

The Media Consortium

Foresight for the future: What's around the curve?

July 29 & 30, 2008 – New York City

— meeting & context notes —

- 1) **Central question for TMC strategy project:** "How do we triple the collective reach of progressive media in the next five years?"
 - This was later changed to "progressive journalism" before NYC meeting (July 29) for the purpose of interviewing outside experts.
 - Some questions that came up in NYC meeting: Within the US or global? How do we measure this? How is "collective audience" defined? How do we define "progressive," and is there an opportunity to redefine the term?
- 2) **Strategic scenario-building meeting** (NYC, July 29, 2008)
 - Goals – why are we doing this?
 1. Develop shared POV on what's around the curve
 2. Identify actionable "game changing" projects
 3. Outcome: draft strategic framework & project sketches
 - Agenda:
 - › Review of previous work
 - › Framework & start scenario building
 - › Continue scenario building & iteration
 - › What's the "desired future" pathway for TMC?
 - › Brainstorming strategic options for actionable projects
 - › Project sketches & synthesis conversation
 - › Next steps & closing
 - Inputs that helped derive the scenario-building framework and first draft of scenario stories:
 - › Survey of 10 Coordinating Committee members of TMC (more info below)
 - › Tracy talked with CC members who couldn't be here
 - › Interviews in preparation for this meeting (more info below)
 - › Tony & Nicole (consultants for this strategy project) identified critical uncertainties that came from the inputs listed above and organized them for a first draft scenario framework and stories.
 - › During meeting: iterating & improving scenarios with the Coordinating Committee and three guests who served as "outside-in thinkers"
 - Participants:
 - TMC Coordinating Committee & staff:
 - › Ann Friedman, Deputy Editor, *The American Prospect*
 - › Jay Harris, Publisher, *Mother Jones*
 - › Steve Katz, VP for Strategy, *Mother Jones*
 - › Andrew Golis, Deputy Publisher, *Talking Points Memo*
 - › Rinku Sen, Publisher, *ColorLines*
 - › Don Hazen, Executive Director, *Alternet*
 - › Teresa Stack, President, *The Nation*
 - › Roberto Lovato, Associate Editor, *New America Media*

- > Tracy Van Slyke, Director, TMC
- > Erin Polgreen, Prog Assoc, TMC

Outside-in thinkers (external resources):

Outsiders were invited to the meeting to provide "outside-in" thinking, which is useful in breaking internal group-think dynamics as well as provide additional information and perspectives. (full bios at the end of document).

- > Art Kleiner, Editor-in-Chief, *Strategy+Business* magazine (www.strategy-business.com)
- > Mitty Owens, Senior Deputy Director, NYC Office of Financial Empowerment, former program officer at Ford Foundation
- > Mike Stanton, Publisher, *The Bond Buyer* (leading daily newspaper of public finance)

Facilitators:

- > Tony Deifell, President, Next Consulting
- > Nicole Boyer, Managing Director, Adaptive Edge

3) TMC Coordinating Committee online survey (July 2008)

- Ten Coordinating Committee members completed the survey. Their quotes were batched by theme and used to identify the critical uncertainties (see below) facing independent journalism.
- Full survey responses: [www.deifell.com/FullSurvey.pdf] This includes responses to the question: "What are the two or three most critical strategic decisions on the immediate horizon for TMC?" While this is a shorter time horizon than this strategy session, the results are useful for TMC's short-term strategy.
- A key observation from the consultants for this project: survey responses & interviews indicate that TMC is still clarifying its big picture vision. It is still searching for identity.

A few quotes from survey:

- > "What exactly is our program?"
- > "(We need) a clear-eyed assessment of the benefits we're reaping from the reporting."
- > "My sense is TMC is still sorting out what role it will play."
- > Is TMC more about strengthening the members or the organization itself?
- > "How does The Media Consortium represent itself as a public organization?"

4) Input into draft scenarios for strategy meeting (NYC July 29 & 30)

List of interviews:	Relation to TMC:	Interview conducted by:
Leo Hindery (Obama advisor, partner Intermedia (private equity))	external expert	Tony Deifell
Jay Harris (Publisher, Mother Jones, TMC co-chair)	internal	Nicole Boyer
Jay Heindrich (author <i>Thank You For Arguing</i> & magazine consultant)	external expert	Tony Deifell
Larry Irving (Former Asst Secretary, US Dept of Commerce, Technology Strategist & Futurist)	external expert	Tracy Van Slyke
Clay Shirky (author <i>Here Comes Everybody: The Power of Organizing Without Organizations</i>)	external expert	Nicole Boyer
John Schwartz (Pres EBS, former TMC coord comm.)	internal	Tracy Van Slyke

Alex Stefan (Exec Dir, worldchanging.org)

external expert

Nicole Boyer

- More interviews will be conducted following the 8/29 meeting to fill in gaps of missing information, improve the scenarios and to brainstorm potential "game changers."

5) Defining "game changers"

- A distinction made during the meeting was whether game changers are more defined as internally or externally driven. *External* game changers would be outside of our control (e.g. such as the introduction and growth of the personal computer). *Internal* examples would include actions that TMC could take to shift the playing field by shifting TMC's role in the game. For the purposes of our scenario process, we defined game changers as *internal*. The draft definition posted during the meeting for reaction:

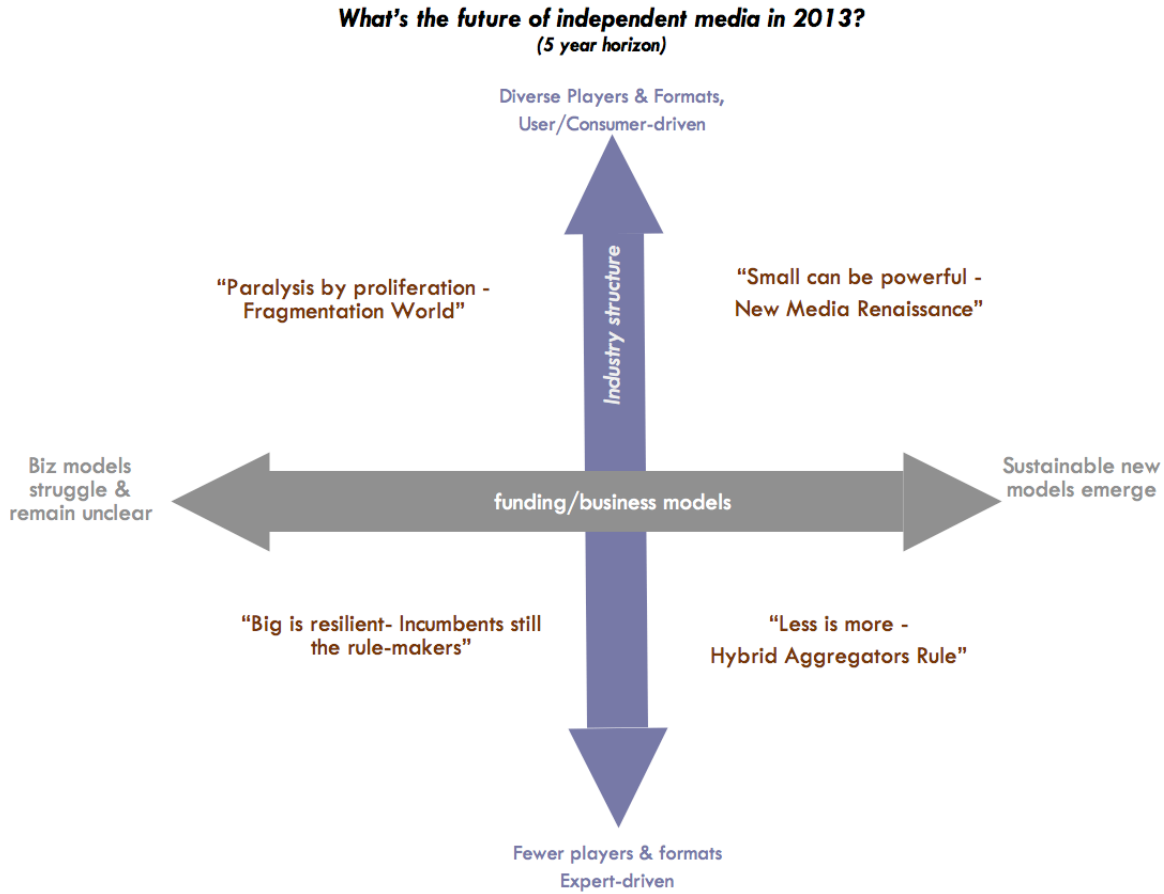
"Developments, 'disruptive' innovations, projects, ideas that could significantly increase the impact and influence of independent media in the next five years. By definition, these aren't incremental but really intended to 'change the game' you're playing in."

6) Key uncertainties

- The TMC Coordinating Committee survey plus interviews helped identify 20 uncertainties, which was used to develop the four scenarios explored during the strategic conversation on 7/29.
- See **Appendix I** below for meeting handout of *Uncertainty List*
- A few discussion points during meeting:
 - › Role of subsidy vs. simply being a successful media company (inherent tensions, same relationship as old media vs. new media)
 - › Concern about nationalism ("nation state" thinking) amongst our readers (e.g. immigration)
 - › Implications of Internet — Could we have more readers if we find them?
 - › Opposition media does well when there is an opposition (i.e. Obama optimism scenario)
 - › There is not agreement among TMC on what success is

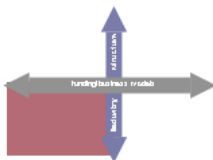
7) Scenario Matrix

- From the list of many uncertainties that the consultants identified through the survey and interviews, they created the following matrix to frame the conversation. This matrix sets up four possible futures TMC might face for how the future of independent media/journalism could evolve. The future that will end up unfolding will likely be a mix of these possibilities, but the framework helps give us greater foresight and explore the original question for the meeting, "What's around the curve?" The process of iterating these scenarios is a critical step for TMC to develop a greater shared point of view among members' diverse perspectives, which will help facilitate action and decision making.
- The group discussed the approach to scenario building. Scenarios should be:
 1. plausible
 2. relevant
 3. challenging to conventional wisdom
 4. compelling & easy to communicate



■ **Scenario Stories**

For each quadrant, the consultants created a narrative story to start the group in painting the picture of possible futures. The goal during the meeting was for the group to improve upon these stories and identify the key drivers in each quadrant. (Note: These notes reflect the version of scenarios before the meeting. The final report will incorporate the group's input into the next iteration of this framework.)



Scenario 1 — “Big is Resilience - Incumbents Still Dominate”

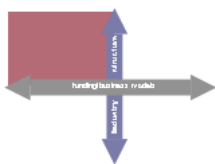
The Story

This is a world in which the recessionary economy worsens and is longer and deeper than most people were prepared for. In the political scene, things weren't that much better. Despite a change in administration, all of the problems facing the nation forced a more *status quo* approach to governance and policy-making. Moreover, the US becomes even more isolationist, perhaps a predictable legacy of Iraq. But this signals strongly to the rest of the world that the US is on a fast track to losing its global superpower status, something that seemed unthinkable even five years ago.

This had a crippling impact on the media landscape. With consumers ‘cocooning’ both in spirit and spending, advertising revenues plummet early on and are slow to recover. And for some channels and segments they never do bounce back, going the way of the newspaper classified ad. Investment in anything new and untried also dries up. Even the once hip “social media” startups suffer. Back-to-basics is the new mantra. With struggling business models across the media spectrum, this puts many organizations in an untenable position. Many smaller and middle-sized organizations either go out of business, or take drastic measures — like partner with unlikely allies, even “selling out” to corporations, or switching to lower cost “survival” options.

Clearly, the winners in this scenario are the large corporate media organizations, since they had the resources and deep pockets to weather out the storm. And while some new media and independent voices are still around— albeit treading water— the larger brands remain the gatekeepers in terms of content production and distribution channels. As a result, the level of innovation slows in this scenario. Consumers also get less choice, but don’t seem too bothered by this; their concerns and priorities are elsewhere — like their smaller pocketbook.

By 2010, things start turning around. Economic growth is resuming. Some of the new players that were pushed under start to reemerge. And while a longer view would say they would eventually be a threat to the “business as usual” scenario, this downturn created a welcome breathing space for large corporate media to hold back the “barbarians at the gate” and reinvent themselves.



Scenario 2 — “Paralysis by Proliferation - Fragmentation World”

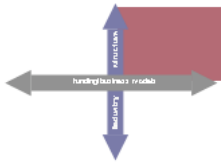
The Story

This is a world in which “more is not better”: where the proliferation of new media formats and forms creates a great deal of confusion and chaos in the media industry, and amongst consumers as well.

While clear-sighted observers could see that the industry was in the midst of a deep transition from a traditional media structure to something else, this transition was taking longer than anyone had anticipated— or cared to tolerate. After a decade of framing innovation as an intrinsically good thing, the downsides of “creative destruction” were becoming apparent. For one, it was very costly and painful to existing and new players alike. With no clear business models in sight, revenue sources of all kinds (advertisers, donors, foundations) were slow to materialize. No one wanted to take any risks, with investors preferring to take a “wait and see” approach, a stance compounded by a tepid domestic economy. Secondly, consumers didn’t like this uncertainty and confusion. Voting with their eyeballs, people started to curtail their consumption of content across media, but especially new media — “newness fatigue” being the chief complaint. All of the new formats were just too hard to figure out, especially for the older cohorts. The prevailing ethos was “better to go with the devil you know”, which gave an advantage to some of the bigger brands. This advantage, however, didn’t last long. The market confusion eventually took its toll on the big corporate media, which had further to fall and activist shareholders to please.

By 2012, things start to shakeout. Winning business models and innovations start to emerge. And there was a silver lining. The trend where content was becoming “free” or “almost free” was stymied in some key areas. Successful innovators took a page from Apple’s Music Store playbook:

they created user-friendly formats that made it easy for consumers to pay for content at price points they felt reasonable (Chris Anderson eat your heart out.) Finally some ways to make money after many lean and mean years!



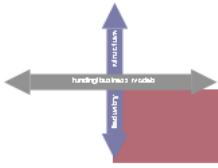
Scenario 3 — “Small can be powerful – New Media Renaissance”

The Story

This is a world where the new digital media landscape experiences a “Cambrian explosion” of innovation and rapid change, driven by a wave of new media entrepreneurs and their investors eager to leverage the new technologies, new formats, and new forms of content production. The real folks driving this scenario, however, are increasingly empowered consumers. What they want is still expert story-telling and analysis, but in different forms and formats and across media. Consumers also want to be participants in the conversation not just passive recipients of news. Indeed, just like in other sectors, people will pay premiums for “experiences” of various kinds. Put another way, this is a “many-to-many” media world, where user-generated content and citizen journalism are perceived to be valid sources of information, right along side mainstream news outlets. In fact, “crowd sourcing” is proven to be better at some things, like covering disasters or certain local issues, than more traditional “top down” approaches.

By 2011, new media players start to dominate the industry, with traditional media increasingly lagging behind, unable to develop the talent and “new capabilities” to be nimble enough in this fast-paced world of experimentation. Several large properties even get bought by younger startups, and some fail altogether—an unthinkable development. Though some new media players scale in scope and size, this is also a “Long Tail” world full of niches. It’s also like the Renaissance in that “craftsmanship” in content is valued by niches with means, and sponsored by foundations, think tanks, and high network individuals. Small outfits can thus be as powerful and influential as large ones, though often they don’t have the revenue to match.

There is no one winning business model in this scenario, and at first, the struggling economy made any kind of investment in media look like an impossibility. But a new US administration in 2009 helped stem the downward spiral. After a “Sputnik-like” moment, an intense refocusing on rebuilding the nation’s infrastructure (both physical and “soft” like education) spurred moderate growth and a longer view. This more favorable political context created an opening for fundamentally new ideas and alternatives to enter the discourse. In fact, the success of ventures like Media Wire helped show how and why this was sorely needed in the country. We also see legislative efforts to help the “digital commons” to flourish, creating new citizen protections and leveling the playing field for new entrants. Intellectual property dilemmas, especially digital rights issues, remain an issue but an active campaign to create new laws for a “knowledge economy” is attracting worldwide attention.



Scenario 4 — “Less is More - Hybrid Aggregators Rule”

The Story

This is a world where a true convergence emerges between the myriad of content producers— everything from traditional publications, to new media, to blogs and citizen journalism. Whereas in the other scenarios these worlds are somewhat at odds, even clashing and competing with each other, the winners in this world create offerings that tap into the best aspects of each, hence the “hybrid” moniker. Just like how the mingling different gene pools makes a species more robust, the “recombinant DNA” of these new organizations, while not always easy or seamless, is exactly what consumers want.

In fact, the winning value propositions in this scenario are all about helping people “extract the signal from the noise” and make choices they can feel good about in a sea of options. This pushback on the floodgates of information was long in coming. After decades of “information overload”, researchers were now see the long-term consequences, some of them disturbing. Cognitive disorders were emerging, not just amongst the older cohorts but also within the “net gen.” Indeed, digital sage Marshall McLuhan forecast this too when he said, “the human brain cannot operate at the speed of light.” Turns out less is more, even if we need to have someone else say no for us.

What emerges are the “info intermediaries” or aggregators. While they come in variations shapes and sizes, these organizations are all good at curating or filtering content for consumers. The ultimate postmodern creatures, they create value by slicing and dicing a wide variety of content in a compelling, relevant, and dynamic ways across media forms and formats. But brand coherence and strategic focus is the key in this increasingly competitive marketplace.

This resulted in even more consolidation in the media industry. Curiously, the acquirers were equally likely to be new media titans — YouTubes or Facebook— as they are traditional corporate brands. We also see some different players entry the picture. A few large foundations and some high-net worth individuals decide to underwrite some media ventures, each keen to ensure their issues are given a platform.

- Comments that were posted to the wall during group discussion of the scenarios above: These will be expanded in the final report and used to improve the scenarios. (This list does not represent all the points of conversation.)

Observation & questions:

- > There is no plausible future where audience goes away
- > Scenario #2 & 3 were similar (possibly the same future)
- > The left extreme (of horiz axis, “biz models struggle & remain unclear”) will probably be worse instead of remaining like the status quo.
- > What are scenarios in which audience is hardest to find?
- > What are the implications in each scenario on the multiplicity of formats?
- > What are the business models that emerge in scenarios #3 & 4?

- > We have lots of new things to learn and should experiment widely.
- > How do the rules of the game change in each scenario?
- > Who do we want to influence? How does that shift in each scenario?
- > What are the contradictions we face?
- > Is the Darwinian nature of strategy conversations like this a good thing?
- > Themes in the scenarios legitimize the role of celebrity, curation and framing.
- > Are we getting stuck in the same audience?

We also discussed what might be missing from scenarios & uncertainties:

- > Role of community shaping the scenarios?
- > What is our strategy across each of the scenarios?
- > Which scenarios will the governing elites try to maintain? And, how? What will TMC do?
- > How does the de/legitimizing of globalization & financial systems fit?
- > How will the notion of "nation state" change in each scenario?
- > What will global audience look like?
- > What would consolidating amongst ourselves (TMC) look like in each scenario?

8) Brainstorming "game changers"(long-term project ideas for TMC)

- Based on the conversation to improve upon the four scenarios, the group brainstormed possible "game changing" projects that TMC could take on in the next three to five years (but specifically beyond next year's planned projects). Subsequently, each participant (minus outside guests) voted on their top three.
- Brainstorm list (in order of most votes, wording as listed on the wall). The top three were chosen for small group conversations to conclude the day (see notes below).
 - > **Media Darlings** — create great journalists, "media darlings," & new audiences – offer creative packaging \$ and support – talent development & training [9 votes – Don & Tracy]
 - > **Points of Pressure** — TMC raises \$ to work on projects to work together. – creating content – "point of pressure" project (existing idea of Tracy's) [8 votes – Tracy lead]
 - > **Diverse Voices Internship** — create entry points for diverse voices via internships (b/c interns help create change when they leave) [6 votes – Andrew lead]
 - > Create mobile content (iPhone) (reaching new audiences (aud driver) (# 10. Was combined with this: Syndicate our content - create systems) [5 votes – Andrew lead]
 - The group decided that there wasn't enough expertise in the room to develop a project sketch for this idea, although people agreed that it was cutting edge.*
 - > Massive public awareness campaign (build off public disgust/mistrust, be funny, "got truth," collective advertising a sector [4 votes]
 - > Millennial Media Products – move to next generation (out of "classic rock" era) ("needs of a new political generation – frame experience like a historian of Obama-ites) [4 votes – Roberto lead] (# 19: Raise \$1 million to fund non-white, non-male folks to create content on most important issues of our time (web based, feed into mainstream). Ethnic
 - > Reality TV Show (e.g. follows families in healthcare problems – offering solutions – showcasing family journalism – contest – spirit of "super-size me" – connect social networking apps [3 votes]
 - > Consolidate all of us (media company, segment audiences) combine with 23. Merger [3 votes]
 - > List Building (big effort to build large indy fan list) [3 votes]

- › Lobbyist working for us & partners (help us win on regulatory issues & future of media landscape) [2 votes]
 - › Strategic Partnerships with ethnic media (bridge issues, bridge individuals. Specific issues: immigration, digital divide [2 votes]
 - › Focus on organizing at community level (tell stories) [1 vote]
 - › Google News to modify algorithm to identify indy
 - › Hiring consultants for back-office for TMC members to share and build capacity (e.g. chief info officer, SEO = double audience)
 - › Broker partnerships (TMC "seal of approval," pension fund a la "National Organizers Alliance"— a money maker)
 - › Connect our audiences via social networking (not social adept) (tap into younger folks, leverage audience, rev opportunities)
 - › Syndicate our content (create systems)
 - › Change journalism practices (expand focus on solutions)
 - › All focus on audience vs. content niche (deliver what they want)
 - › Progressive Media Fund (strategic grants)
 - › Make incremental micro payments easy (iTunes model) (create infrastructure & services (e.g. chip-in) (user driving) (desktop product delivered, physical content)
 - › Raise \$1 billion in five years to endow TMC members - let publishers live off it (idea arose after brainstorm)
- On the next day, TMC Coordinating Committee members consensus was that the meeting was a good day for strategy. Nevertheless, more work needed to be done to 1) refine and 2) push the concept of a "game changer" further. This mirrors the assessment of the consultants and outside guests who contributed to the previous day. "The ideas weren't game-changing enough," commented one outside guest. Scenario thinking usually requires several iterations to push the envelope, so the brainstorm of project ideas was a good start. This scenario process is designed support TMC to take game changers even further, which is the aim of the next stage of this strategy project.

9) Project sketches

- Small groups discussed the top three voted project ideas: Media Darlings, Points of Pressure, Diverse Voices Internships. The following are the project sketched that resulted from the small-group conversations:
 1. **MEDIA DARLINES** (lead: Don Hazen)

WHAT: Award Winning Journalism, Media Darlings, and Millennium Audience Expansion Project

The Recruiting and hiring of 5-10 highly skilled female and people of color journalists, who would be well paid (\$75k e.g. with benefits) who would be situated in TMC member environments, and perhaps journalism schools, whose sole purpose would be to produce and promote high-quality content in areas that are dominated by white male writers (Foreign Policy and Security Issues , Energy and Climate , Economics and Tax Issues, etc.) This content would be developed from jump as multi platform, with emphasis on video in particular.

The aim of this content, in part, would be to new audiences – the progressive elements of the new "Obama coalition" of younger voters, women, and Blacks, Latinos, Asians, etc. Members of the TMC would be the first beneficiaries of this content, hopefully in well timed, echo chambered release and presentation, but it would also be under Creative Commons and hopefully would spread to many media outlets.

WHY: Most content being produced and distributed in the most potent and powerful subject areas is done by white males; and even then some of the best content isn't sufficiently marketed broadly or effectively used by the progressive media infrastructure.

OUTCOME: A significant increase of quality content on key issues developed by outstanding younger and mid-career journalists (8-10 stories a year per journalist) could be a goal; along with five media appearances for every article.

WHO & HOW: Project developed and implemented by TMC members and staff; target funders (Knight, Ford, the Sandler's (Pro Publica) OSI, MacArthur), skilled editors from TMC members would also participate and help supervise, mentor, and shape the content.

2. **POINTS OF PRESSURE** (lead: Tracy Van Slyke)

WHAT: Building the Impact, Leveraging Resources, Expanding the Audience

TMC and members identify three major issues (i.e. housing, economy, immigration) that they want to make an impact on the public debate/dialogue in '09.

POTENTIAL STRUCTURE: TMC raises money to distribute to TMC members in order to fund the production of a certain number of stories/media items within a set time period. TMC members will apply for funds and agree to certain rules (i.e. playing well with others, participating in joint effort, publicizing their own and other members' stories, and project as a whole, etc.) We will then work with TMC members, PR firm and identified allies to frame and push the compiled content and the collaborative effort out to larger audience, members of the media, politicians. Etc.

OTHER DETAILS:

- Could also integrate with Media Wire project to support effort. Are there additional video/audio productions or events that we can build (a la Live From Main Street) to bring these topics to the people and give audience members a chance to tell their own stories on these issues?
- Provide complementary video and audio
- Integrate citizen journalism to increase impact and engagement of new audiences.
- Partner with members.

OTHER DETAILS:

- Concentrated joint, collaborative effort to impact the political discourse.
- Reach and be introduced as progressive media to funders/donors that fund specific issues, but haven't funded media yet.
- Reaching scale of audience and impact.
- Building a larger/effective infrastructure.
- List building – identify ways to build out lists of each of the members
- Create social networking opportunities.
- Partner with organizations and allies to push out stories/products to members and encourage their members to sign up for lists/subscribe (special deals).
- Send to Capitol Hill with signatures (political wave)

3. **DIVERSE VOICES INTERNSHIP** (lead: Andrew Golis)

Notes from this small group have not been received.

10) Proposed plan going forward for this strategy project

Product:	Purpose:	Timeline:
Draft report incorporating input from 7/29 meeting that iterates the scenarios and framework	Create a tool for 1) developing a shared point of view among TMC members and 2) generating project ideas that are even more "game changing"	By Sept 12
<u>IDEA GENERATION & COLLECTIVE LEARNING</u>		
TMC member calls – CC members divide membership for 1-on-1 calls	Engage all members of TMC to 1) discuss draft report and solicit feedback, 2) start the conversation of new game-changing ideas	Sept 15 – 26
Online survey – full membership	Solicit new game-changing ideas	Sept 30
Outsider Interviews	1) fill in gaps of information in draft scenarios, 2) vet proposed new ideas from TMC members, 3) solicit out-of-the box ideas	Oct 15
CC vet new ideas	Process TBD (conf call & subsequent online survey for voting)	Nov 17
<u>FINAL REPORT</u>		
A nicely-designed final report that can be used as a "talking piece" with potential funders and TMC members	Incorporates new project ideas, places them within a strategy framework, provides a tool that can be actively used in TMC meetings to hone strategy & focus efforts, and helps TMC raise funds for its members and its ongoing field-building work	Dec 15

Appendix I

Critical Uncertainties Affecting the Future of U.S. Independent Journalism

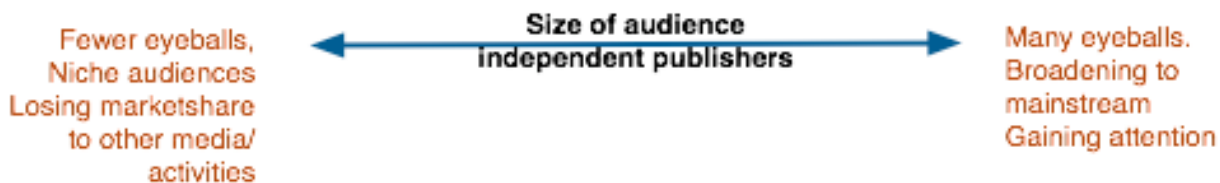
results from TMC online survey & interviews – July 2008

Quotes after bullets (in blue) reflect survey responses from 10 Coordinating Committee members. The quotes were batched by theme—along with outside expert interviews (excerpts *in italics*)—which consultants used to identify the key uncertainties facing independent journalism. This list of uncertainties was the basis for developing the four scenarios explored during the strategic conversation on 7/29/08.

CONTENT

- 1) Consumer & Audience Uncertainties
- 2) Business Model Uncertainties
- 3) Technological Uncertainties
- 4) Content Production Uncertainties
- 5) Environmental forces: Industry Structure & Politics

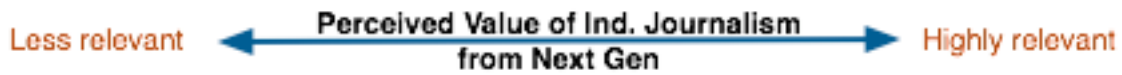
Consumer & Audience Uncertainties



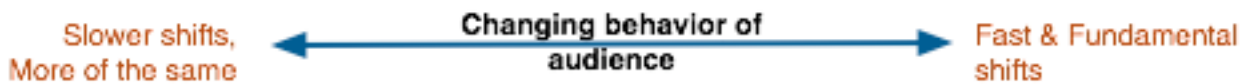
- "Will independent media be reaching a broad audience?"
- "We've made first steps toward identifying the scale we currently operate in, and what we're seeing is that we reach only a portion of the potential core audience (forget about outliers) for our content. This is the single biggest challenge we have to deal with in everything we do."
- "Scale. We've made first steps toward identifying the scale we currently operate in, and what we're seeing is that we reach only a portion of the potential core audience (forget about outliers) for our content. This is the single biggest challenge we have to deal with in everything we do."
- "I'm most hopeful that there is increasing interest/reliance on independent media for news – importance of specialized/niche media is growing with the increased accessibility through the web and decreasing trust of corporate media... and I'm very hopeful about possibilities provided by web 2.0 to expand the reach and impact of independent media"

"A disproportionately large share of the audience for popular products consist of relatively light consumers."– HBR, July 2008

Biggest challenge to progressive media: honest, intellectually embracing, not walling ourselves off from the millions of people who worry about that progressive elites look down on them. (TMC interview)



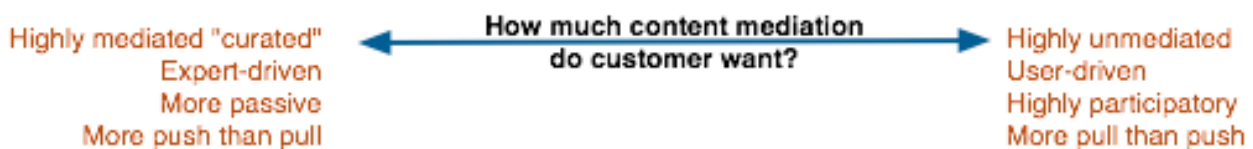
- "But I'm also concerned that independent media organizations are not figuring out how to tap into the next generation of news consumers."
- "Tremendous ferment in the media world right now, driven by cool, smart, young journalists (and some of their older pals) who 'get' that the future has yet to be invented."
- "The engagement of young people that Obama has generated seems cause for optimism. How can we translate that engagement into support for our type of journalism and our values?"



- "Figuring out how our potential audiences define news--and how they're getting it. We need to figure out how our desired demographics consume media, and then work to provide MC member content in those channels."
- "I'm curious to see how independent journalism meshes with personalized, or 'news-as-you-need-it' trends."

.....
Bottom line--demos are changing of this country dramatically. tech changing dramatically. willingness to hear progressive media is increasing dramatically. certain window of time to make something long lasting. (TMC interview)

.....
Living better, getting richer, vast majority are happy with government — all without independent journalism. (TMC interview)



- "Funding, filtering, and future of educated thought. In other words, will we have an audience that can find us and pay for being informed, and what can we do, in content but also policies and activism that will help develop a majority educated (and desirous of being informed) population."
- "I think there is tremendous opportunity for collaborative media that engages specific communities as both media makers and consumers."

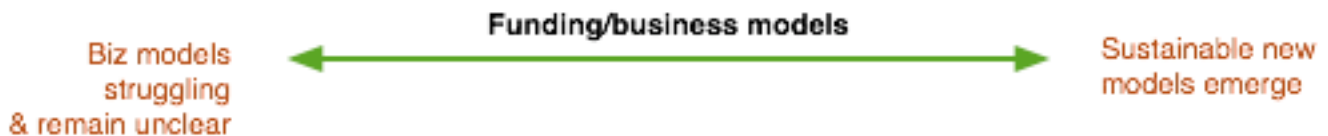


- "I worry that the wonderful fact that anyone can start their own media will lead to a fragmentation and disorganization of liberalism as opposed to an opened up but still united movement."
- "Siloed audiences: 'classic' independent media outlets are slow to adapt to changes in audience composition, preferences, styles, platforms (thinking of younger audiences and of people of color audiences that currently are not served by us)."

.....
Don't expect progressive media to have direct path initially. Need to find trusted voices inside the community that can help create the echo chamber.
 (TMC interview)

.....
"Although no one disputes the lengthening of the (long) tail, the tail is likely to be extremely flat and populated by titles that are mostly a diversion for consumers whose appetite for true blockbusters continues to grow."
 - HBR, July 2008

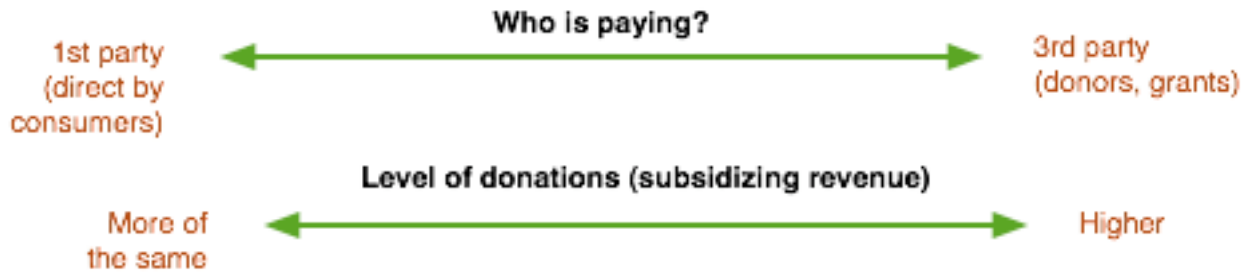
Business Model Uncertainties



- "Biz model, risk capital, 'patient capital': wake me up when someone figures it out. Just kidding: this is the big kahuna problem and we need to be doing much more testing and experimentation."
- "Which of the current brands survived? what was it about their journalism or business model that succeeded?"
- "What are the best business model(s) given ongoing changes in media marketplace, funding and technology?"
- Big surprise: "Big Top going down (though sort of predictable) and IPA going right after that."

.....
Their revenue model has no connection with the consumer experience, which is the hallmark of the new media and social networking, where how their generating content is intrinsically linked with their revenue model. (TMC interview)

.....
You just take 'progressive' out, and the substantive question is, 'How do you build a successful media company?' Because it's not like the progressive media companies have a particularly different challenge than all the other media companies. (TMC interview)



- "I worry that there is not a robust enough understanding or trust in what media is and can do from all of those sources that fund independent media - and I am always trying to think of ways for independent media to become more autonomous."
- "Some awareness on the foundation level that funding media is important, some movement to bring grant monies to other than 501 c3 entities, the entrepreneurship we see from journos trying new things. all good."
- "I'm surprised that progressive funders didn't get behind independent media"

journalism has been thought of as business for some years, now by some people are starting to think about it as a charity (TMC interview)



- "How do we transition to ad-supported content for the first time in history, or is there another way?"
- "What happens to the ad money leaving newspapers?"
- "In terms of advertising, I think we did expect web revenues to be far higher than they are now. Yeah, we all expected print circulation to continue to decline. But we thought we'd have figured out how to 'monetize the web' by this point. Not so."

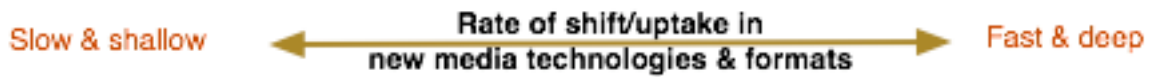
Technological Uncertainties



- "I'm surprised web video seems to have caught on in a way, say, podcasting never really did. And because doing it well does require a few more resources, I think a lot of publications are still catching up"
- "I'm really excited about video and mobile."

- "What are the tools we can use to streamline the route between published content and the user?"

"Publishing has only two indispensable participants: authors and readers. As with music, any technology that brings these two groups closer makes the whole industry more efficient—but hurts those who benefited from the distance between them." The Economist, 7/7/08



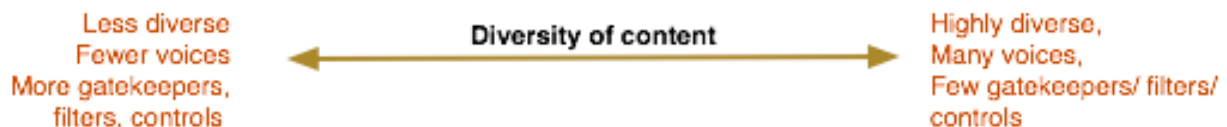
- "Mobile news and other streamlined or customizable content fill a niche and actively engage their audiences--that's really exciting to me, and I would love to see the MC build our collective audience by working with some of these tools."
- "Worry: ongoing changes in media marketplace, funding and technology"
- "I think many of the best publications haven't been ready for the transition and so the sharpest minds have lost prominence in the debate as a result."

The vision of mobile device is moving faster than anyone expected. 85 percent of Americans have a mobile device--irrespective of their ethnicity and income. No one is yet thinking about how to use mobile--to create media reaching their audience and meets them anytime and anywhere. (TMC interview)

Content Production Uncertainties



- "How will we pay the costs of our type of journalism, reporting that is historically supported by readers/subscribers, in this free content e-world?"
- "Online media gives nonprofit media a leg up on for-profit mainstream media. It's cheaper to produce, the audience is still vast, and lower ad rates don't affect us as much because many of us are reader and donor-supported."



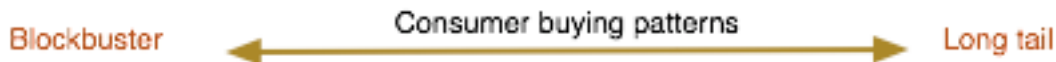
- "How to be more inclusive of non-white voices reach competitive scale. How we can broaden the reach and resources of our media and be more inclusive of non-white voices."

*Black media--blackvoices/blackplanet--are almost apolitical. They want to be commercially valuable and don't want to scare off potential advertisers.
(TMC interview)*



- "Worry: Degree of falsity, myth and lying the populace has now been conditioned to consume."
- "I think there is more of a hunger on the part of a larger segment of the public to access better and more information about the huge issues facing all of us. Independent media is poised to become that institutional resource across platforms. I think it would be great for the MC to help build projects that put forward this larger vision."

*"Broad, fast communications and easy replication create dynamics whereby popular products become disproportionately profitable for suppliers, and customers become even likelier to converge in their tastes and buying habits."
– Robert Frank & Philip Cook (1995)*



*"A more significant trend is that independent artists have actually lost share among the more popular titles to superstar artists on major labels. Thus digital channels may be further strengthening the position of a select group of winners."
- HBR, July 2008*

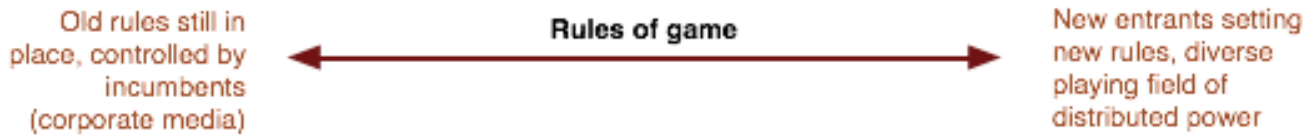
Environmental forces: Industry Structure & Politics



- "Great political moment, we should be able to take advantage of it."
- "I am excited about the possibility that an Obama Presidency could turn America's attention to global issues and improving our standing in the world. And it would also swing the balance in the FCC, freeing up Copps and Edelman to make some major changes in the media landscape around consolidation and access to bandwidth."



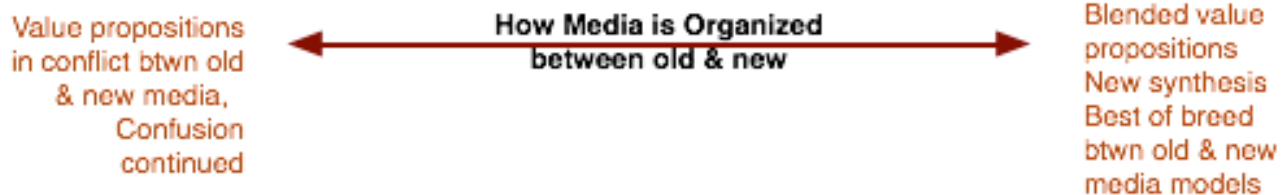
- "Which independent media organization(s) broke open corporate control of television (not just cable or broadcast, but online TV) and proved that we could attract a mass audience for our content?"



- "Consolidation, conglomeration and industry economics."



- "Barriers to entry are still (relatively) low thanks to long tail and cheapening technology. Cable and broadcast *can* be circumvented to get to a new mass audience (or mass of niche audiences) - we can do this."
- "Surprised by the new entrants in this category and the success of HuffPo"



- "I also think that, in terms of high-quality, localized news, there will be a big push for radio (public and otherwise) in the coming years. It will be interesting to see where, say, traditional print media and radio can build partnerships."

'History has lessons to teach about the role of denial in the decline of companies. (e.g. US auto industry). Denial has involved many other issues as well, from ignoring external forces such as technological innovation and demographic change to overestimating a company's own capabilities and resources.'
 – Dr. Richard Tedlow, business historian"

Appendix II: Bios of "outside-in" special guests at 7/29/08 strategy meeting

- **Art Kleiner** is the editor-in-chief of *strategy+business*, the quarterly management journal published by Booz & Company. His work in scenario planning began in the 1980s, when he was an editor at the Whole Earth Catalog and *CoEvolution Quarterly*; he helped the scenario planning team at Royal Dutch/Shell design their computer conferencing system. He then worked as a consulting editor on several books about the method, including Peter Schwartz' *The Art of the Long View* (1992, Doubleday) and *Inevitable Surprises* (2003, Doubleday) and Arie de Geus' *The Living Company* (1997, Harvard University Press). Kleiner's book, *The Age of Heretics*, has just been published in its second edition by Jossey-Bass (2008). It includes an in-depth history of the method that was praised by some of the founders of the field, including Pierre Wack and Ted Newland. Between 1993 and 2005, Kleiner taught a twice-yearly scenario planning course, "The Future of the Infrastructure," to graduate students at New York University's Interactive Telecommunications Program; he has also taught scenario planning at the Shambhala Institute Authentic Leadership program and helped design the draft scenarios for the United Nations AIDS in Africa project, published in 2005. He is the author of *Who Really Matters: The Core Group Theory of Power, Privilege and Success* (Doubleday, 2003), and the editorial director of Peter Senge's *Fifth Discipline* Fieldbook series.
- **Mitty Owens** (Senior Deputy Director, NYC Office of Financial Empowerment) oversees all programs and initiatives of OFE - including the Financial Education Network, basic banking account campaigns, and the Earned Income Tax Credit Coalition Campaign – and develops strategic partnerships with community organizations, financial institutions, and City agencies. Having joined OFE in May of 2007, he brings twenty years of community development experience, including six years as a program officer with the Ford Foundation as well as prior work in affordable housing development, community revitalization and cultural preservation (including time overseas in Zimbabwe), and micro-enterprise lending for Self-Help, one of the nation's largest community development financial institutions based in Durham, North Carolina. Mr. Owens has served as a trustee of various economic development and social justice organizations including the Association for Enterprise Opportunity (the U.S. micro-enterprise trade association), the North Carolina Minority Credit Union Support Center, Grassroots Leadership, Global Exchange, and the Fifth Avenue Committee. A native of Brooklyn NY, where he once again resides, Mr. Owens is a graduate of Yale University and the Community Economic Development M.S. program at New Hampshire College. He was a W.K. Kellogg National Leadership Fellow and is currently an adjunct faculty member at New York University's Robert F. Wagner School of Public Service.
- **Michael Stanton** has been the publisher of *The Bond Buyer*, the daily newspaper of public finance, with more than 18,000 daily readers in print and online. He joined *The Bond Buyer* as a reporter in the New York City bureau in 1995, and later served in the Washington, DC bureau, and as Managing Editor, Editor-in-Chief, and manager of the paper's successful conferences division, which produces more than 10 events each year drawing more than 2,000 attendees nationwide.