relatively small newsrooms, now have a bigger network of colleagues to call on and feel better connected to the region. The audience has appreciated the expanded regional scope of coverage as well.

Another collaboration that Bryant has identified as especially successful is the statewide Alaska Public Radio Network. The network produces a daily program, “Alaska News Nightly,” that ties together coverage from stations across the state. The network also pools resources to support a reporter in Juneau, the state capital, and Washington, D.C.

Additionally, three Alaska news organizations, KTOO, Alaska Public Media, and KUCB, were awarded funding from the Corporation for Public Broadcasting to create Alaska’s Energy Desk in 2016. With the pooled resources, the collaborative can report in greater depth on
energy and environmental issues. Though the partnership is relatively new and still finding its footing, the group has developed a memorandum of understanding and it has produced more than 100 stories and 18 videos.

Further examples of partnerships include the following:

**EXAMPLES OF NEWSROOM PARTNERSHIPS**

<table>
<thead>
<tr>
<th>Type of Collaboration</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domain Expertise Training</td>
<td>ProPublica’s Summer Data Institute</td>
</tr>
<tr>
<td>Content Sharing</td>
<td>KTOO Public Media/360North has a photographer in the Alaska state capitol building during the legislative session. The organizations share those photos with a creative commons license so that public media newsrooms across the state have access to photos of their local representatives and the legislative session at large to use for their own stories.</td>
</tr>
<tr>
<td>Content Distribution</td>
<td>Northwest News Network is a collaborative hub for regional coverage across the Pacific Northwest. The network reduces duplicate efforts and helps newsrooms share and collaborate effectively.</td>
</tr>
<tr>
<td>Coordinated Coverage</td>
<td>Panama Papers was a coordinated effort across more than 370 newsrooms to adequately and locally cover a story with global implications. On a smaller scale, the SF Homeless Project saw more than 70 groups cover the topic of homelessness in the Bay Area in a coordinated manner.</td>
</tr>
<tr>
<td>Contribution to a Larger Product</td>
<td>NPR makes use of many individual stories from local member stations and packages them into full programs which stations then run on their own airwaves. This also happens apart from NPR on a more local level in some states where local newsrooms contribute to a statewide report.</td>
</tr>
<tr>
<td>Peer Review</td>
<td>Traditional fact checking is hard to apply to data-driven stories. As is commonly the case, small newsrooms with maybe one reporter who can do the story in the first place, don’t have people with the skills to vet the methodologies and data. The requires reaching outside the newsroom to get the necessary second pair of eyes needed for these kinds of stories.</td>
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To stay up-to-date with Heather Bryant’s work and to read more about the partnerships mentioned in this article, visit her webpage at https://medium.com/facet.
The Center for Innovation and Sustainability in Local Media launched the weekly Spotlight on Research series in November of 2016 to highlight important work in the academy and the profession on the emerging threat of news deserts and changes in media ownership. The series has featured a number of academics and practitioners who have studied issues related to digital media economics, media governance, rural newspapers, and investigative journalism, among other topics. The following excerpts provide information about the research that has been featured. The full text, including four questions asked of each featured author, can be found at http://www.cislm.org.

CHRISTOPHER ALI

What exactly is local news and, more broadly, local media? How should we regulate it, and how much do we value it? Is it important enough, for instance, for us as taxpayers to subsidize local news-gathering organizations — or even more radically, should our governments provide local news free of charge, just as public education is offered free to all citizens?

Christopher Ali, an assistant professor of media studies at the University of Virginia, tackles these questions in his new book, Media Localism: The Policies of Place (University of Illinois Press, 2017), which addresses the difficulties of defining and regulating local media in the 21st century in the United States, United Kingdom, and Canada. Ali has focused much of his research on the issues confronting local news organizations and the implications these difficulties have for the long-term viability of local news. Economists have long defined public service journalism as a “public good” since everyone in a community and a democracy benefits when citizens are well-informed about the issues and choices confronting them. In his article, Ali argues that our democracy depends on free flow of information at the grassroots level. With local newspapers reeling from economic disruption, he posits that community-based public service journalism should be considered not just a public good, but also a “merit good” subsidized or provided free by government since it benefits our entire society.

Ali received his Ph.D. from the Annenberg School for Communication at the University of Pennsylvania and has worked for the Federal Communications Commission, consulted with the South Korean Committee on the Impact of Media Concentration, and was part of a consortium of researchers, activists, and practitioners intervening at the Canadian Radio-television and Telecommunications Commission regarding community and local media. He is currently a fellow at the Tow Center for Digital Journalism at Columbia University co-authoring a report on the state of small-market newspapers in the United States, “Local News in a Digital World: Small Market Newspapers in an Era of Digital Disruption.” He is also a fellow at the Center for Advanced Research in Global Communication at the University of Pennsylvania, where he will begin research on a new book, Farm Fresh Spectrum: Rural Interventions in Communication Policy, which examines the role that farming communities play in shaping communication policy.

The full text can be found at: http://cislm.org/four-questions-christopher-ali/

SARAH CAVANAH

Newspapers have historically served a critical role in our democracy, identifying the hot-button issues that are debated and voted on in communities large and small. Dr. Sarah Cavanah, an assistant professor in the communication program at the University of North Dakota, is focused on researching the role of public affairs journalism in supporting healthy communities. A former newspaper and magazine journalist and public relations professional, she is the author of several educational books and workbooks aimed at elementary and middle-school students and
has served three organizations committed to supporting student media. She is originally from Marceline, Missouri.

Her dissertation examined how coverage of local issues in small surrounding communities by area metropolitan papers affected political participation on local elections. She examined coverage of events and issues in the area by the Minneapolis Star Tribune, The Denver Post and the Oregonian of Portland over more than two decades, beginning in 1992. She found that when the three metro papers covered hot-button issues in outlying communities, more voters in that community turned out at the polls, even in off-year elections.

The full text can be found at: http://cislm.org/four-questions-sarah-cavanah/

JAMES T. HAMILTON

What is the value to society of investigative journalism? In his new book, Democracy’s Detectives: The Economics of Investigative Journalism (Harvard, 2016), author James T. “Jay” Hamilton calculates the long-term economic consequence to society when lives are saved and disasters are averted by such reporting. He argues that citizens who live in a community are the real beneficiaries of investigative journalism, regardless of whether they are subscribers to or viewers of the media outlets that invest significant time and money in a reporting effort that surfaces a societal problem and analyzes the causes. In contrast, most news organizations gain very little direct economic benefit. With revenues and profit under pressure in many legacy news organizations, fewer such reports are being produced. This “market failure” has long-term implications for society, argues Hamilton, which is why he hopes both journalists and non-journalists will read the book.

Hamilton, the Hearst Professor of Communication and director of the journalism program at Stanford University, has a Ph.D. in economics from Harvard University. His research on computational journalism focuses on how the costs of story discovery can be lowered through better use of data and algorithms. His previous books on media economics include All the News That’s Fit to Sell: How the Market Transforms Information into News (Princeton, 2004) and Channeling Violence: The Economic Market for Violent Television Programming (Princeton, 1998).

The full text can be found at: http://cislm.org/four-questions-james-t-hamilton/

MERJA MYLLYLAHTI

Since 2011, Merja Myllylahti, a former financial journalist, has been tracking media ownership patterns in New Zealand. During that time, ownership has become increasingly concentrated in the hands of a few barons. What are the implications of this for her country? Are there cautionary lessons for U.S. media companies, which are going through a period of contraction and consolidation? What does consolidation mean for the future of news organizations around the globe struggling to develop new and sustainable digital business models?

Myllylahti, who worked for newspapers and digital and television news organizations in London for 15 years before moving to New Zealand in 2009, is currently a researcher and project manager at the Journalism, Media and Democracy Research Centre, based at Auckland University of Technology. She is the author of an annual New Zealand media ownership report and lectures in media communications and journalism studies at Auckland University of Technology and Massey University. Her research interests also include media transformation and digital media economics, news business models and paywalls. Her most-recent publications include a book chapter “Newspaper paywalls and corporate revenues: A comparative study” published in Routledge Companion to Digital Journalism Studies (2017); and an academic article “What content is worth locking behind a paywall?” published in Digital Journalism (2016).

The full text can be found at: http://cislm.org/four-questions-merja-myllylahti/
PHILIP NAPOLI

Are local news organizations providing citizens in their communities with the critical information they need to make wise decisions on policy matters that affect their quality of life? How are residents actually getting the local news they want and need – from neighbors, from newspapers or from social media? In a digital age, how can news organizations better engage and connect with residents in their communities? Philip M. Napoli, the James R. Shepley Professor of Public Policy at Duke University, has focused his research on understanding local media institutions and their importance to the communities where they are located, and to assessing the effects of media regulation and policy on the evolving news ecosystem.

Currently, he is overseeing the News Measures Research Project, which seeks to develop new approaches to assessing the health of local journalism ecosystems, as well as identifying community characteristics that impact the robustness of such news ecosystems. Most recently he mapped the ecosystems of three New Jersey communities – New Brunswick, Newark, and Morristown – and is in the process of gathering data on 100 randomly selected communities in the U.S., with the aim of determining which are most at risk of becoming news deserts.

Napoli is the author of three books, including Audience Evolution: New Technologies and the Transformation of Media Audiences, and has published more than 80 journal articles or book chapters. He has engaged in research consultations and collaborations with a wide range of organizations, including the Federal Communications Commission, the New America, Free Press, the Minority Media and Telecommunications Council, the National Association of Broadcasters, and the National Cable & Telecommunications Association. He received his Ph.D. in communication from Northwestern University.

MATTIE POWERS

Who fills the void when economic pressures hit local newspapers? Why are online startups in some communities more numerous and successful than those in other areas? Matthew Powers, a professor of communication at the University of Washington, has been studying the formation of startups in Seattle and Toulouse, France, with his colleague, Sandra Vera Zambrano of Universidad Iberoamericana in Mexico City. These two cities share a number of similarities: They are comparable in size, levels of education, and use of technology.

The news outlets in both cities are facing economic pressures and need to develop new, sustainable business models. However, French media subsidies buffer advertising downturns, and labor laws make it difficult to fire journalists, while American outlets are more exposed to commercial downturns. Ultimately, these differences led to a proliferation of startups in Seattle and relatively few in Toulouse. Many of the laid-off reporters in Seattle have sought to use their experience and social networks to form online news startups, some of which provide the public affairs journalism that is often missed by traditional news sources.

Powers, who received his Ph.D. from New York University, focuses his research on journalism studies, political communication, and comparative media, and his writing has been published in Journal of Communication, Media, Culture & Society, and the International Journal of Press/Politics, among others.

The full text can be found at:
http://cislm.org/four-questions-matthew-powers/
What is the future of newspaper advertising departments in small, low-growth communities? Can the print sales reps at these newspapers become digital advertising experts? JoAnn Sciarrino, Knight Chair in Digital Advertising and Marketing at the University of North Carolina at Chapel Hill, explores these questions in a case study on The Whiteville News Reporter, a Pulitzer Prize-winning, twice-weekly paper with a print circulation of 10,000. The paper, which serves one of the poorest counties in North Carolina, was an early pioneer in the digital space, establishing a robust website and social media presence that connect with thousands of users daily. But, like most other papers, it has struggled to increase digital advertising revenue to compensate for the loss of print advertising revenue.

Sciarrino noted that many large regional metro papers were establishing in-house digital advertising agencies that provided a range of services – such as website design and search engine optimization – to their local advertisers. Could such a setup boost digital advertising revenue for smaller papers? For more than a year and a half, Sciarrino worked with the leadership team at The News Reporter, training its four-person sales staff. The lessons learned by the Whiteville team are instructive for other small-market news organizations.

A former executive with BBDO North America, Sciarrino has spent more than three decades helping such brands as AT&T, Starbucks, Hyatt, and Procter and Gamble test and refine their digital advertising business models and strategies. She received her MBA in decision science from Emory University and pursues a broad research agenda that appears in the Journal of Marketing Theory and Practice and Journal of Digital and Social Media, among others. She is also currently co-authoring a book on digital media entrepreneurship.

The full text can be found at: http://cislm.org/four-questions-joann-sciarrino/

The buildings where newspapers were published in the 20th century were often iconic structures. They stood out on the skylines of large cities or became gathering places for local residents in small communities. Perhaps none was more symbolic of the community it called home than Florida’s flagship Miami Herald building, which looked out on Biscayne Bay. Built in 1963, it also served as headquarters for the Knight Ridder chain until the late 1990s. Like many other newspaper owners in recent years, its current publisher, McClatchy, decided in 2013 to move from downtown and seek smaller and less-expensive quarters in the suburbs. In this article, professor Nikki Usher chronicles the effect that the move had on both the Herald journalists and on the Miami community. “Where news is made matters,” she concludes. As a postscript, the old Herald building was purchased by a Malaysian company and demolished in 2015.

Nikki Usher is an assistant professor in George Washington University’s School of Media and Public Affairs. She is the author of Making News at The New York Times (University of Michigan Press, 2014) and Interactive Journalism: Hackers, Data, and News (University of Illinois Press, November 2016), which looks at the rise of programming, data, and hacking in journalism and the ensuing changes to the profession. She received her Ph.D. and Master’s degrees from the University of Southern California’s Annenberg School of Communication and her A.B. from Harvard University.

The full text can be found at: http://cislm.org/four-questions-nikki-usher/
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UNC Center for Innovation and Sustainability in Local Media

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www.cislm.org; www.reesenewlab.org

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