Wallace Global Fund Final Report

2015 General Support Grant

Submitted March 21, 2016

**What did the project accomplish?**

The primary goal of our proposal as outlined in 2014 was to build economic sustainability for our organization and for the independent news sector; our strategy was to work on a merger with the Association for Alternative Newsmedia. We followed through on that strategy but found we didn't have a ready partner.

In February 2015, after two years of talks with the AAN staff, we held a joint conference with their association to test whether our memberships could be joined. That conference proved successful in that our members enjoyed interacting with each other. For reasons noted below, however, we decided after that conference to pursue a strategic partnership with AAN rather than a merger.

In fall of 2015, we achieved the first successful strategic partnership with AAN by partnering to win a deep discount on Chartbeat software for our members. This initiative helped fulfill another objective we had for 2015, which was to increase our tech and business support.

A second aspect of this strategic partnership has involved the presence of TMC's director on the AAN foundation board. There, Kaiser is working to bring in funding to enhance local/national partnerships in order to build impact, another discreet objective that guided our proposal.

**Did the project encounter unanticipated problems?**

Our 2015 strategy was guided by the assumption that merging with AAN would first and foremost provide a means to economic sustainability by lowering joint costs and bringing in more sponsor and foundation revenue. However, that is not what happened when we tested this strategy with our first joint conference. Increasing the AAN conference size by 33% did bring in more exhibitors than AAN had been able to pull previously. However, instead of experiencing cost savings, the Media Consortium lost a significant amount of money. What concerned us particularly was that AAN, as the larger partner, had insisted on handling contracts/expenses for the conference, but went far over budget. We also were never able to get a final financial report and accounting of those expenses.

We also found, to our great surprise, that the AAN board had not been informed by their staff and executive leadership about merger plans. This shocked us because we had begun these talks in 2013 at the staff level. In February 2014 AAN Executive Director Shackelford spoke at our business meeting when TMC decided to move towards a merger. In July 2014, a group of TMC "ambassadors" attended the AAN annual conference and spoke to their executive committee members. In October 2014 TMC Director Kaiser attended the AAN leadership retreat and spoke to the AAN executive board. So the fact that the full AAN board and membership had not heard about a potential merger by February 2015 indicated to us that there might be a deep leadership problem at AAN.

After an apparently tumultuous board meeting on the last day of their conference, the AAN board proposed a joint AAN-TMC board retreat, minus executive directors, in June of 2015 to talk about a potential merger. The result of that meeting was that both groups felt a need to dial back on merger talks, and instead explore strategic partnerships. We believe a strategic partnership will yield the same technical and business benefits as a merger, and that we can continue to work with the AAN Foundation board on impact projects. (Our official joint TMC-AAN statement on this partnership is uploaded to this report).

Impact--the belief that our national and regional outlets should partner with local and community outlets--first drew us to AAN. Experiencing a roadblock there, we pivoted to look for partners in community media. Our staff spent the summer of 2015 attending a wide range of conferences and symposia focused on engaging communities, particularly communities of color. Our conclusion from that research was that Media Consortium outlets first needed to adopt a race equity lens for their work before we could offer ourselves as full partners with community media. We have thus initiated a strategy around racial equity for 2016.

In the short term, our new focus on racial equity may well bring us additional foundation funds. That is not, however, why we undertook the work. We continue to believe that independent news must make connections between local and national news media in order to serve the public (see Kaiser's in-depth report on the benefits of a more unified independent news media sector). From an impact standpoint, starting with community media rather than local alts will actually increase our impact. In a sense, then, we see the problems we faced with AAN as fortunate as they forced us to leave behind the easier work of "progressive" connections and do the harder work of racial equity.

**Would you consider this grant a success?**

This grant did not enable us to achieve the goals and objectives laid out in our initial proposal. Instead, it enabled us to go far beyond our initial objectives around economic sustainability and progressive media connections to a much more worthy and more impactful goal of racial equity and inclusion.

If the Wallace Global grant had been restricted to a specific project, we would have had to give back the money--by the time of our joint AAN/TMC conference in February 2016 we learned that our objective of merging with AAN was probably going to fail. However, the fact that this grant provided general support gave us the freedom to pivot and to "fail forward."

We used the money from this grant to cover our travel and staff expenses as we researched how our outlets could better engage with community media. The results are just becoming apparent. Our TMC2016 conference, which focused on race equity, was a huge success. Working with our member outlets, we have developed a racial equity project which will start with engaging communities around immigration. Our members and our stakeholders are energized, and we are already helping our members make more impact. We believe we are on the right path, and thank Wallace Global for its continued generous support.