Minutes: June 2, 2014

The Media Consortium

Coordinating Committee

**Item 1: Membership**

Jo Ellen: On membership we had an issue because Jo Ellen brought potential members to membership committee. Big ones who can pay $1000 a year. Membership committee was troubled because applicants refused to fill out the application or just couldn’t be bothered to do it. Membership committee felt that since they weren’t engaged they shouldn’t become members.

After conversation, we’re offering a second option. If they cannot fill in questionnaire, we offer an interview and ask the same questions. Seems like a good compromise. Any questions?

Maureen: Seems fine.

Lisa: Any discussion from smaller orgs seeking membership?

Jo Ellen: We’ve been going back and forth on the dues for some of the smaller ones. I’ve made some notes about it in the large agenda. Jo Ellen can send around an update on it but it’s not that interesting.

**Item 2: Strategic planning**

Jo Ellen met with Tiffany for about four hours on Thursday and then spent another four hours over the weekend at Tiffany’s house. That was a more personal meeting.

There are a number of different issues that have come up. Let’s start with questions and if anything isn’t addressed, Jo Ellen will fill in.

Alts met recently and did their own strategic planning meeting. Their strategy has two parts:

1. **Solution center that is mostly about an ad network**. The alt weekly association runs an ad network that’s dying but still brings in $200,000 annually. They’re very focused on that ad network as a way to bring in money. They’re looking for other revenue solutions.
2. **Impact marketing**. Get the word out about the alt weeklies and make them more of a playing on the national scene. This consists of Tiffany going around and giving talks.

**First part of the collaboration: poverty project and January meeting**

How can we bring the orgs together? TMC could help with impact marketing. We have a Vocus account. Tiffany now has a seat on the Vocus account and can find some partners through that. She’s been approached by Barbara Raab from the Ford Foundation about doing a state-by-state series on poverty. Looks like a possibility of a grant from $100,000 to $200,000. Tiffany said she wanted to partner on this, TMC outlets provide some national coverage.

Jo Ellen and Tiffany also talked about holding a joint meeting in January 2015. Tiffany does a digital conference every year in San Francisco in January. That’s the one the two orgs would combine. The real interest would be to see whether the cultures of the two organizations match. Two-thirds of their sessions would be of interest to TMC members, and about two-thirds of our sessions would be of interest to them.

The tracks would be integrated and include both TMC and AAN. But then TMC would also have a half-day business meeting.

Over the next year, we imagine working on this first editorial collaboration and also working on the conference. That would be a partnership we would work on.

**Second part: TMC helps AAN with their foundation**

They have a foundation and they’re trying to figure out what to do with it. We know more about running foundations than any of their members do. It would give us an opportunity for leadership in their organization.

**What are we moving toward?**

This year we’re not really talking about integration. We’re not getting married, we’re just “dating.” Sharon would like to hear more about whether their strategic plan represents a departure from what they’ve done historically. They didn’t really have a plan in the past.

Q: I’m concerned about ads that objectify women. Will that be addressed as part of their marketing strategy.

A: The attitude is that if they’re consenting adults it’s fine. Yet they’re serious about avoiding children and sex trafficking.

Q: What percentage of their revenue comes from sex ads?

A: I’m not sure.

Q: The collaboration on the poverty project, could that happen while the two organizations are “dating”?

A: Yes, that can go ahead regardless of how this goes down.

Comment: I think the poverty project is a great way to test this out.

Jo Ellen was floating the idea of having our people contribute $70 to create a “scholarship fund” so that we don’t have to pay it.

In terms of revenue from the conference, each organization takes the revenue from its own members. Yet TMC and AAN split money from exhibitors and sponsors. In Chicago we were about to get about $11,000 from sponsors but it had to do with cool surveillance angle. It’s a bit of a crap shoot.

No one has concerns about splitting revenue for these sources.

Comment: Maybe we set up a “floor” and a “ceiling” so that exhibitor and foundation funding is split only up to a certain point.

Jo Ellen says we have the better hand in the current arrangement because money from foundations is variable. Likes the idea of sharing this money because exhibitor money is more stable.

**Two larger issues**

There are two other major issues. When Jo Ellen talks to AAN in June, it’s just “get to know you.” But what’s the next step? There are three options (and at some point we’ll need to bring in lawyers).

1. **Total merger**. Includes getting a new name. It’s a trade association but also a foundation. It’s just one organization. This is the most radical option.
	1. Jo Ellen and Tiffany are both employees of the new organization.
2. **Split along for-profit/nonprofit lines**. TMC takes over the foundation and then AAN runs the trade association. We create an umbrella name for both orgs. Our for-profit members would have to go to the trade association.
	1. Jo Ellen is the director of the foundation and Tiffany is the director of the trade association.
3. **Fiscally sponsored project of AAN’s foundation**. Same status as we have now under FNP but it would be under AAN’s foundation. Only reason to do this is as an intermediary step. Otherwise, why move?
	1. Jo Ellen becomes an employee of AAN.

Q: Would the governance be the same?

A: No. In the first option we’d have to constitute a new board. There would be no CoCom. There would be a true board instead.

In option two, we could move people from the CoCom onto the foundation board. But there would be liability issues in being on that board. TMC would have control over that…

The third option—TMC is current a project of FNP—TMC could become a project of AAN under this foundation. If we did that we wouldn’t change anything. CoCom would still not be a board. We’d have to run our money through the AAN foundation. There are a lot of disadvantages to that. The advantage is that if something isn’t working we can cut strings and run quickly.

Q: Are there other places that have the kind of joint structure like in option two?

A: Yes but it’s tricky legally. The money has to flow only from the trade association to the nonprofit. Money can’t flow the other way.

Jo Ellen says she’s not sure which option is best. One complicating factor that might necessitate legal consultation now, is we might want to put someone on the AAN Foundation board now. In all three scenarios what we bring is that we know how to run the nonprofit side. Jo Ellen would like to be on that board so she can understand how it works and build relationships.

But this raises a problem. Tiffany wants to pay Jo Ellen as a consultant to run the poverty grant from the Ford Foundation. But if Tiffany is paying Jo Ellen, then Jo Ellen can’t be on the foundation board. We may need to consult with a lawyer.

Q: Is there a perception of a conflict of interest?

A: Yes.

Q: If you recuse yourself from voting on your own compensation, might be OK.

A: Maybe they could hire TMC as a whole instead of hiring Jo Ellen as an individual.

The other option would be that we hire someone else to do project management on the poverty collaboration or someone from CoCom serve on the AAN foundation board instead of Jo Ellen. Three basic options here:

* Either we can figure out a way for Jo Ellen to be paid and still be on foundation board
* Not work on the poverty thing and be on the board
* Jo Ellen works on the poverty thing and someone from CoCom is on the AAN board.

Q: Could we get legal advice from FNP?

A: Yes, but we’d have to pay for it. But let’s start by getting more information about any restriction in AAN’s rules. Jo Ellen says she’ll follow up with AAN’s lawyer directly. **Jo Ellen will report back at our next meeting about that**.

Q: Why do we go into two different camps in option two?

A: Jo Ellen sees options two and three as intermediary steps to option one. But TMC and AAN members might not be willing to go that fast. There’s a little bit of “strike while the iron is hot” feeling. A two-year time-frame is good, but a longer time frame worries Jo Ellen because we might start losing ground. We won’t know exactly when we’ll lose until later but at some point you lose the sweet spot.

**Joint meeting with strategic planning committee?**

This would be a larger meeting. And members of strategic planning committee are very experienced so maybe that will help?

Finances for next year are pretty bleak. If metrics project results are positive, Jo Ellen can probably extract more Voqal money. If the results aren’t good, that money is probably dead. Then Jo Ellen would have to go around looking for money.

Yet not all is dark. Jo Ellen met with someone from Media Democracy Project (?) who loves TMC and there might be money there.

**Last concern: working with Tiffany**

Jo Ellen’s had trouble getting Tiffany on the phone. But good meetings with her in Washington, D.C. Tiffany feels like she needs us. She’s gung ho and had lots of good thoughts.

Tiffany also has two staffers. One was let go recently. The best way to work with Tiffany is face-to-face, which is impossible from the west coast. Jo Ellen is going to try out Skyping with her and see if that works.

While not exactly disorganized, Tiffany tends to go off on tangents. Seeing her face helps keep the conversation focused. Concern is that we won’t be able to do complex things unless there’s a line of communication.

**Wrap up:**

Some CoCom members want to see a summary of all three options.

Gratitude to Jo Ellen for enduring a four hour meeting.

Jo Ellen says there’s a lot of good energy in media space right now. Lots of appreciation for the deep journalism that we do. Jodie at RH Reality check has grown from two staffers to 27 staffers plus 30 stringers in just two years. It shows what’s possible.

Jo Ellen says that CoCom members are all leaders and should bring their experiences at their organizations into this decision. CoCom members need to provide input.