



The State of Local News

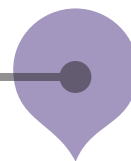
THE 2023 REPORT



2023

**ADDRESSING DIGITAL AND JOURNALISTIC
INEQUALITIES, PROMISING BUSINESS MODELS,
AND DWINDLING LOCAL NEWS OUTLETS**

By Penelope Muse Abernathy and Sarah Stonbely



Acknowledgements

The State of Local News Project Report 2023 was co-authored by Medill Visiting Professor Penny Abernathy and Project Director Sarah Stonbely. It was overseen by Tim Franklin, the Director of the Medill Local News Initiative, John M. Mutz Chair in Local News and Senior Associate Dean. Significant contributions were made by researchers Zach Metzger, Srishti Bose and Jaewon Choi. Medill Spiegel Research Center Executive Director Larry DeGaris and Research Director Ed Malthouse helped create the predictive data modeling used in this report. Project Manager George Stanley and Local News Initiative Editor Mark Caro conceived and edited articles for this report. Knight Lab Executive Director Joe Germuska provided web design and production. Deeta Analytics was our data visualization provider. Enlighten Designs of New Zealand created the “Bright Spots” map.

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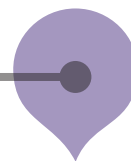
The Medill Local News Initiative, founded in April 2018, is a research and development program intended to provide greater understanding of local news in America and help bolster the sustainability of local news that is critical to a self-governing democracy. This State of Local News Project is one of six distinct projects operating under the Local News Initiative.

The State of Local News Project is funded by the Knight Foundation, MacArthur Foundation, The Joyce Foundation, Lilly Endowment, Microsoft, Myrta J. Pulliam Charitable Trust, Southern Newspaper Publishers Association Foundation and Medill alumnus Mark Ferguson.



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FOREWORD

This report is a More Vivid MRI of Local News in America

by TIM FRANKLIN

For the past 15 years, Medill's Penny Abernathy has tracked the spread of news deserts across the U.S. landscape. During that time, the local news crisis has metastasized like a slow-moving cancer coursing through the bloodstream of enclaves from suburbia to rural America.

This State of Local News Project has served as an MRI of the health of local news, providing journalists, media leaders, policy makers, philanthropists and scholars with much-needed data, analysis and context.

But our ambition this year grew: What if this project could do more than diagnose a current condition? What if this research could be used as a sort of genetic test of local news, employing predictive modeling to help treat health risks in advance?

This 2023 State of Local News Report is an effort to do just that – not only identify current local news deserts but assess areas of the country

at risk of becoming news deserts. And as we chronicle the loss of news, we also set out in this report to document local news startups and to highlight shining examples of news organizations that are showing promise for the future.

This forward-looking assessment of the state of local news is captured in the “Watch List” map developed by Medill data scientists, researchers and journalism faculty, including Abernathy. It's further explored in the “Local News Ecosystem Barometer” map generated by Medill's Spiegel Research Center.

This predictive modeling paints a sobering picture. There are 203 counties that currently



are news deserts, with no newspapers, local digital sites, public radio newsrooms or ethnic publications. But in studying the characteristics of current news deserts, Medill experts have identified another 228 counties at substantial risk of becoming news deserts in coming years.

Why is that important? It gives community leaders, philanthropists, industry executives and journalists an opportunity to act before an area becomes a news desert.

This predictive modeling is one of the many additions to the 2023 State of Local News Report, an expansion that's intended to meet this critical moment for local news in America and, indeed, our democracy.

In addition to tracking local newspapers and digital-only sites, we've expanded our databases this year to include public broadcasting news outlets and ethnic media, providing a more holistic perspective of local news organizations serving communities.

Amid the grim tallying of local news loss, the 2023 State of Local News Report also highlights hope.

Our "Bright Spots" map illuminates every local news startup in the U.S. over the past five years. In addition, we profile 17 of the most successful local news organizations — including several legacy outlets — that are transforming and finding new pathways to sustainability.

Most of those profiles include interviews with the leaders of those organizations, so you can

be informed and inspired by their stories of what's working. We know there are many other successful local news outlets, and we encourage you to write to us with those suggestions.

In early 2024 we'll also introduce a new quarterly newsletter which will highlight important developments in the field, share updates to the report data, and spotlight people who are moving local journalism forward. There are multiple places to subscribe on our website.

This is the most extensive State of Local News Report yet. It couldn't be done without our dedicated team of faculty, staff, researchers, freelancers, contactors and students who've spent months painstakingly collecting, curating and analyzing local news data. The data science team at Deeta Analytics diligently worked with us to provide many of the visualizations and interactive maps.

Significantly, Medill School Dean Charles Whitaker has provided his unflinching support to growing the Medill Local News Initiative, which includes five other research and development-related projects at the school in addition to this critical State of Local News Project.

In addition to our annual State of Local News Reports, the Medill Local News Initiative team plans to begin regularly updating this database to keep pace with rapid changes in the local news industry.

We also could not have conducted this labor-intensive work without our generous financial supporters at the Knight Foundation, MacArthur

Foundation, Joyce Foundation, Lilly Endowment, Microsoft, the Myrta J. Pulliam Charitable Trust, the Southern Newspapers Publishers Association Foundation and Medill alumnus Mark Ferguson. We're especially grateful to Microsoft and its Enlighten design team for its creation and design of the "Bright Spots" map.

This 2023 report marks another significant milestone. This is the last report guided by Abernathy, who has authored five previous local news studies while at the University of North Carolina and now at Medill. Sarah Stonbely, formerly the research director at the Center for Cooperative Media, joined Medill in September

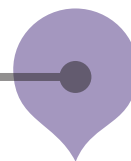
as the new director of the State of Local News Project. We also were fortunate this year to have the expertise and editing skills of George Stanley, formerly the award-winning top editor of the Milwaukee Journal Sentinel and now the CEO of Wisconsin Watch.

Abernathy's expertise, insight, counsel and passion are infused in this report. We're grateful that she chose Medill in 2021 to continue this vital research that she began at UNC. Medill will continue to call on her for guidance, as well as continue to build on this foundation of work that's so vital to an informed and healthy democracy.



PART 1

Executive Summary



There was both good news and bad news for local journalism this past year. The good news raised the possibility that a range of proposals and programs could begin to arrest the steep loss of local news over the past two decades and, perhaps, revive journalism in some places that have lost their news. The headlines on the bad news resoundingly conveyed the message that urgent action is needed in many venues — from boardrooms to the halls of Congress — and by many, including civic-minded organizations and entrepreneurs.

The good news: [Philanthropists committed to major funding](#) — \$500 million — to support local news. [Public officials at the national and state levels considered programs](#) to address digital and journalistic inequalities. And a growing number of news outlets forged promising business models.

At the same time, however, the number of local news outlets continued to contract at an even steeper rate in 2023. On the current trajectory, by the end of next year, the country will have lost a third of its newspapers since 2005. Discouragingly, the growth in alternative local news sources — digital and ethnic news outlets, as well as public broadcasting — has not kept pace with what's being lost.

As a result, most communities that lose a local newspaper — usually a weekly — do not get a replacement. Those communities are typically

poorer and without access to high-speed broadband that would connect them with other reliable news sources in their region, state and nation.

The data and insights collected and analyzed in this 2023 report on The State of Local News paint the picture of a country and society increasingly divided between the journalism-have's — mostly residents in more affluent cities and suburban areas where alternative news sources are gaining traction — and the journalism-have-not's, those in economically struggling and traditionally underserved metro, suburban and rural communities. This partitioning of our citizenry poses a far-reaching crisis for our democracy as it simultaneously struggles with political polarization, a lack of civic engagement and the proliferation of misinformation and information online.

By the end of next year, the country will have lost a third of its newspapers since 2005.

Here are the key findings from this year’s report, published by the Medill Local News Initiative at Northwestern University:

1 Residents in more than half of U.S. counties have no, or very limited, access to a reliable local news source — either print, digital or broadcast.

There are [203 counties](#) without any local news outlet and 1,558 counties served with only one remaining local news source, invariably a weekly newspaper. For the first time, this year’s report places 228 of those single-news source counties on a “Watch List” — at high risk of losing its last remaining local news outlet. Most of these watch list counties are located in high poverty areas in the South or the Midwest, and many serve communities with significant Black, Hispanic or Native American populations.

2 Newspapers are continuing to vanish at an average rate of more than two a week.

Since 2005, the country has lost almost 2,900 newspapers, including more than 130 confirmed closings or mergers over the past year. All but about 100 were weeklies, which are often the sole provider of local news in small and mid-sized communities. There are currently only 6,005 newspapers in the country, approximately 1,200 dailies and 4,790 weeklies.

3 In addition to losing almost a third of its newspapers, the country has lost almost two-thirds of its newspaper journalists — 43,000 — since 2005.

Most of these journalists were employed by large metro and regional daily newspapers, half of which are owned by the nation’s 10 largest chains. Today, many of the large dailies owned by chains employ less than a fifth of the journalists on staff in 2005. After years of buying newspapers and

merging with one another, many of the largest chains paused and began shedding newspapers in 2023 — either closing them or selling them to other chains or local owners.

4 The footprint for alternative local news outlets — approximately 550 digital-only sites, 720 ethnic media organizations and 215 public broadcasting stations — remains very small and centered around metro areas.

Each of these alternative news sources faces unique business challenges that constrain their growth. Many digital start-ups have trouble gaining enough subscribers and funding to achieve long-term sustainability. Since 2018, the number of new local news digital start-ups established annually has roughly equaled the number that go dark. Most ethnic and minority-owned media have suffered from the same dramatic decline in advertising revenue as mainstream newspapers. As a result, more than 150 long standing ethnic news operations closed during the pandemic. And public broadcasting outlets — especially local NPR news stations — are underfunded, receiving only a small percentage of the public funds allocated to the Corporation for Public Broadcasting. As a result, many metro areas have not been able to replace the missing newspapers with digital or broadcast alternatives, and most suburban and rural communities that lose a local newspaper do not get a replacement.

5 At a time of industry-wide economic disruption, news organizations located in affluent or growing communities with diverse sources of for-profit and nonprofit funding are most likely to develop sustainable new business models.

However, committed and entrepreneurial local owners and founders can also find ways to

thrive in less affluent markets. This year, we explore in depth [17 promising new business models](#) for both legacy and start-up organizations, located in a variety of markets. All but one of these are locally owned and accountable, suggesting that local news operations with entrepreneurial owners and community support have a much better chance of developing sustainable news models.

Reversing the decline in local news will necessarily involve multiple stakeholders pursuing complementary programs and objectives that target funding to communities and news outlets most at risk. This includes policymakers at the state and national level, national philanthropic and community organizations, universities, industry executives and civic-minded individuals — all of whom have a stake in ensuring a healthy local news ecosystem and a strong democracy.

How many news outlets are near you?

There are 203 counties in the United States with no news outlets. There are 1,558 counties with only one.



Source: Local News Initiative Database



PART 2

Introduction

News Deserts and
At-Risk Communities



This is a vast country, encompassing more than 3.7 million square miles, 3,143 counties and tens of thousands of far-flung incorporated and unincorporated communities, many with fewer than 10,000 residents.

From our nation's earliest days until recently, our democracy at the grassroots level has been held together by a vast network of local newspapers that helped residents in those small towns not only connect with their neighbors and others in their region but also public officials in their state and nation's capital.

By the early 1900s, there were an estimated 24,000 weekly and daily newspapers in the country, with almost half of the papers located in counties west of the Mississippi. Throughout the 20th century, that number eroded, sometimes slowly, but at an accelerated pace over the past two decades. Today we have only about 6,000 surviving newspapers, many struggling to survive, as print advertising revenue has collapsed to record lows, and publishers have been unable to compensate by attracting sufficient digital dollars.

In a [2011 report](#), the Federal Communications Commission took note of the number of newspapers that were vanishing and articulated an urgent need for other news organizations — digital and broadcast — to step up and provide more local coverage.



Yet today there are only about 550 local or state digital news sites in the entire country and fewer than 1,000 active local minority or ethnic news outlets — the vast majority of which are located in major cities or state capitals. Only nine of 169 PBS stations produce a local news show, and only slightly more than 200 NPR stations have a local reporter on site. While the nation's 800-plus regional television stations have the ability to reach large audiences through cable and over the airwaves, numerous research studies have concluded that more than 90% of the news stories that air are about events, issues and people in the city where the station is located.



As a result when most communities lose a news outlet — most likely its last surviving newspaper — there is often no alternative local news source. This is especially true of less affluent rural and suburban communities.

Today, residents in more than [half of all the country's 3,100 counties](#) either do not have a local news outlet or have only a single surviving outlet — almost always a weekly paper. These counties are often referred to as “news deserts” — defined as a community where residents have very limited access to critical news and information that nurtures both grassroots democracy and social cohesion.

Three million residents live in the 203 counties without a single news source. Approximately 17% of the residents in those counties live in poverty compared to less than 12% in the U.S. as a whole. The counties are predominately rural and sparsely populated, and residents often lack access to either cable or reliable high-speed internet. Cut off from state and regional news

networks, they rely on their cell phones, which offer a diet heavy on national news, as well as misinformation and disinformation.

Demographic profiles of counties without news sources

Demographic measure	News deserts	U.S.
Median household income	\$54,587	\$74,580
Percent with Bachelor's Degree or higher	18.8%	37.9%
Median age	43	38.9
Percent below poverty line	16.6%	11.5%

Source: US Census Bureau

In an additional 1,558 counties, 52 million residents have only a single source of local news. In 1,544 of those suburban or rural counties, a small weekly or daily newspaper that is either locally owned or part of a small chain is often the sole source of local news, for everything from school board meetings to high school sports. The other 15 counties are served by either a digital-only site (6), an ethnic news outlet (3) or a public broadcasting station (6).

Residents in these single-news-source counties, which are mostly rural or suburban, tend to be slightly more affluent and better educated than residents in counties without any local news outlet.

However, the 2023 State of Local News report has placed 228 of the 1,558 single-news-source counties on a [“Watch List”](#) — at heightened risk of losing their last remaining newspaper. The two million residents living in these counties tend to be much poorer than even residents in the 203 counties without a single news source. The average poverty rate in these counties is 22%, and in some of the more rural counties, almost half of the residents live in poverty. Many of these counties have significant minority populations (Black, Hispanic or Native American) and are located predominantly in the South and Midwestern states, such as Alabama, Georgia, the Dakotas and Texas.

While much attention has focused on the loss of news in more rural areas of the country, two-thirds of the newspapers lost in recent years have been located in and around metro areas. Twenty of the 50 largest [metro areas](#) in the country have lost as many as half of their community papers since 2005. Eighty-five percent of these newspaper closures occurred outside the core urban area, in suburban and ex-urban communities. New York, Chicago and Boston lost the biggest total number of newspapers, while Columbus, Ohio, Chicago and Milwaukee lost the most papers per capita.

Poverty rates in these 20 large metro areas range from 15% in Oklahoma City to 22% in Philadelphia. New York, Chicago, San Francisco and Boston have been the most successful in establishing new digital alternatives to replace the newspapers. However, the majority of these digital sites were established in more affluent suburban communities with reliable broadband, leaving many in urban neighborhoods and poorer suburban communities with little coverage of local news that affects the quality of life of current and future residents.



We’ve examined in detail [17 promising business news models](#). These news outlets are located in a range of markets: city, suburban and rural; affluent and economically challenged. Each profile has a report card on progress to date and in-depth interviews with the founders and executives who are leading them. Not surprisingly, news organizations that are located in affluent and growing communities — and have entrepreneurial owners — are much more likely to develop sustainable new business models.



“DIGITAL DISRUPTION, NEWS AVOIDANCE ... AND ADVERTISING DECLINES CONTINUE TO NEGATIVELY IMPACT ALL LOCAL MEDIA, REGARDLESS OF TYPE.”

– Nancy Lane, CEO of Local Media Association

Why are we continuing to lose local news? In the end, it all boils down to economics. “Digital disruption, news avoidance... and advertising declines continue to negatively impact all local media, regardless of type,” says Nancy Lane, CEO of the [Local Media Association](#), whose members come from print, digital and broadcast media. However, she points out, each medium faces unique challenges:

- **Newspapers and Ethnic Media encounter many of the same obstacles.** As advertising revenues have collapsed, most small newspapers and ethnic news outlets have been unable to compensate by adding sufficient digital revenue from either subscribers or local advertisers. Several hundred newspapers and longstanding ethnic sites have closed since the beginning of the pandemic. While surviving newspapers and ethnic media outlets tend to have loyal audiences, they are caught between two worlds (print and digital), tethered to print for both advertising and subscriber revenue, especially in areas where high speed internet and broadband access is very limited.
- **Founders of digital outlets are also handicapped by a lack of reliable and**

inexpensive internet access, especially in suburban and rural areas. Additionally, in smaller markets, digital start-ups have the added challenge of quickly gaining enough audience support to attract either commercial or nonprofit funding and to achieve long-term sustainability.

- **Public broadcasting — especially NPR — has attempted to hire reporters to address the local news crisis, but it is underfunded,** especially when compared to other technologically advanced democracies in Europe and Asia.
- **As for commercial broadcasting, digital dollars account for only a very small percentage of total revenue for most television stations, which are currently reliant on both advertising revenues and fees paid by cable providers.** As both of those revenue streams have decreased in recent

years, broadcasters have been forced to institute “cost-cutting measures in 2023 that we haven’t seen before,” Lane says, adding that “most of them are [now] fully focused on digital transformation and will find new business models.”

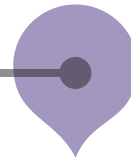
Given the current state of media economics, poorer communities — whether rural, suburban or urban — are much more likely to lose a newspaper and be overlooked by entrepreneurs, corporate investors and philanthropic donors seeking to fund alternative news outlets. This situation is creating a nation increasingly divided journalistically between those who live and work in communities with local news and those who don’t.

Therefore, the major challenge confronting policymakers, philanthropists, industry executives and investors is how to increase and redirect funding to those communities at the highest risk of losing the news.



PART 3

The Vanishing Newspapers



The rate of newspaper losses in the U.S. ticked upward in 2023 to two-and-a-half a week, an acceleration driven by a handful of large chains and smaller regional companies shuttering multiple papers in one fell swoop.

Over the past year, 131 newspapers in 77 counties were unable to regain their economic footing in a post-pandemic world and disappeared from their communities.

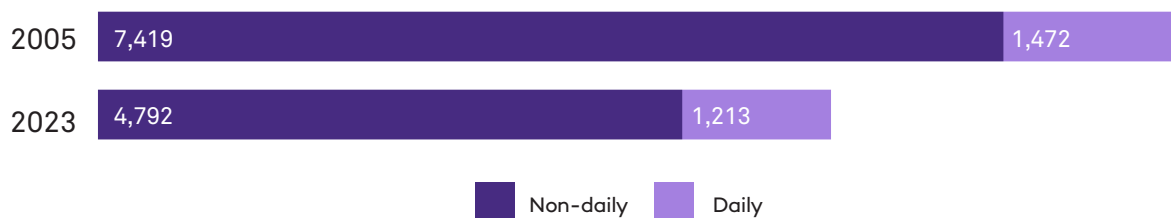
In 16 economically struggling counties located in Texas, Tennessee, Georgia and Kentucky — with poverty rates four percentage points higher than the U.S. average — residents were left with no local alternative news source once the weekly newspaper closed. Eleven of those 16 newspapers

were locally owned and were shuttered [when the publisher could not find a buyer](#).

Since 2005, the country has lost almost a third of its newspapers — 2,887 — and today has only 6,005 survivors, including 4,792 weeklies, or nondailies, that are often the sole source of news and information in their communities. North and South Dakota, Iowa and Minnesota lost the most newspapers per capita between 2005 and 2023. All but a handful were weeklies.

Total number of local U.S. newspapers: 2005 and 2023

There has been a net loss of 2,887 papers since 2005.



Source: Local News Initiative Database

Three dozen [new papers](#) have been established over the past five years, and a growing number of independent, locally owned newspapers — small weeklies, as well as major metros — are developing promising new business models that utilize both commercial and philanthropic funding to expand coverage of issues that affect their own communities, as well as communities that have become news deserts. This includes small weeklies, such as [the Recorder](#) in Virginia and metro dailies, such as [the Seattle Times](#) and the [Charleston Post and Courier](#) in South Carolina.

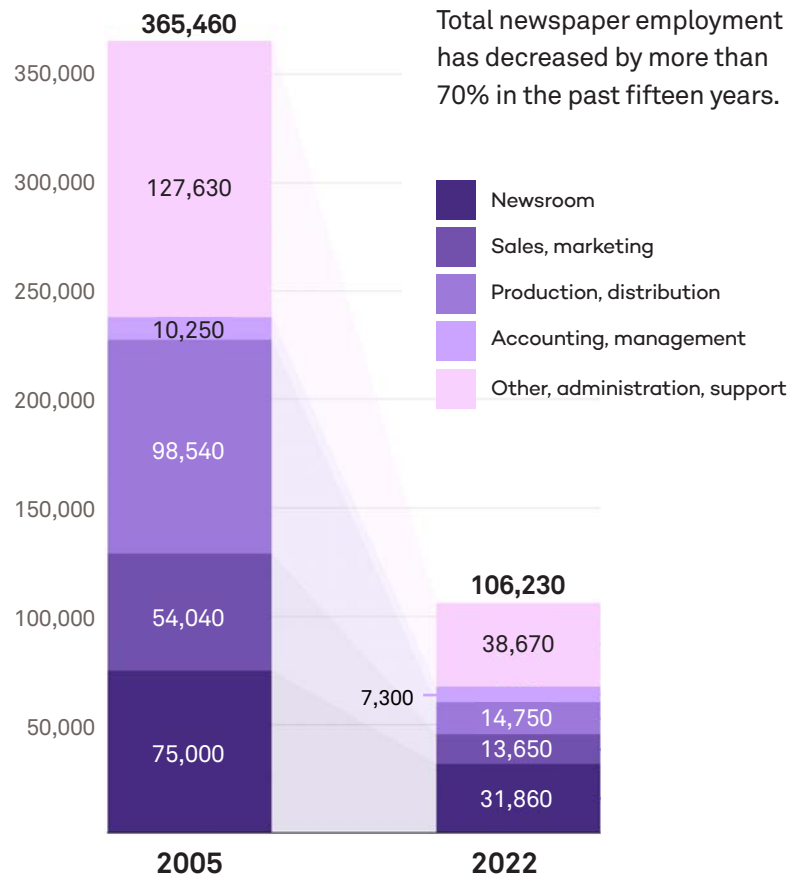
Even so, most communities that lose a newspaper do not get a replacement — either print, digital or broadcast. Exacerbating the situation, 60% of newspaper journalists — 43,140 — have left the business since 2005 — retired, laid off or severed by corporate owners. This loss of journalists impacted states large and small, which face similar challenges, whether their population is growing or shrinking. These include issues around politics, development, transportation and the environment.

Texas, the nation’s second largest state with 30 million residents, grew 50% between 2005 and 2022, the fastest of any state in the country. During the same period, it lost 65% of its newspaper journalists. South Dakota and Alaska, two of the nation’s smallest states, grew 20% over the same period yet lost between a third and two-thirds of their newspaper journalists, respectively.

Consolidation in the struggling newspaper industry has been a significant driver of the loss of both local papers and the journalists who worked there. More than half of all dailies and a quarter of all remaining newspapers are owned by the 10 largest chains (determined by the number of newspapers owned, not print circulation).

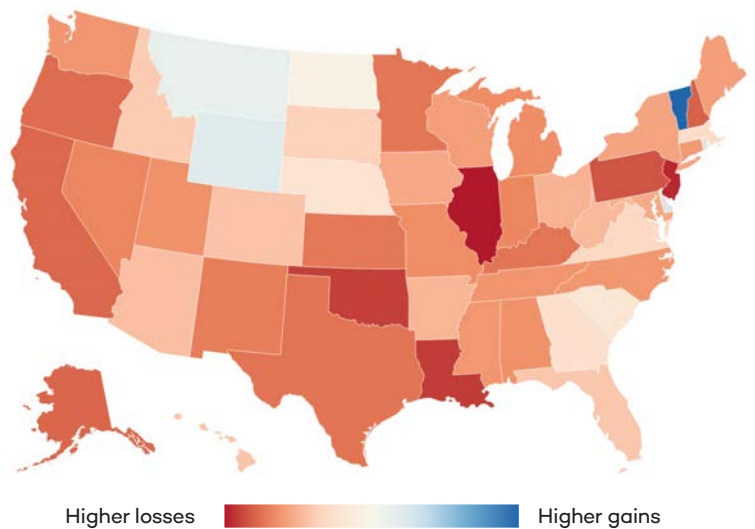
Four of these 10 large chains — the merged Gannett/Gatehouse company, the MediaNews/Tribune newspapers (owned by Alden Global

Newspaper employment: 2005 and 2022



Source: Bureau of Labor Statistics

Percentage change in newspaper journalists: 2005 – 2022



Source: Bureau of Labor Statistics

10 largest owners in 2023 by number of papers owned

	Owner name	2023 total papers	2023 total dailies	Net change	2022 total papers
1	Gannett/Gatehouse	390	230	-97	487
2	Alden Capital (Tribune and MediaNews)	174	66	-16	190
3	Adams Publishing Group	148	38	6	142
4	Lee Enterprises	146	79	-6	152
5	Paxton Media Group	115	45	-5	120
6	CNHI	96	68	4	92
7	Ogden Newspapers	81	56	-20	101
8	CherryRoad Media	76	21	5	71
9	Boone Newspapers/Carpenter	54	26	-16	70
10	Hearst Corporation	46	22	-2	48

Source: Local News Initiative Database

Capital), Lee Enterprises and CNHI — are either owned by, or in debt to, an investment firm, including hedge funds or private equity groups. The other six are large private regional chains, which own between 46 and 148 papers each.

In recent years, these large chains have severed the most journalists and been very aggressive in shuttering and merging many smaller dailies and weeklies, especially those in suburban markets, or weeklies located in a county adjacent to a regional daily newspaper.

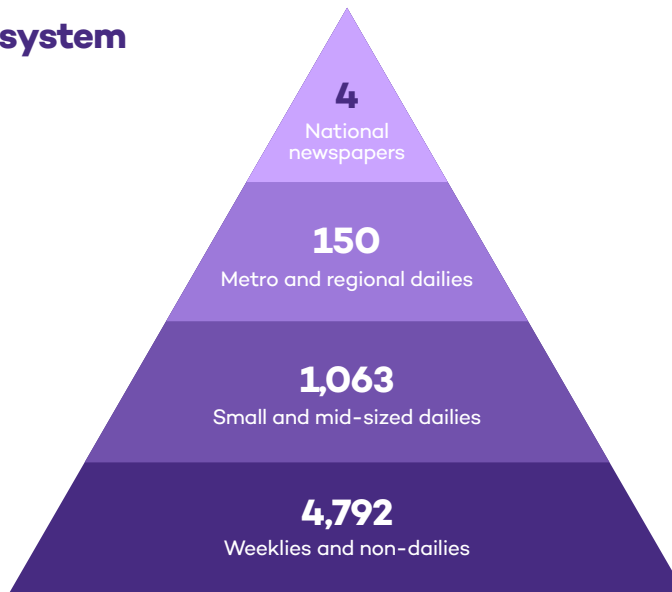
In Ohio, for example, Gannett, the nation’s largest chain, [shuttered 16 community newspapers](#) in the Columbus area and stopped publishing another six in the Akron area over the past year. In recent years, Gannett also has discontinued print versions of more than 100 weeklies in the Boston area, publishing, instead, “regional and state” news for those suburban communities on the [Wicked Local site](#). According to information

on that site, only three of those papers currently offer print subscriptions.

This dynamic has led to the rise of “ghost newspapers,” which have either no local journalists remaining on staff or so few that the paper’s ability to provide critical news and information to residents in that community has been severely curtailed. A separate review by the Local News Initiative of the 70 smallest newspapers owned by Lee and Gannett found that three dozen had no listing for any local journalists on staff.

The dual loss of newspapers and journalists has had a major impact on the way information flows throughout the country’s news ecosystem, from the smallest paper to the national news outlets. According to various estimates, as much as 85% of the news that ultimately made national headlines was, until recently, first published in a local newspaper. This was because newspapers

The newspaper ecosystem



Source: Medill Local News Initiative

employed twice as many local journalists (75,000 in 2005) as any other medium and therefore covered many smaller communities overlooked by television and radio.

The newspaper ecosystem today consists of four layers. At the very pinnacle are the four national newspapers: the New York Times, Wall Street Journal, USA Today and Washington Post. These papers still employ hundreds of journalists, but much of the content is focused on national topics (politics, the economy, culture and entertainment), with a side-servicing of international news, produced by their own foreign correspondents.

Right under the national giants are 150 or so major metro dailies, such as the Boston Globe, Chicago Tribune and Miami Herald. Until recently, most large dailies employed hundreds of journalists, who covered important statewide beats — such as education, business and politics — and produced major investigative pieces.

Today, many of the dailies owned by the largest chains have only a few dozen journalists on staff. The loss of thousands of newspaper journalists who once worked for the major dailies has resulted in a significant decline in investigative

and beat reporting. In the years leading up to 2015, almost half of all Pulitzer Prizes were won by large metro papers covering issues of statewide concern. Today, most are won by large national news organizations.

Many dailies also intentionally have curtailed print circulation outside the metro area, further limiting their ability to inform residents about statewide issues. The [Alliance of Audited Media](#) reports that both paid print and digital circulation of the 504 papers it audited in 2023 was down to 10.2 million, a loss of almost a million subscribers over the past year. In 2005, print circulation alone for all audited newspapers exceeded 50 million.

Below the metro dailies — forming the base of the newspaper pyramid — are the remaining two layers, consisting of 1,063 small dailies and 4,792 weeklies, which often employ only a handful of reporters to cover everything from county commission meetings to local festivals and personalities. Often reporters on these small dailies and weeklies serve as stringers, who alert journalists on major metros to a potentially explosive event or issue in a single community that could have regional and statewide ramifications.

The loss of almost a third of local newspapers and the corresponding loss of almost two-thirds of newspaper journalists has not only short-circuited the flow of news and information among news organizations but also has made it harder for people to hold their state and local elected officials accountable.

With fewer journalists covering city halls and state government, the average citizen knows less and less about what their local government officials are doing.

The authors of the recent book [*News Hole: The Decline of Local Journalism and Political Engagement*](#) correlated a decline in voter participation to a significant decrease in the number of local news stories in daily newspapers over the past two decades. In 2020, more Americans voted than in any presidential election since 1900. In stark contrast, only 10% of eligible voters cast ballots in some recent local primaries. This lack of civic participation gives incumbents a distinct advantage and leads to straight ticket voting up and down the ballot.

In 2011, the Federal Communications Commission identified eight types of “critical local information” that all of us need in order to make wise decisions about issues that will affect the quality of our lives today and in the future. In addition to politics, the list included news about education, health and safety, the environment and the economy.

Recent research has shown that newspapers — even in their diminished journalistic state — still provide most of the “critical” local news that the FCC identified.

In many cases it is the independent, locally owned papers that are developing new business models to provide that critical information that the FCC cited. Approximately 3,000 of the surviving newspapers in the country are either locally owned or part of a small area chain of less than five papers. They range from [small weeklies and dailies](#) to large metros, such as the [Boston Globe](#) and [Minneapolis Star Tribune](#).

Some independent newspapers are even stepping into the breach and buying local newspapers in danger of closing — or starting new ones. In 2019, EO Media, headquartered in eastern Oregon, [stepped forward to purchase the Bend Bulletin](#) in bankruptcy proceedings, besting offers from two out-of-state regional chains in Minnesota and Rhode Island. And in January 2023, EO Media established a new newspaper in southern Oregon, the Rogue Valley Times, following the closure of the Mail Tribune in Jackson County.

The owner of the independent Charleston Post and Courier [believes that](#) newspapers are finally getting “a second wind” as their journalistic and business models evolve.

Nevertheless, even the most innovative and strategic newspapers are dealing with diminished profit margins that often constrain their journalistic mission. This has led major news organizations, including the News Media Alliance and America’s Newspapers, [to advocate for a range](#) of new policies, legislation and regulations at the national and state levels that will provide more financial support for local newspapers during a period of immense economic uncertainty. Without that support, Seattle Times Publisher Frank Blethen worries, “the industry is approaching fail safe.”

CASE STUDY



Finding the Right Ingredients

by **SARAH STONBELY**

For many newspapers achieving sustainability requires mixing familiar ingredients in the right proportions. The Moab Sun News, a free weekly that began publishing in 2013, has relied on a combination of advertising, audience revenue and collaboration with local community organizations.

The Sun News, with a staff of five – three journalists, a circulation director and a publisher – serves a community in the rocky highlands of Utah, with a year-round population of 5,321 that swells to more than five million during the busy summer tourism season, according to Sun News owner and publisher Maggie McGuire. The median price of a home is \$271,000, and annual retail sales total almost \$200 million. The demographics of the market, and its strong retail and tourism

base, have allowed the Sun News to rely on both reader and advertising revenue to pay the bills and to achieve financial stability over the past decade.

The Sun News has a website and email newsletter, but McGuire says 70 percent of the paper's readership – as well as 98% of its revenue – comes from the print edition, which is available on newsstands throughout town every Friday. A recent issue of the Moab Sun News featured colorful print ads from realtors, the local telecommunications company, health providers, a local food co-op and community groups promoting local events.

The paper also gets a modest amount of income from voluntary community donations. The audience donation web page suggests a starting amount of \$50 a month, although the buttons allow donations as small as \$5.

Like most weeklies, the Sun News does not do its own printing. Instead, the paper is printed 172 miles away in Montrose, Colorado, at the Daily Press, owned by Wick Communications, which has 27 papers in 11 states, mostly in the Southwest. Two years ago, the Daily Press asked the Sun News to switch from Wednesday to Thursday publication, so it could more easily accommodate the 20 other small newspapers in the region it also prints.



WE CONSIDER OUR COMMUNITY TO ALMOST BE ON STAFF.

– **Maggie McGuire,**
Sun News owner and publisher



As more newspapers shut down and sell their aging printing presses, existing papers have found it increasingly difficult to locate and schedule time on other presses. “It was, of course, a significant change for us,” McGuire says, “but we wanted to help them out, as they always help us out.”

As the Sun News enters its second decade, McGuire says she is constantly assessing whether the paper is providing its residents with the news they need while also creating a daily record of life in the community. But she doesn’t want it to be “so good” that the staff risks burnout or feels it doesn’t need to listen to what the community wants.

She tries to publish almost every picture that readers send in – either in print or on the website – and to follow through with as many story pitches as she can. “We consider our community to almost be on staff,” McGuire says.

To that end the paper has fostered meaningful collaborations with other organizations in town. During the pandemic the staff realized that collaborating with local nonprofits – including the library, local museum and local science organization – and making them “community media partners” would benefit everyone.

Regular features include a history column by the Moab Museum, a researcher interview by Science Moab, “Mutt of the Week” from Underdog Animal Rescue, a column featuring Cosmo, the library cat, and a recipe column from a local hunter.

“It’s extremely high-quality content,” McGuire says, “and it helps everyone.”



PART 4

Closing the Digital Divide



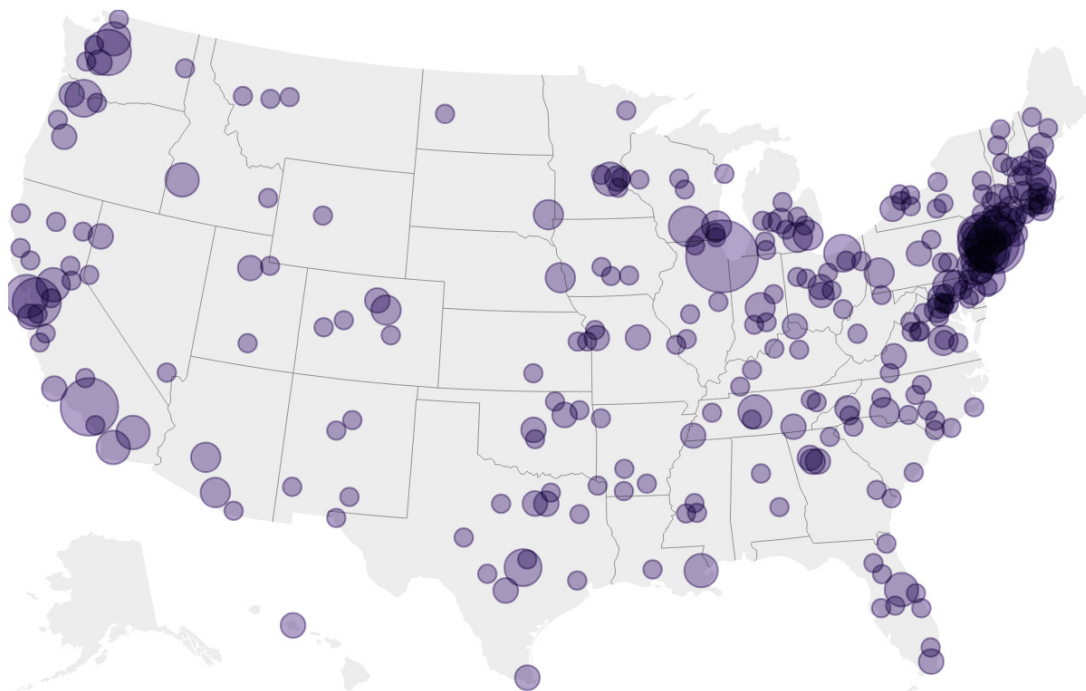
The lack of reliable high-speed internet in many regions of the country continues to limit the ability of local and state digital-only news outlets to reach new audiences, scale quickly enough to achieve sustainability, and fill information gaps in many rural and suburban communities when a local newspaper disappears.

As a result, in recent years, the total number of local digital news outlets has stubbornly hovered around 550, with most located near large cities where there is more access to philanthropic and investor funding, as well as the potential for reaching large, digitally connected audiences.

Two recently funded programs are designed to change this paradigm by the end of the decade. The \$45 billion [Broadband Equity, Access and Deployment \(BEAD\) program](#), part of the [Infrastructure Act](#), aims to address the digital divide between rural and suburban areas and cities by significantly expanding reliable and

Where are the digital news outlets?

There are 552 digital news outlets in the U.S.



Source: Medill Local News Initiative

affordable broadband across wide regions of the country. And a [consortium of 22 philanthropic organizations](#) announced in late summer that they were committing more than \$500 million over the next five years to support new and existing news outlets, especially those providing news to underserved and poorer communities.

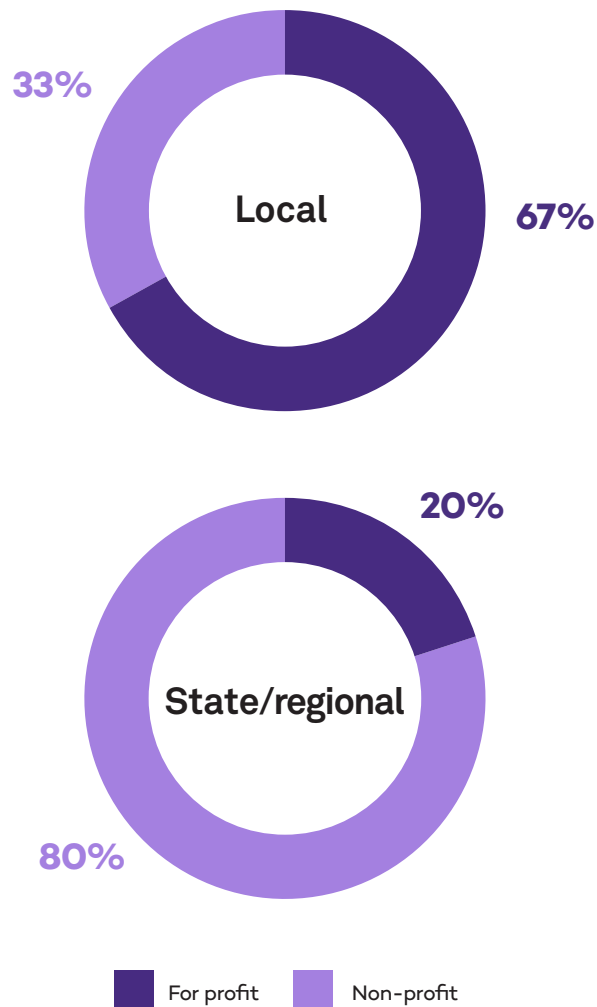
In 2023, however, there is still a significant digital divide in terms of where most local news sites are located. The vast majority — more than 80% — of the 552 digital-only news sites in this year’s tally are located in large metro areas with more than 250,000 residents. Over 400 of the sites primarily cover local issues in the community where they are located, with the rest covering regional and statewide issues or doing investigative journalism.

There continues to be considerable turnover — especially among hyper-local, for-profit news sites, which rely primarily on advertising revenue to fund their newsrooms. Despite the addition of 53 new sites established over the past two years, 39 inactive sites were removed from this year’s list, including [The Grafton Common](#) in Massachusetts, which ceased operations in 2022, when its only reporter left.

However, half of all the 552 digital-only news sites active in 2023 have been around for longer than five years, and a third were established more than 10 years ago. Forty percent of those sites established five or more years ago are nonprofit.

This includes [Carolina Public Press](#), founded in 2011, and [Benito Link](#), founded a year later. Both began as local sites, relying primarily on funding from local community foundations and individual donors. Carolina Public Press has evolved into a statewide investigative site, while Benito Link has remained committed to providing news to residents of San Benito County, California, where more than 60% of residents are Hispanic. Both sites have major initiatives aimed at serving both rural and Spanish-speaking residents, many of whom do not have access to reliable

How news sites are funded



Source: Local News Initiative Database

high-speed internet and are tethered to their cell phones for news.

While almost 80% of the state-focused sites are nonprofit, there’s been an uptick in locally oriented nonprofit sites in recent years. The long-term financial success of nonprofit sites depends on not only obtaining grants from philanthropic organizations and community foundations, but also getting local donors and business sponsors to provide continuing support to supplement those grants.

Nonprofit local news sites that cover statewide issues (such as the [Texas Tribune](#), established in 2008), or are located in major cities (such as [Block Club Chicago](#), founded in 2018), tend to achieve financial stability quicker than those in smaller cities and rural communities since they are able to solicit from a much larger group of foundations and individual donors.

However, as the [recent layoffs at the Texas Tribune](#) illustrate, even nonprofits are not immune from the economic realities that confront the industry. Whether nonprofit or for-profit, all digital news operations need to continually raise enough funds — either from foundations and individual donors, or advertisers and subscribers — to stay in business.

Currently, over two-thirds of the local sites are for-profit. There are three crucial variables that often determine success of locally focused, for-

profit sites: the population density and size of a community, the relative affluence of its residents (household income) and the size and robustness of its retail community. Some are able to survive in rural areas with affluent communities, but very few are able to achieve sustainability serving economically struggling rural and suburban communities.

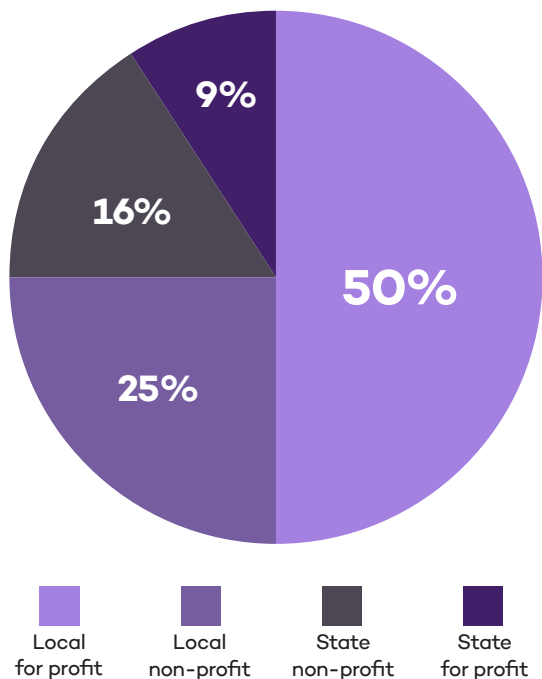
In September 2023, the publisher of The [E'ville Good](#), which serves rural communities in southwest Minnesota and northwest Iowa, took to Facebook to tell her readers about the struggles the site had been facing. “Despite putting aside some funds and completing the Google News Initiative’s Managing Risk and Finance fellowship in late 2022/early 2023,” Amy Peterson wrote, “the economy caused other backers to pull out, paid subscribers to pull back, and the price of everything to knock us down.”

Although she had built a new website and created a newsletter, she said she ultimately had the same number of subscribers as when she began. While continuing her day job of reporting for the local newspaper, Estherville News, Peterson wants to try to revamp E'ville Good so she can continue serving the Hispanic community, which constitutes 30% of residents in Estherville. One of the options is to focus more on local entertainment, especially theater. But she’s unsure how a digital outlet can become sustainable in her community.

Of the 20 sites founded within the past year, all but one are in urban areas. The exception is the [Athens County Independent](#) in Athens, Ohio, an affluent college town of 25,000 residents that is home to the University of Ohio. Nineteen of these new sites are locally focused; only one, [Ocean State Stories](#) in Rhode Island, includes statewide coverage.

Both for-profit and nonprofit sites are increasingly relying on either subscriber or membership revenue to supplement income from grants or

The digital news ecosystem



Source: Local News Initiative Database

advertising. While the concept of subscribing to a news outlet or otherwise supporting local media is familiar to listeners of public radio, it is only relatively recently that news outlets have begun to think of their audiences as one of their primary revenue streams.

Recent studies have found that those who are most likely to become members or subscribers to local news organizations are in [top income brackets](#), which reinforces inequity in the availability of local news content, as startups gravitate toward more affluent communities.

Many digital start-ups face an uphill battle in raising community awareness of their outlet's existence and acquiring an audience, since they are not visible on grocery-store newsstands and do not have the name recognition of print newspapers and magazines.

That is why the [announcement from Meta in late 2022](#) that it was laying off staff in its Facebook news division and cutting back its financial and technological support of local news organizations hit the founders of many digital sites especially hard. Despite the complicated relationship many news sites have had with

Facebook, visibility on the social media platform helped build audiences.

Organizations such as the [Local Media Association](#) used the \$20 million it received from Meta to not only train digital news organizations in how to acquire digital audiences, but also distributed grants to struggling digital outlets, helping them to stay afloat during the pandemic.

Many news sites are now hoping that funding from the [Press Forward initiative](#) will compensate for the loss of the Meta funds. However, as John Palfrey of the [MacArthur Foundation](#), one of the major funders, writes in an [article for The Atlantic](#), without the additional support of individuals and organizations in a community “\$500 million will not be enough... Divide that amount by 50 states and spread it over five years, and even half a billion dollars starts to look grossly inadequate.”

That is why Palfrey is urging community organizations and individuals to “stand up and support their local news providers — whoever that may be in any given area. ... They will need to add it to their list of philanthropic commitments — or at least to their list of subscriptions, alongside Amazon Prime, Hulu, and Netflix.”



PART 5

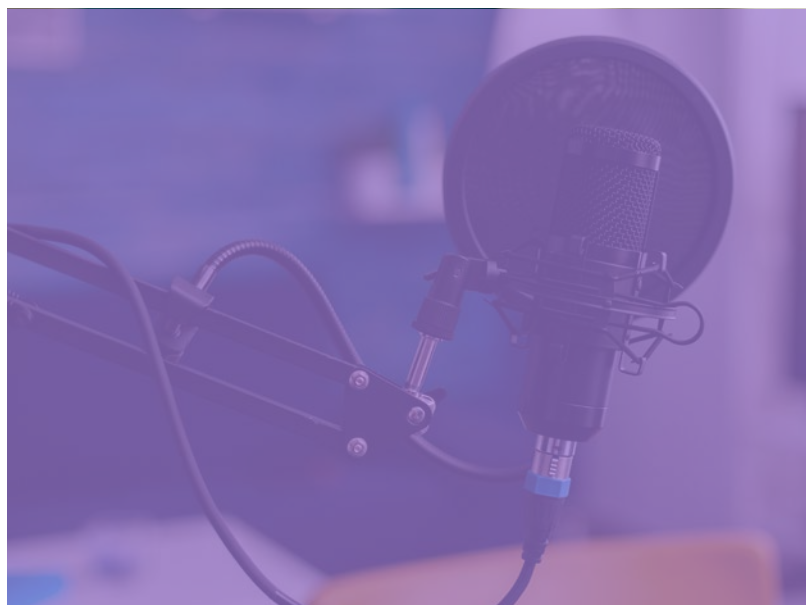
Public Broadcasting Evolves and Expands



Public television and radio stations have vast reach. Their free programs can be accessed by 98% of the U.S. population, including people living in communities without any other local news source and those without reliable broadband access. But their ability to fill the void in many news deserts is limited by significant funding issues that inhibit their ability to do original journalism.

Since the creation in 1967 of the Corporation for Public Broadcasting (CPB), which acts as a conduit for redistributing government funds to both public radio and television, the [United States has lagged far behind](#) other technologically advanced democracies in its financial support of public media. That means stations have relied increasingly on philanthropic dollars to support their journalistic endeavors. But these funds can only be stretched so far — and fluctuate year to year.

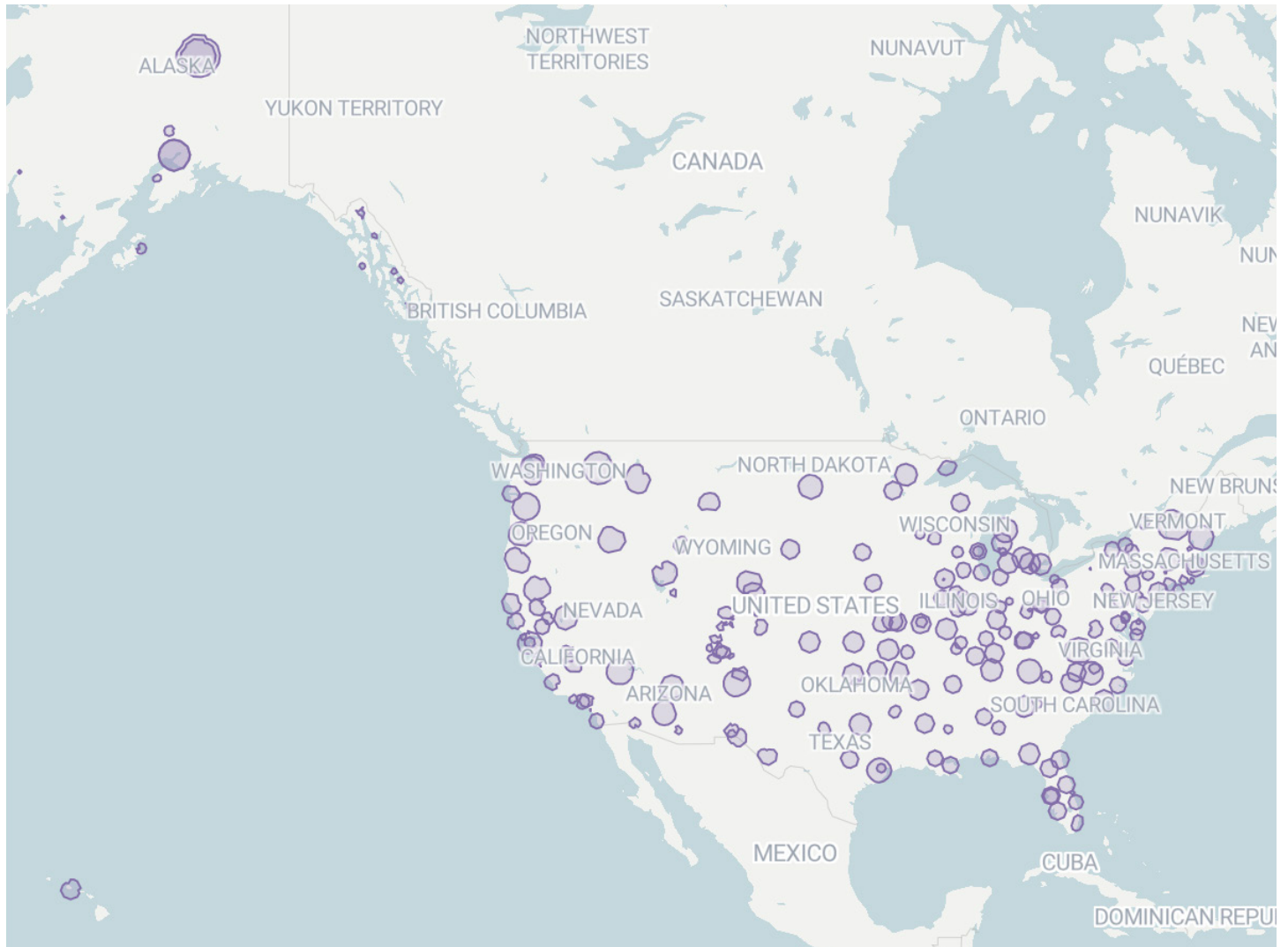
Public Broadcasting Service (PBS) stations currently receive two-thirds of the \$450 million in taxpayer dollars allocated annually to CPB, but most of that is used to purchase entertainment programs, such as “Masterpiece Theatre,” or to support national news shows. National Public Radio (NPR) receives less than 1% of its annual operating budget from CPB or other federal grants on average. CPB funding makes up an average of 12% of independently owned and operated public radio stations’ budgets.



Because of that, all of public radio must rely on donors, sponsorships and grants for much of the income that finances its local news operations. As a result, public radio, especially, remains understaffed and underfunded.

Where are the public radio stations?

There are 214 public radio stations in the U.S. that provide local news coverage.

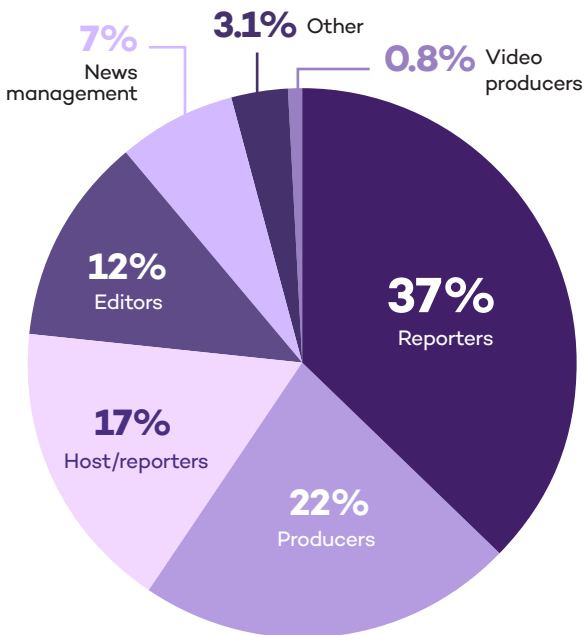


Source: Local News Initiative Database and FCC

There are about 1,100 public radio stations and affiliates spread across the country, when including the hundreds of stations that operate more than one signal. Excluding so-called “repeaters”, there are about 400 public radio stations. But only 214 are currently producing original local journalism, according to a 2023 Medill survey of the content on the websites of

each of those stations. Staffing numbers provided by CPB list 2,359 journalists at these 214 local news stations, including 1,352 reporters. The four states with the highest number of public radio stations producing local content are California (19), Alaska (16) and Colorado and Florida (both with 11).

Staffing for CPB public radio grantees



Source: Corporation for Public Broadcasting

A [2023 survey](#) of news directors at more than 200 local public radio stations found that all felt they needed more reporters to cover their communities adequately. Those stations that reported being most severely understaffed serve communities that have the most difficulty securing income from audiences and donors.

Public television has far fewer local journalists and local news operations than public radio. Only a third of 158 public television stations have at least one reporter on staff, and only nine PBS stations produce a local news show that airs at least three days a week, according to Robert Papper, research professor at Syracuse University and director for the past 26 years of the Radio Television Digital News Association annual survey of the nation's commercial and public broadcasting stations.

Faced with a loss of sponsors of podcasts, [NPR announced this year](#) a 10% reduction in staff and the cancellation of four podcasts. After projecting earlier this year it would end this year [\\$22 million short in revenue](#), NPR officials now expect to finish the year with a \$7 million gap. It has reportedly lost \$30 million in corporate sponsorship revenue since last fiscal year.

Public broadcasting stations have been able to work around budgetary limitations and expand their local news coverage by pursuing innovative collaborations and mergers with other news organizations and universities.

[A recent survey](#) of 95 public radio stations in 38 states found that more than three-quarters of them are collaborating to some degree with universities in their communities. In some cases, the public radio stations work with journalism students to produce local stories, which then are broadcast on the station. In others, students receive paid internships, with credit hours that count toward their degrees.

Public radio stations also are banding together to form regional networks of reporters aimed at producing news and information for communities that have lost a newspaper.

In five counties in Alaska, for example, public radio is the sole provider of local news for the 32,000 residents who live there. These five stations — KDLG in Dillingham, KFSK in Petersburg, KMXT in Chignik, KUCB in Unalaska and KYUK in Bethel — employ a total of 10 reporters, who serve a rural population. Its residents include significant indigenous populations. Recent stories on the websites of these outlets highlight after-school programs about indigenous cultures, alongside articles about local elections and the renovation of a local hiking trail.

As they search for ways to reach wider audiences and supplement their news-gathering capabilities,

public broadcasting stations also have begun to acquire or merge with other news organizations:

- In 2019, WNYC in New York City, WAMU in Washington, D.C. and KPCC in southern California joined together to expand their local digital footprint and acquire the story archives, internet domains and social media assets of the Gothamist in New York, as well as related neighborhood sites in Los Angeles and D.C.
- Also in 2019, WHYY in Philadelphia [acquired digital outlet Billy Penn](#). And WNET — which serves New York and New Jersey — [acquired NJ Spotlight](#), a digital-native local news organization focusing on policy, state government, education and other “hard news” issues. “This acquisition is an important step into the digital future for public broadcasting and provides New Jersey with a comprehensive, multiplatform local news source,” said Neal Shapiro, president and CEO of WNET.
- In 2022, NPR station [WYPR adopted a joint operating agreement](#) with the newly established online news site, Baltimore Banner.

More recently, public radio stations have begun to merge with newspapers. Such partnerships can be more complicated since newspapers have different cost structures and often have a unionized workforce.

In a widely publicized merger, Chicago’s WBEZ acquired the Sun-Times, a newspaper founded in 1948. Similar mergers occurred in 2023 in both Denton, Texas, where [KERA acquired the 78-year-old Denton Record-Chronicle](#), and in Lancaster, Penn., where WITF merged with a print newspaper titled LNP. The newspaper — along with its website, two weeklies and a state government publication — were donated by its family owners to WITF, which holds joint licenses for television and radio. [This arrangement](#)

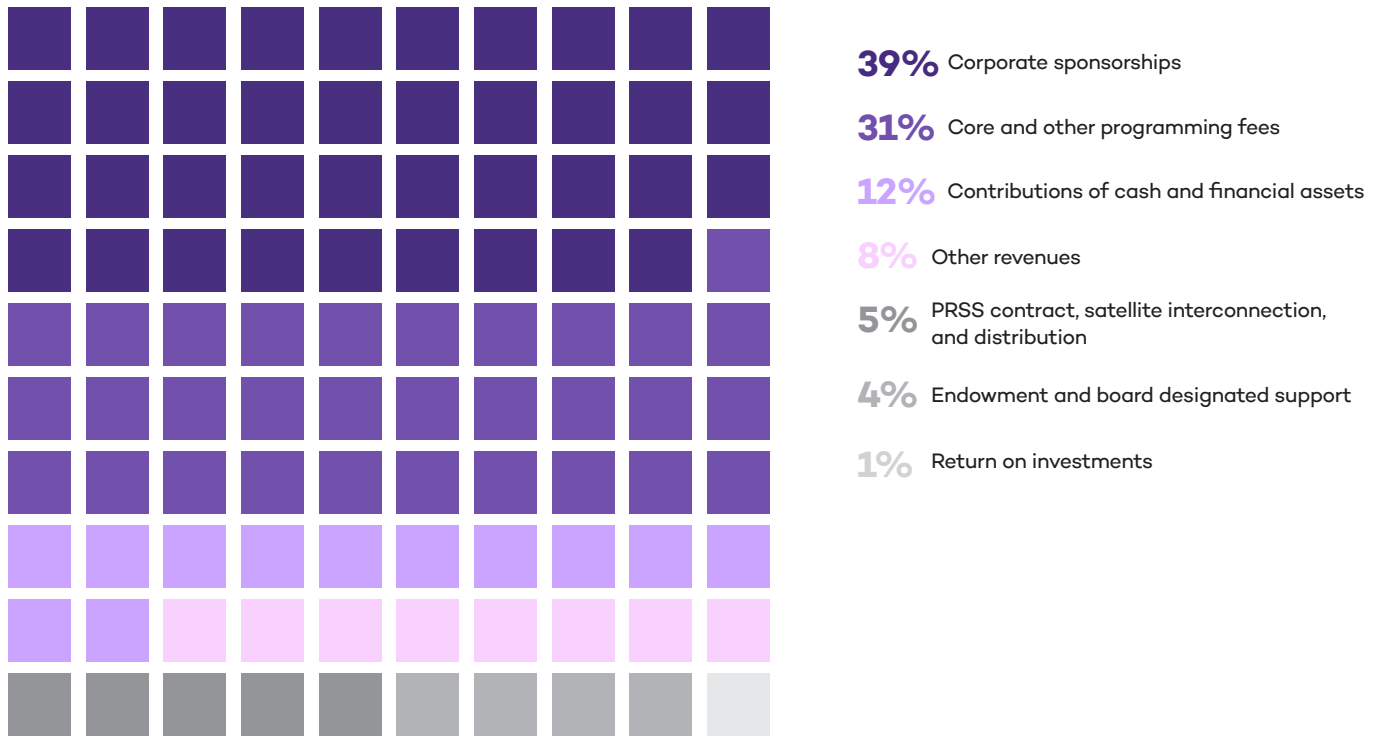


Efforts by public radio stations to acquire and merge with local community newspapers or digital news sites are designed to create better resourced local news operations and — many hope — a more sustainable financial model for public media going forward.

included the creation of the Steinman Institute for Civic Engagement, which “will support local journalism and community-focused education initiatives and provide training opportunities for journalists.”

Despite funding limitations, numerous studies have found that public media continues to provide its viewers and listeners — as well as those who access their websites and podcasts — with a robust diet of critical news and information.

NPR's average consolidated revenues from changes in net assets without donor restrictions (FY18-FY22), in revenue shares



Source: NPR

Given the national politics surrounding funding of public broadcasting, it is unlikely that federal support will increase significantly in the near future. That means public radio stations, especially, remain dependent on philanthropic funding and innovative collaborations and mergers to expand significantly their reach into

news deserts. These various efforts by public radio stations to acquire and merge with local community newspapers or digital news sites are designed to create better resourced local news operations and — many hope — a more sustainable financial model for public media going forward.



The Marriage of a Newspaper and Radio Station

by RICK REGER

When Chicago Public Media, parent company of public radio station WBEZ, acquired the Chicago Sun-Times in January 2022, it created one of the country's largest nonprofit news organizations while establishing a new template for combining a local public radio station with a heritage daily newspaper. There have been other partnerships between public radio stations and print news outlets in recent years (see section on public media), but this one was the most ambitious, and the rest of the local news industry took note.

As the WBEZ/Sun-Times merger approaches its second anniversary in January, company officials view it as a success while noting ongoing challenges amid difficult industry trends.

Recent fiscal results

According to Chicago Public Media's IRS Form 990 filing for fiscal year 2022 (ending in June 2022), the combined organization realized a profit of \$3,806,960. That was down from a little more than \$10 million in fiscal year 2021. Still, even after absorbing a new company, the organization made money while some other public radio stations were shedding jobs.

Chicago Public Media CEO Matt Moog says the organization is holding its own, for now. "A number of public media, commercial and nonprofit news organizations have been cutting back largely due to a soft advertising market and a tough economy," he says. "For us things are OK."

We've been able to make it work so far, but we're definitely watching to ensure that growth keeps pace with revenue."

Moog says the combination with the Sun-Times hasn't yet had a significant impact on any of Chicago Public Media's primary revenue sources. He adds that the organization has been concentrating its energies in other areas.

"Honestly, our focus has been making sure we grow the digital audience, collaborate with each other and do more back-office integration," Moog says. "Focusing on revenue is something we've just started doing."

The merger has led to investments in the Sun-Times that have had a positive impact, says Alison Scholly, managing director at Public Media Company, a nonprofit consulting firm that worked on the acquisition. She also is a former chief operating officer and interim CEO at Chicago Public Media. "You can see that they've started to spend money and invest in the newspaper. Therein lies the story of why the Sun-Times is a better paper today. They're making significant investments, and the digital site is growing."

Matt Moog confirms that the organization has seen "very significant audience growth," particularly on digital platforms. He says it currently has about 650,000 subscribers for email products; a year ago that number was about 350,000. He also says the audience for the Sun-Times website is up about 70 percent year over year.

"It's great that they've been able to grow their email list," says Ken Herts, chief operating officer at the Lenfest Institute for Journalism, the nonprofit owner of the Philadelphia Inquirer that also provided consulting on the WBEZ/Sun-Times deal. "To me, though, eventually it's about revenue. Ultimately, the email has to lead to revenue to help them maintain and support their reporting staffs."

Herts notes that a unique aspect of WBEZ's acquisition of the Sun-Times is the conversion of the newspaper to a membership model after years of its relying on subscriptions. Moog says Sun-Times members have increased their money paid relative to their subscriptions and are remaining members for longer than they maintained subscriptions.

Greater capacity enhancing capabilities

When the combination of WBEZ and the Sun-Times was announced, one of its stated goals was to double the new organization's capacity for journalism. Moog says that expanded capacity is already in place.

"Combined, there are about 200 journalists across both newsrooms," he says, noting that the combined organization has twice the capacity of either newsroom before the merger. "Each newsroom has increased by about 20 percent, but when you combine them, that's where capacity doubled."

Chicago Public Media's chief content officer Tracy Brown says the addition of new journalists has led to expanded and enhanced capabilities, such as the combine outlets' investigative reporting.

"Some of the investigative journalism we've done together, such as 'Chicago's 50 Closed Schools,' demonstrated our ability to deepen the way we do investigations," she says. "There's been a similar impact on how we cover City Hall and crime."

Community engagement, she adds, is another area being approached differently. "We want to be more present in the community, so we launched community listening sessions, where conversations with the public ultimately inform our journalism," Brown says.

Avoiding culture clash

Whenever two large, established organizations merge, there are often challenges to integrate management, staff and processes. Brown acknowledges there's been tension at times, but she says the biggest surprise has been how effectively the two organizations have collaborated.

"The degree to which we've worked well together is one of the most surprising things to me," she says. "You look at some of the big stories that we've collaborated on, and a lot of that collaboration started with individual reporters just talking with one another. The competitiveness I was expecting hasn't been so evident."

At the same time, the two units have tried not to step on each other's toes.

"One thing we've had to work through is making sure we don't duplicate coverage," Brown says. "We had a situation recently where shortly before a story was going to be published, two reporters realized they were working on basically the same thing. But one reporter pivoted and did an audio story to complement the text version."

A model for news media elsewhere?

Both Moog and Brown emphasize that unique factors in Chicago made the merger strategy more viable. They cite experiments taking place across the country as providing potential models for strengthening local news elsewhere.

"Just last year, KERA, which is a public radio station in Dallas, and WYPR in Baltimore both formed partnerships or were acquired," Moog says. "In Dallas, it was with a community newspaper, and in Baltimore WYPR hooked up

with the Baltimore Banner. Then in Pennsylvania and Maine, there were efforts to take newspapers into nonprofit ownership."

Public Media Company's Scholly says the WBEZ/Sun-Times collaboration may be instructive to other markets as well.

"One lesson that everyone can take away from the WBEZ/Sun-Times merger is that you'll need philanthropic funding to help the newspaper convert to a nonprofit model," Scholly says. "It's a model that's less reliant on print and more reliant on membership and community support."

““

THE JURY IS STILL OUT ON WHETHER ANY OF THESE APPROACHES CAN CREATE A SUSTAINABLE MODEL OVER THE LONG TERM.

– Ken Herts,

COO at Lenfest Institute for Journalism

””

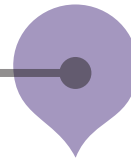
Herts at the Lenfest Institute says different partnership models make sense for different areas of the country, but they all ultimately face the same challenge.

"I think in places where these partnerships have been done, they're finding benefits," he says. "But local news is a hard business to be in. The jury is still out on whether any of these approaches can create a sustainable model over the long term."



PART 6

Reaching Underserved Ethnic Communities



Ethnic media are a vital source of local news and information that often has been missing in mainstream news outlets. Their journalism helps ethnic and minority groups of all types connect with one another and with critical services and institutions in the community.

These news organizations take different forms — from print-only to digital — and include some of the country’s oldest newspapers as well as newly formed outlets that serve recent immigrant communities via WhatsApp.

As the makeup of the country’s demographics shifts inexorably, ethnic news outlets will play an increasingly important role in providing essential news and information to people who often do not get covered by the mainstream press.

At the time of the 2020 census, nearly 20% of U.S. residents identified as Hispanic or Latino, 14% as African American and 6% as having Asian heritage. If current population trends continue, the U.S. Census Bureau estimates that more than half the country’s residents will be non-White by 2045.

Because of the complexity of identifying hundreds of ethnic outlets that fly below the radar and receive scant attention beyond the communities they serve, this year’s report focused primarily on determining which organizations that existed in 2020 had survived the pandemic and were still active in 2023. Future reports will more

exhaustively document the local ethnic news landscape and delve more deeply into the many initiatives and programs aimed at supporting them. As with any national audit, we recognize that there will be outlets missing, and we will continually refine our methods to capture as many as possible.

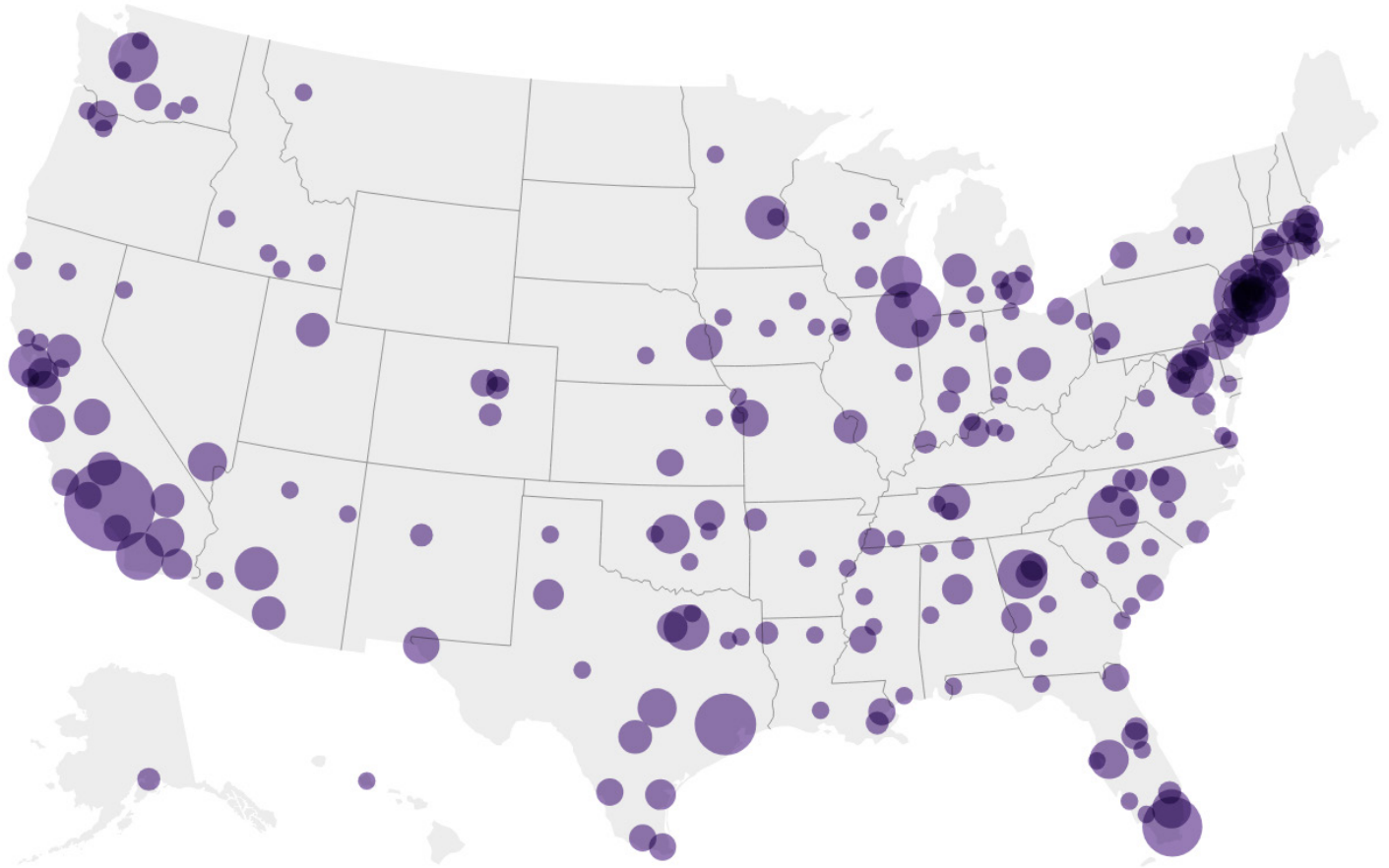
While ethnic news organizations face many of the same business challenges as other news outlets, they also face unique challenges. The severe economic downturn that accompanied the pandemic hit ethnic media hard — especially those that relied primarily, or exclusively, on advertising revenue from local businesses.

Over the past three years, more than a quarter of the community-based ethnic news outlets documented in a 2020 survey by the University of North Carolina have closed, leaving only 723 still actively producing news.

Slightly more than half of the outlets still active in 2023 are newspapers, and a quarter are television channels. The rest include radio stations, digital outlets, as well as newsletters and magazines.

More than half the country’s residents will be non-white by 2045, the U.S. Census Bureau estimates.

Concentration of ethnic media in metro areas



Source: Local News Initiative Database

Currently, minorities are [more than twice as likely](#) to live in or near cities. As a result, most active ethnic media outlets — more than 90% — are located in major metro markets. The counties with the highest number of ethnic media outlets are Los Angeles, New York, Chicago, Houston and Miami.

Digital-only ethnic outlets only recently have begun to gain traction. That is because many communities with significant minority populations — both urban and rural — still lack reliable access in their homes to broadband or high-speed internet. Additionally, for-profit ethnic news outlets are most likely to survive and thrive

with the broader business base that comes with greater population density.

Because ethnic and community media often are deeply intertwined with their communities, their success depends to a large degree on the health of other community institutions, especially locally owned businesses. Many for-profit ethnic media — whether print, broadcast or digital — are overlooked by larger regional corporations, such as health care facilities, either because they are not aware of them or because they do not see value in advertising to their audiences. Therefore, many still rely primarily on advertising revenue from local businesses to pay the bills. If

locally owned businesses go under water — as happened with so many during the pandemic — the media outlets that rely on them are put in financial peril.

El Aguila, a bilingual (Spanish and English) publication founded in 1997, is one of more than 150 small ethnic outlets that failed to survive the pandemic. It served the Westchester County suburban communities north of New York City. Until 2020, El Aguila published and distributed a free bimonthly print product, posted stories on its website and had an active social media presence on Facebook and Twitter. The print edition was shuttered following the nationwide “lockdown” in spring 2020, and the last story on the website was posted in fall 2022.

The Local Media Association’s Knight Foundation-funded BloomLab works with Black-owned and -operated local media outlets to upgrade their technology to drive digital revenue and audience growth. LMA CEO Nancy Lane points to the success of Larry Lee, publisher of the Sacramento Observer, who grew his team from two and a half

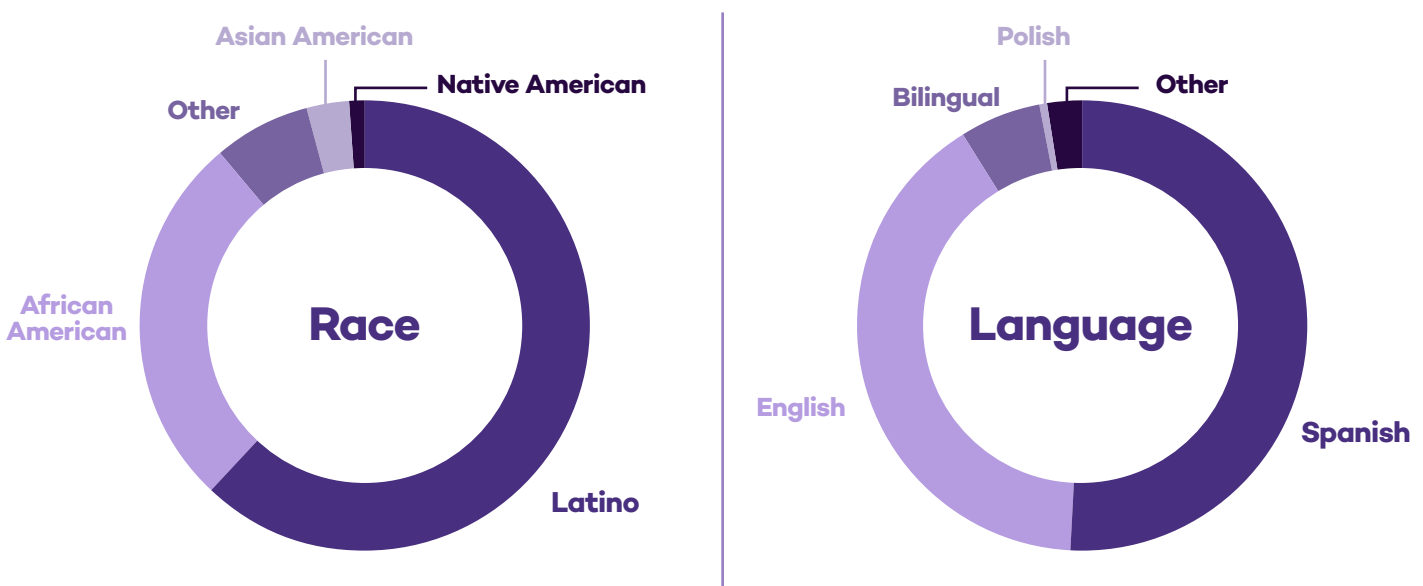
full-time employees to 14 in less than two years after taking advantage of BloomLab and similar programs. “That gives me hope for the future,” Lane said.

Other recent initiatives also have the potential to increase journalistic coverage and reach — as well as to support the financial stability — of minority and ethnic communities. In Colorado, for example, Sol de Valle brings together a coalition of for-profit and nonprofit news organizations to produce news for the Spanish-speaking population in the Roaring Fork Valley.

In New Jersey, Spanish-language reporters from around the state translate English-language news to be shared with Spanish-speaking audiences. And the Los Angeles Times this year launched De Los, a multiplatform subsidiary that serves the large Latino audience in the greater Los Angeles area.

“Our target audience is younger than any other racial or ethnic group in this country,” said Fidel Martinez, editorial director of De Los. “As a

Ethnic media breakdown



Source: Local News Initiative Database



result, they're exceptionally digitally savvy. They over-index in usage for platforms like TikTok and Instagram. As such, we're devoting efforts and resources to meet them where they are.”

[Policies recently enacted in some cities and states](#) are aimed at not only bringing critical news to underserved communities but also shoring up the financial condition of ethnic media. New York City and Chicago have passed laws that direct existing government advertising to ethnic and community media outlets, while Connecticut, Colorado, and New York state have similar laws working their way through their legislatures.

Because local and state governments already spend millions of dollars on such announcements — around COVID and the census, for example — [these directed advertising campaigns](#) have the potential to not only to reach new

audiences but also provide an important source of supplementary income for struggling ethnic outlets. [Various organizations](#) are working with ethnic media outlets to ensure they have the resources and information to access and maximize their share of this government advertising money.

Philanthropies also have become more intentional about targeting ethnic media outlets in their grants — although, to date, most of the largest grants from national philanthropic organizations have gone to digital outlets around major cities. Our [Bright Spots map](#) highlights the efforts of several nonprofit digital start-ups attempting to reach large minority populations through innovative strategies, including [Outlier Media](#) in Detroit, established in 2016. Three quarters of all residents of Detroit identify as Black — and a similar proportion say they lack reliable internet service in their homes.

CASE STUDY



Serving Latino Residents of Milwaukee

by SARAH STONBELY

Milwaukee has a vibrant Latino community, located mostly on the city's south side and in adjacent suburbs. For 25 years *El Conquistador* has served this community as the only Latino-owned local news provider, circulating as a free weekly bilingual newspaper available in neighborhood grocery stores, barbershops, bodegas and online.

Publisher Victor Huyke estimates that the paper is read by 30,000 people a week. It has been successful, Huyke says, because its staff of two full-time reporters and “a motley crew of part-timers and freelancers” have remained laser-like focused on the needs of the Latino community in Milwaukee. “We’re not just a newspaper; we’re a member of the community,” he says.

A typical issue includes stories about local schools, health-related topics and neighborhood

crime, as well as features on local business owners and upcoming entertainment events. There is a section for teens and a page celebrating Latino culture, history and traditions. *El Conquistador* also has a robust classified ad section, which features housing and items for sale, as well as employment opportunities.

In addition to the print edition, *El Conquistador* publishes stories on its website and on social media. However, because 60% of its revenue comes from advertising in the print edition, the paper posts stories online only after the print edition comes out.

The other 40% of revenue comes from events the paper sponsors throughout the year that connect *El Conquistador* with its readers, as well as with businesses in the city.

The roster of community events includes an annual wedding and Quinceañera expo, a career

fair, a health fair, a housing forum and an annual Cinco de Mayo Festival. A Puerto Rican festival recently was rebranded as a Caribbean festival to better reflect the diversity of the Latino community in Milwaukee. The paper also holds two annual dinners to recognize outstanding Latinos in the city, presenting one honoree with a lifetime service award and the other with a key to the community.

El Conquistador hosts a local call-in radio program on Saturday and Sunday mornings that discusses local entertainment and news. To encourage readership of the newspaper, El Conquistador recently hid a “secret word” in the paper and gave a prize to the first radio listener to call in with the correct answer.

Despite all of this, Huyke says he is worried about the newspaper’s long-term financial sustainability. Recently, he says he had to tap into personal savings to keep the paper afloat.

The pandemic caused many small businesses in Milwaukee to close permanently, including locally owned and operated Latino restaurants and barbershops, as well as attorneys’ offices. With those closures critical advertising income for El Conquistador also disappeared.

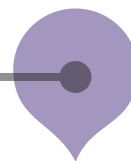
COVID relief funds of \$6 million sustained many ethnic and minority publishers in 2020 and 2021. However, because El Conquistador never registered as a minority-owned business, it did not receive any relief money. “We never wanted any affirmative action,” Huyke says. “We wanted to succeed because we provide a quality product.”

A recent survey by the National Trust for Local News found that 53% of leaders of community outlets serving ethnic, racial or linguistic communities think their organizations will go out of business in less than five years, if current circumstances continue. Huyke is cautiously optimistic that El Conquistador will defy the odds.



PART 7

The Possibilities for Reviving Local News



The accelerating loss of newspapers — and the inability of other news outlets to fill the void sufficiently in many communities — has far-reaching consequences for our democracy.

It is at the local and state levels — where we, as citizens, have the most ability to influence the choices made by our elected representatives. Numerous researchers in multiple disciplines have documented the impact on communities without a reliable source of local news. Since people know less and less about what their local government officials are doing, voter participation in local and state elections declines, corruption in both government and business increases, and local residents end up paying more in taxes and at checkout.

Troubled by these consequences, public officials, philanthropists, educators, industry executives and concerned citizens have stepped up efforts to save local news.

Here's a highlight of some of the most important initiatives:

Policies and Legislation

On the policy front, there are several major initiatives that could directly and indirectly assist local news outlets in developing sustainable business models, as well as provide

critical news and information to residents who live in news deserts.

1. Broadband Investment

In terms of how local news is delivered in the 21st century, the government's upcoming \$45 billion investment in broadband services may well have the biggest long-term impact. The funds were set aside for this purpose in the [2021 Infrastructure Act](#). It is the largest federal investment in telecommunications in the history of the U.S. and is designed to address the current digital divide that afflicts both rural and urban communities.

Because of the lack of broadband in many rural areas, as well as the high cost to connect in poorer inner city and suburban neighborhoods, there is little economic or journalistic incentive for either print and broadcast outlets — or digital start-ups — to provide digital news and information to residents in those communities. By the end of this decade, the broadband initiative aims to address significant issues around the lack of technological and economic access to high-speed internet to thousands of communities, including many that also have lost a newspaper.

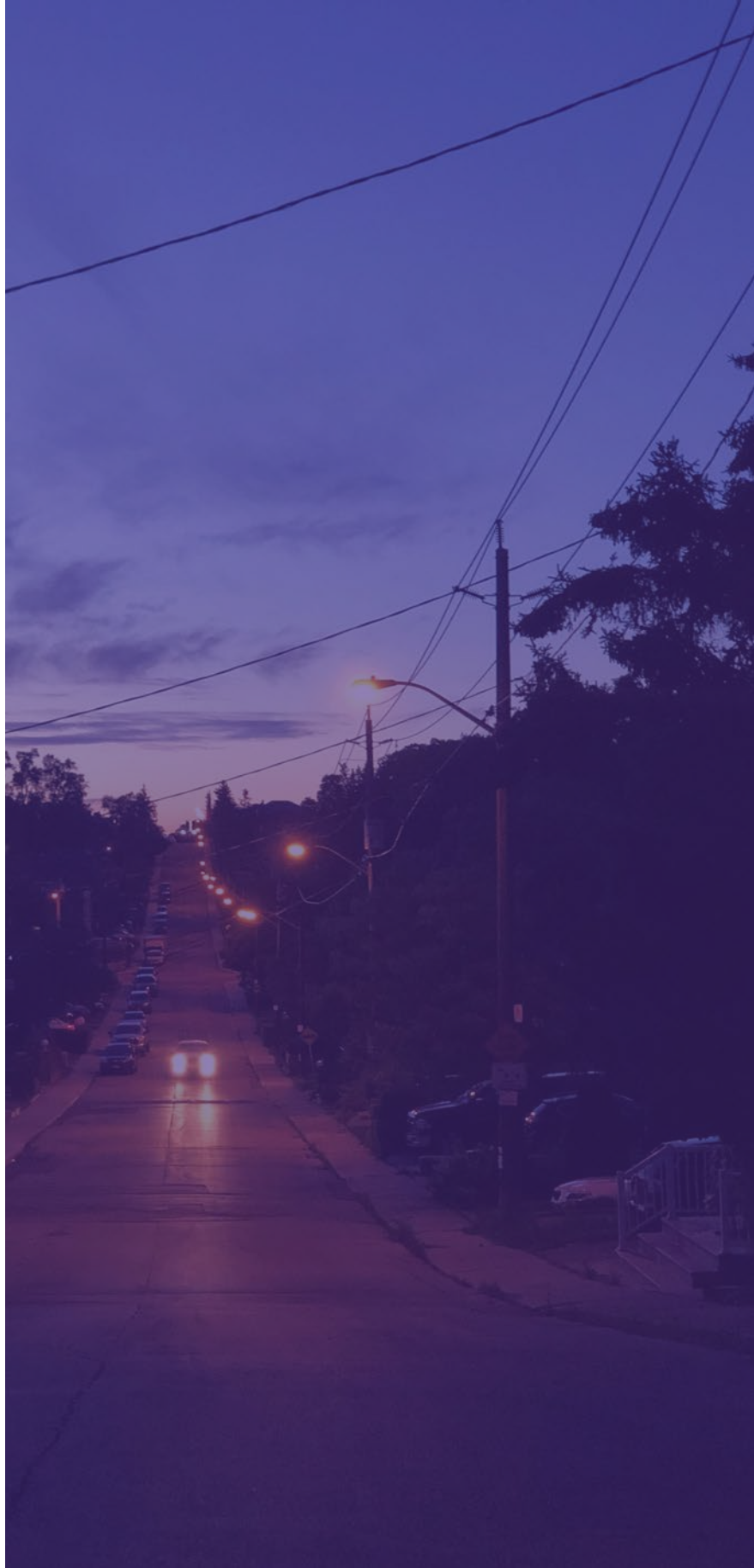
Challenges

It is up to each state to develop a plan for addressing digital inequities. Some are contributing state funds to address the issue; others are not. There is also concern that because the federal government has relied primarily on data provided by telecommunications companies, the funds set aside in the Infrastructure Act may not be sufficient to address the numerous “broadband deserts” that currently exist. Louisiana is the first state to have submitted a proposal to the federal agency overseeing the distribution of these funds, “and should be watched as a pacer,” says [telecommunications scholar, Christopher Ali](#). Many other states have not begun to develop a robust process for evaluating broadband availability or utilizing the federal money.

2. Policies to Support Local News Outlets

The founders of our country believed a free press was vitally important to our democracy. So one of the very first pieces of legislation passed by Congress in 1792 was a postal subsidy for newspapers, an indirect way of using public funds to support the economics of local newspapers.

There is [proposed bipartisan legislation](#) in the House of Representatives that also aims to indirectly support the bottom line of struggling local news organizations. The bill would provide tax credits to news organizations that hire reporters and to small businesses that advertise with local news outlets. In 2019, [Canada offered tax credits](#) for news organizations that hired reporters and found that it boosted the bottom line of even hyper-local news sites by 10%.



Additionally, there is [separate legislation in the Senate](#) — and more than four lawsuits winding their way through the courts — that seek to hold the tech giants more accountable for compensating news organizations for their use of journalism. In many communities, Facebook and Google siphon off as much as 75% of the available digital dollars, leaving all news organizations — including television and news sites — to fight for the scraps.

Such legislation was enacted in Australia three years ago, despite initial threats by both Facebook and Google to block access to their services in that country. According to an initial assessment, [the law benefitted](#) small news outlets as well as large media corporations — although it is unclear how many small organizations actually participated.

At least [14 state legislatures and a couple of local city agencies](#) are considering similar policies and programs to support local news outlets.

Challenges

Given the current state of politics in both the House and the Senate, it appears unlikely either bill will be enacted before the next election. Lawsuits often take a decade or more to achieve any sort of resolution and restitution. Meanwhile, many news organizations are hanging on by a thread. However, these national bills often create a roadmap for state legislators to follow, says Steve Waldman, president of [Rebuild Local News](#), a nonprofit coalition advocating policies to address the crisis in local news. That is where he anticipates most success in the near future.



[WITH] MORE
ENTREPRENEURIAL
AND DIVERSE
LEADERS, SMARTER
TOOLS ... AND
EXCITING POLICY
IDEAS THAT HAVE
GAINED BIPARTISAN
SUPPORT, A LOCAL
RENAISSANCE
[IS POSSIBLE].

— John Palfrey,

President of John D. and
Catherine T. MacArthur Foundation



National and Community Philanthropic Efforts

In September, a coalition of 22 philanthropic organizations and foundations announced they were pledging an unprecedented half a billion dollars over the next five years to support local news operations. “[Press Forward](#) will aim to re-center local news as a force for community cohesion, support new models and solutions that are ready to scale, and close longstanding inequities in journalism coverage and practice,” said John Palfrey, President, John D. and Catherine T. [MacArthur Foundation](#), one of the major funders.

While most of the original funders are national organizations, Palfrey hopes this investment



announcement was especially good news this year, she said, when many news organizations have had to lay off reporters as advertising revenue continues to decrease.

Challenges

While the recent commitments by major philanthropies to local news have the potential to be game-changing for many news organizations, the amount contributed in the near future cannot begin to replace the tens of billions of dollars lost in advertising revenue over the past two decades. Additionally, major philanthropic money is often in short supply in the regions that lack a reliable local news outlet — economically struggling and traditionally underserved communities in urban and suburban markets, as well as rural areas.

will encourage community foundations and organizations, as well as local individuals, to join the effort. With “more entrepreneurial and diverse leaders, smarter tools... and exciting policy ideas that have gained bipartisan support,” Palfrey believes “a local news renaissance” is possible.

While most philanthropic funding to date has gone to digital start-ups in large cities or statewide sites, some community foundations and individuals are beginning to support legacy media in less populated areas. In August the [National Trust for Local News](#), a nonprofit organization that aims to keep newspapers alive and locally accountable in at-risk communities, [purchased the five dailies and 17 weeklies](#) formerly owned by the [Masthead Maine](#) group.

Nancy Lane, CEO of the [Local Media Association](#), is “extremely encouraged” that “more funders are allocating budgets to journalism projects than ever before,” allowing “many news organizations to add reporters to their newsrooms for the first time in many years.” The Press Forward

Research

In recent years, hundreds of scholars — in the U.S. and around the globe — have begun to train their critical lens on both the issues and solutions confronting local news organizations. These include economists, political scientists, sociologists and historians, as well as communication researchers. They are collecting and analyzing data, both to map and to identify communities at risk, as well as to study the impact of losing local news on communities without it. Additionally, concerned citizens and nonpartisan organizations, such as the League of Women Voters, have committed to [mapping in minute detail the local news landscape in specific states](#).

The research being provided by scholars and other nonpartisan groups is being used by policymakers at both the national and state levels to guide decisions about regulations and legislation to support local news. And scholars

in other countries are providing U.S. researchers with benchmarks to compare the trajectory of various trends (such as the [level of trust in local news](#) in this country vs other technologically advanced democracies).

Challenges

Despite a renewed focus on local news research in recent years, there is still much more that would be helpful in guiding philanthropists, policymakers and local communities as they make decisions about how to allocate limited resources. This includes determining the critical components needed to establish either for-profit or nonprofit business models in economically struggling communities and determining which communities and counties within each of the 50 states are most at risk of becoming news deserts.

University Outreach

More than 60 universities and colleges have designed courses and committed resources to addressing the rise of news deserts. Professors are partnering with struggling newspapers and digital sites in their state, placing students in those newsrooms to assist with the reporting. Several universities have also established student-run weekly newspapers or digital-only sites in communities without a news outlet. In 2021, the [Maxwell family gifted the Oglethorpe Echo](#) to the University of Georgia's Grady School. The paper now serves as a learning lab for students, who produce the news.

Additionally, the Press Forward initiative is funding a collaborative effort by two dozen universities and colleges to use student journalists to cover news desert communities and to beef up state house coverage. Since 2005, the number of newspaper journalists has declined



by 60%. Providing real-life reporting experience in college potentially could inspire students to become local journalists when they graduate.

Challenges

Sustaining local news operations during school breaks — especially during the summer — is a challenge. Additionally, there is always a steep learning curve at the beginning of each semester or quarter, as new students cycle through and learn the ropes, leading to a lack of consistency in coverage.



Industry Outreach

Much attention in recent years has focused on the business and journalistic strategies of the largest chains — many of them in debt to, or owned by, hedge funds or private equity groups. However, about half of newspapers in the U.S. are still locally owned or part of a small chain with fewer than five papers. The same is true of many digital start-ups. These locally owned, independently operated news organizations — whether legacy or start-up — have been among the most innovative in developing promising new business models and devising collaborative strategies and programs that provide news to economically struggling, traditionally underserved communities, including those with large minority populations.

Of the 17 news business models featured on our [“Bright Spots” map and project](#), all but one are independently owned. There is no one business model that unites all of them. Rather each has developed a model unique to the community these outlets serve. They exemplify what can be accomplished when news organizations honor civic mission, as well as shareholder return.

Challenges

None of these news organizations are immune from the business challenges confronting both for-profit and nonprofit news outlets. As a result they often need to scale back their aspirations, but they persevere and serve as a model for others.

Progress is never even — and it is an open question as to whether these various initiatives, individually or together, will be timely enough to reverse recent trends or targeted enough to reach communities and outlets most in need. Yet they represent a promising start.

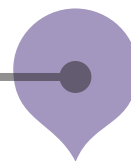
Not only are both legacy and start-up news outlets adapting to the new environment, but there is also an emerging consensus among multiple constituents — public officials as well as ordinary citizens, organizations and individuals — that the fate of our democracy and the fate of our journalism are inherently linked. Therefore, saving community journalism in the 21st century needs to be a priority — both reviving it in places where it has failed and reinforcing it in places where it is just sprouting.



PART 8

Rural Mirages

Shattered papers
and 'ghosts'
without local news



Hundreds of weeklies have been shuttered, and many of the survivors have become ‘ghost papers’ with no staff reporters. But in some small and mid-sized communities, promising new business models are emerging.

by **AL CROSS**

The Hutchinson News in central Kansas greeted its subscribers Sept. 5 with a front-page feature about the Hutchinson Senior Center that included a big photo of seniors kayaking – on a lake with a thickly forested shore.

That’s not the landscape of Hutchinson, some 50 miles northwest of Wichita. And that’s not the name of its senior center.

The “local” centerpiece instead told baffled readers all about activities offered by the senior center in Hutchinson, Minn., more than 500 miles away as the crow flies. The Hutchinson News, serving a city of 40,000, no longer had a single reporter or editor on staff, so the story was written by a confused freelancer who, though based in Kansas, failed to notice that her online search had yielded the phone number of a faraway senior citizen center. She got the assignment from a Gannett editor based 185 miles to the southwest, in Bartlesville, Okla.

What Gannett’s corporate relations staff called an “oversight,” while declining to be interviewed, provides a vivid picture of what has happened to hundreds of newspapers that once covered small cities, towns and rural areas across America. They’ve become “ghost papers” with either no local journalists remaining on staff or so few that the paper’s ability to provide critical news and information to residents in that community has been severely curtailed.

In the U.S. there are more than 3,100 counties in 50 states. Almost three-fourths of those counties – 2,259 – are located more than 50 miles from the closest city. Over the past two decades, the 46 million residents who live in these more rural counties have experienced a dual loss.

First came the loss of hundreds of weekly newspapers, which were often the prime, if not sole, source of critical news and information about important events and issues. Amid that came the loss of hundreds of local reporters and editors, as the newsrooms of the surviving weeklies and small dailies were hollowed out.

The loss of local print advertising to digital platforms such as Google and Facebook came later to news outlets in towns and rural areas than it did to large metropolitan newspapers. But it arrived with force after 2012 and accelerated during the pandemic. This shift has led to many sudden newspaper closures and mergers, as well as news outlets' sales to distant chains that cut local staff, customer service and quality of coverage. In many of these counties, ghost newspapers publish print or electronic editions but employ no professional journalists and instead rely on freelancers, syndicated material and stories from other chain properties.

Since 2005, 875 of the 2,900 newspapers that have been permanently shuttered were in these smaller counties. Today 195 of those mostly rural counties have no local newspaper or any other source of local news. An additional 1,387 counties have only one local news source – invariably a weekly or small daily. Based on the higher-than-average poverty rates and the population size of those counties, the State of Local News project determined that 228 are at elevated risk of losing their sole remaining news source.

There is no similar detailed accounting of the number of ghost newspapers, largely because owners are reluctant to share staffing numbers. However, a recent review by the Local News Initiative of the 70 smallest newspapers owned by two of the largest newspaper chains, Lee and Gannett, found that three dozen had no listing for any local journalists on staff.

Since 2005, the number of journalists employed by newspapers has declined by 60%, a loss of 43,000 reporters and editors. In recent years large chains have severed the most journalists, leading to dozens of ghost newspapers.

Alarmed by the lack of local news in the Gannett-owned Hutchinson News, Michael Glenn, a 16-year-old high school debater, started the



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Hutchinson Tribune on Substack on July 4. Glenn says the Tribune is currently publishing about five times as many local news articles as the Hutchinson News, and that he and his partner, a local librarian, are starting to sell advertising to their growing audience.

Unfortunately, very few rural communities have an energetic entrepreneur like Glenn willing to devote the time and effort to start an alternative replacement for either a shuttered newspaper or a ghost publication.

However, research shows that people still need and want local news, and in some small cities, towns and rural communities, new sustainable business models are beginning to emerge.

Most American communities served by weekly papers

Even today, the weekly newspaper is often the sole source of news and information about what is happening in most communities of fewer than 10,000 people. It is a record of the births and deaths, the comings and goings of residents, the openings and closings of local businesses and the decisions of the school board and local governments. Of the 6,000 newspapers still published in 2023, 4,792 are weeklies or non-dailies, published fewer than four times a week. Eighty-five percent – 2,599 – of the 3,052 papers published in rural counties are weeklies. Outside metropolitan areas publishers of surviving newspapers and entrepreneurs seeking to establish news outlets face three unique challenges: the demographics of the community, a lack of capital and technological limitations.

Most rural communities have poverty rates much higher than the national average. Also, many parts of rural America are stagnant or shrinking in population, so are not the kind of places that attract investment. Rural counties still have fewer jobs than they had before the Great Recession 14 years ago. Growth that has occurred is limited primarily to bedroom communities within commuting distance of a city. My research has shown that the longer a worker's commute, the less likely they are to subscribe to their local newspaper or to buy single copies of it regularly.

Added to all that, many rural communities lack affordable and reliable access to high-speed internet, and more than 90% of all digital news outlets are in metro areas.

About two-thirds of America's weeklies are now owned by chains. Gone are the days in these towns when residents could drop into their local newspaper office to place a classified ad or news item while chatting with a reporter or editor about a news tip or other topics of interest.

That is the case even at some daily papers in rural counties, such as the Kentucky New Era in Hopkinsville and, 70 miles west, at The Paducah Sun, the flagship of Paxton Media Group, one of the largest owners of non-metropolitan papers. In these towns of 31,000 and 26,000, respectively, an appointment is required to enter the otherwise shuttered newspaper office.

In January 2023, 20 months after buying the Landmark Community Newspapers chain, Paxton sent those papers' managers a memo saying, "We've decided it's best to eliminate our open office hours to the public completely, for the remaining publications in our group." Paxton did not respond to interview requests.

Paducah is also home to Paxton's only television station, WPSD-TV, which now oversees the Sun and provides much of its news content. (Hopkinsville has no TV station but a successful online startup, Hoptown Chronicle, run by former New Era editor Jennifer P Brown.)

Paxton recently bought five more newspapers from Gannett Co., which has been shedding its smaller papers – largely by selling them to CherryRoad Media, a New Jersey firm created three years ago by information-technology entrepreneur Jeremy Gulban. CherryRoad now owns more than 80 papers, 60 bought from Gannett, some of which Gulban says he is struggling to revive.

"They eliminated all the local publishers, so there is no one you can call to talk about the paper," Gulban said at the National Summit on Journalism in Rural America on July 7. "Everything flows up in these vertical silos, which leads to a lack of integration, a lack of working together, ... If people want to place an ad, they'll call an 800 number, and they'll go online and do it. And we all know in small towns that won't happen."

Gulban said the loss of local news, ads and customer service left most of the papers with

two types of subscribers and single-copy buyers: “people who just like the ritual of getting the paper and really don’t care what’s in it . . . and people who hold a position in town where they feel like they need to get the paper. People who were truly looking for news had just given up and kind of moved on.”

Retail advertising largely disappeared, he said, “so really, what you have is, you got a ghost newspaper, right? It really has no relevance in the community. And you know that’s a vicious cycle.”

Gulban said he has invested in editorial and ad staff, most often by hiring former employees who had been let go in downsizings. No longer locally owned or controlled, the CherryRoad papers still depend on their local leadership, he said. Gulban intends printed newspapers to remain a core element of CherryRoad’s business model; to that end he recently bought the Hutchinson News printing plant from Gannett.

“

SO REALLY, WHAT YOU HAVE IS, YOU GOT A GHOST NEWSPAPER, RIGHT? IT REALLY HAS NO RELEVANCE IN THE COMMUNITY. AND YOU KNOW THAT’S A VICIOUS CYCLE.

– **Jeremy Gulban,**
CEO of CherryRoad Media

”

While Gannett has sold sets of small-town papers to Gulban, many local publishers have not been able to find buyers – at least those that they found acceptable – and have simply shut down.

One of the nation’s most celebrated weeklies, the Canadian (Texas) Record, stopped printing in March after a second planned sale fell through. The first deal failed when the buyer couldn’t find anyone willing to move to Canadian, a town of 2,300 on the Southern Great Plains, 100 miles northeast of Amarillo. Owner Laurie Ezzell Brown, 70, still reports news and sports on the paper’s Facebook page as she searches for a new owner.

“Things happen” in Hemphill County, population 3,400, she told Judy Woodruff of PBS. “There have been storms here and tornadoes and events like that that you just can’t ignore. They’re happening. We need to cover them. People look to us for information.”

Startups rise in ‘ghost’ towns

Despite the challenges, people are launching community news outlets in places where chains even abandoned papers covering rural county seats.

Consider the Community News in Macomb, Ill., and the Logan-Hocking Times in Logan, Ohio.

Lynne Campbell, a former regional publisher for GateHouse Media (which later bought Gannett), owns the Community News. At June’s National Summit on Journalism in Rural America, Campbell said she has “made it my mission in life to save community newspapers.” After she bought and improved two Illinois papers in communities no longer being covered by GateHouse-owned properties, Campbell responded to calls from people in Macomb to do the same.

The paper started on a copy machine, distributed free three times a week at 40 locations, and

“was full of brief bits of local news,” such as events, police logs and death notices but not full obituaries, Campbell said. When the pandemic hit, “we didn’t have events to write about. So we turned to partnering with the health department, the hospital, all of the government agencies, the mayors in all the cities, and we formed a great relationship between everybody, and we became the source for information during the shutdown . . . All the advertisers stayed with us because they knew people were going there to read everything.”

The Community News puts out two paid editions per week and a midweek free edition, “so that everybody could get a little bit of the local news.” It is drawing \$40,000 a month in ad revenue, much of it in legal ads that the longstanding Gannett paper lost because it “is down to less than a hundred subscribers” and no longer has a storefront, Campbell said. The county has 27,000 residents, most in Macomb.

The southeast Ohio town of Logan has 7,200 people in a county of 46,000. After the Adams Publishing Group slashed costs at the Logan Daily News, with its office open just nine hours a week, Editor Debra Tobin and several other staffers left and launched the Logan-Hocking Times as an online news source charging subscribers \$7.99 a month.

“Within six months we had 700 (subscribers),” she said. “We’re over a thousand. That wasn’t good enough for me, though, because I wanted to do something else, because a lot of people don’t have computers” or good internet access. “So I decided to do a print newspaper,” which is distributed free on Fridays, the day after the digital edition, and is funded by advertisers who sponsor pages.

Tobin is on Social Security and takes no salary, but the Logan-Hocking Times has a part-time reporter, a part-time sports reporter, a full-time paginator and full-time graphics artist, plus two advertising staffers who work on commission.

“We were told that we were nothing but a pipe dream,” Tobin said. “And here we are almost three years later . . . and we’re growing. I encourage people to try it . . . if you have a background in journalism, and you are thinking about starting a paper. It may seem scary at first, but if I can do it, I know anybody can do it.”

Similarly, most rural counties abandoned by Community Newspaper Holdings Inc., an investment- fund subsidiary of the Retirement Systems of Alabama, have not become news deserts. Fewer than a fourth of the 34 counties where CNHI has closed papers since 2005 are news deserts, according to the State of Local News Report. During the pandemic alone, CNHI closed or merged 16 papers.

In Kentucky, for example, CNHI closed four weeklies and a daily, but none of those counties are now news deserts. In two counties, former CNHI editors started their own papers, and in two others, nearby publishers started new papers. The death of the Glasgow Daily Times left a town of 15,000 and a county of 45,000 served by a weekly, the Barren County Progress, the largest paper in a small regional chain. The quality of news coverage declined, and a Glasgow-based chain of radio stations, Commonwealth Broadcasting, hired two former Times staffers and ramped up its online news coverage, with daily email newsletters.

Urgent need to find new business models

Many rural publishers show “a pronounced lack of urgency as they await a clear, proven path to follow” as their industry undergoes transformation, University of Missouri journalism professor Nick Mathews said at the rural-journalism summit in Lexington, Ky.

Mathews, Teri Finneman of the University of Kansas and Patrick Ferrucci of the University



of Colorado interviewed rural publishers and newspaper readers in Kansas, Nebraska and the Dakotas about the future of the newspapers and alternative sources of revenue. They found that readers are more willing to support local news outlets with non-subscription revenue than publishers think.

“Our data reveals a profound grip of fear in rural weekly newsrooms, leaving leaders in a paralyzing state of inaction and risk aversion,” Mathews said. “Innovation is undermined as they exhibit a pronounced lack of urgency and passively await the emergence of an industry trailblazer. In other words, some newsroom leaders would rather follow than lead into the future.”

Joey Young, CEO of Kansas Publishing Ventures, has partnered with a research team led by Finneman to test alternative revenue sources in a rare interventional experiment.

Kansas Publishing Ventures owns three weeklies in south-central Kansas and was already experimenting with promotion of concerts and a beer brand. The researchers helped Young apply for and receive grants to jump-start more experiments, such as memberships and an e-mail newsletter.

The email newsletter brought increased circulation, but it hasn’t been enough, Young said. Needing more revenue, he published “The Cost To Print,” a story with graphics explaining to readers why the weeklies needed to raise their annual subscription price above \$50 and single-copy price above \$1.50.

He wrote about how the newspapers’ costs had increased about 40% in two years, and he laid out alternative paths forward: a large annual subscription price increase to \$144 or an all-digital news product.

“Almost all of our readers who contacted me said, ‘We want the print product. Just charge us more,’” Young said. “We have the exact number of renewals that we normally would. It’s a small sample size, but so far everything’s been fine.”

Despite widespread wariness among rural publishers to raise subscription and single-copy newspaper prices, the Recorder in Monterey, Va., has charged \$5 a copy since 2017. When the pandemic further slashed its ad revenue, Publisher Anne Adams raised subscription prices and appealed to readers for donations. They kept the Recorder in business.

Great Plains publishers interviewed by the university researchers recoiled from the idea of asking for donations, Finneman said, believing it would be an admission of failure or personal weakness. But other publishers are building member donations into their business model, and some are exploring the option of becoming nonprofits to reduce tax expenses, to qualify for foundation grants and to allow member donors to make tax-deductible contributions.

The National Trust for Local News has bought groups of papers in Colorado and Maine and converted them into nonprofits, believing this statewide bundle to be “the most sustainable path forward for rural newsrooms,” said Ross McDuffie, the trust’s chief portfolio officer.

A former publisher and executive for both Lee Enterprises and McClatchy, McDuffie said a

state nonprofit umbrella offers local newspapers economies of scale to save non-newsroom operational costs and to negotiate better prices with suppliers “without trivializing the localness that makes these organizations special and essential to the communities that they serve.”

He said existing legacy publications have more potential than those starting over from the ground up, which most rural communities are unlikely to support. But their long-term success, McDuffie said, will depend not only on support from the communities they serve but “also the greater philanthropic community,” from which the Trust gets its money to buy papers.

“We’ve got to find alternative sources for funding and transformation,” McDuffie said. “There also has to be access to subject-matter expertise . . . without adding additional burden to the expense line.”

Is there enough philanthropic money to attract qualified staff to rural towns and newsrooms?

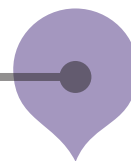
“The combination of lower cost of living can make rural newsrooms great training grounds for new reporters,” McDuffie said, “as long as those reporters see an opportunity to hone their skills and experiment with new tech and with innovation and local news.”

Al Cross is director emeritus at the Institute for Rural Journalism, University of Kentucky.



PART 9

How Local News Fares in Cities



More than half of all newspapers lost since 2005 were located in and around major metro areas. Some of the nation's largest cities have been able to counter the trend, relying on digital-only news outlets to fill the gap

by **BILL ARTHUR**

The nation's cities and its suburbs are home to 287 million people, more than 85% of our population, representing a myriad of cultures, affiliations, concerns and interests. To get the news they need to navigate city and suburban life, the residents of these urban areas can turn to a variety of local media outlets: television as well as print and digital media. Yet their options in many inner city neighborhoods and bedroom communities are shrinking.

In the city, the reporting staffs of many large metro dailies that once collected Pulitzer Prizes for the national and international news coverage have been cut by half or more, leaving the remaining journalists stretched thin covering just important news within the city limits.

Feisty alternative weeklies that produced hard-hitting investigative pieces, such as the Phoenix in Boston and the Village Voice in New York, have gone silent. And many ethnic media outlets that have long served immigrant and minority neighborhoods failed to survive the economic

hardships inflicted by the pandemic. A [quarter of 950 ethnic outlets](#) that existed in early 2020 were closed by 2023.

Yet it is in the suburbs where the loss of local news sources has been most profound. The loss affects both affluent suburban communities and less affluent working-class ones. In the Boston area, for example, 95 percent of newspaper closures since 2005 occurred [in surrounding suburban communities such as Brookline, Newton and Watertown](#). Additionally, many of the suburban dailies have been depleted of staff. The Patriot Ledger of Quincy, Mass., now has four reporters. It once had a couple of hundred, according to [Boston Globe columnist \(and former Globe Editor\) Brian McGrory](#).

[The 2023 State of Local News report](#) found that two thirds – 1,865 – of the 2,900 papers closed or merged since 2005 have been located in metro areas. Not surprisingly, [the larger cities tended to lose the most papers](#). More than 500 of those shuttered papers were in five of the larger metro areas: New York, Chicago, Boston, Washington, D.C. and Minneapolis/St. Paul. Smaller urban

areas were also affected, with Columbus, Ohio; Milwaukee and Cincinnati losing the most news outlets per capita.

Nevertheless, several cities – including Chicago, San Francisco, Boston and Washington – have been able to replenish the local news ecosystem by adding dozens of successful digital sites. The [Bright Spots section](#) of the 2023 report highlights the promising business models being utilized by, among others, Block Club Chicago, the Outlier in Detroit and the Shawnee Mission Post in Kansas City.

Additionally, [Bright Spots](#) offers in-depth profiles of independent owners of metro dailies in cities such as Seattle, Minneapolis, Philadelphia and Boston who are reviving the fortunes of these newspapers by investing in their journalistic missions. These papers tend to have much larger newsroom staffs than those owned by the largest chains.

Here's a closer look at how news outlets in some of the largest metro areas are faring:

Seeking news in the suburbs

Until recently suburban papers provided residents in the individual communities surrounding a city with news they could use in making everyday decisions. Their reporters covered local events and routine government meetings that the larger city-based news organizations mostly ignored. These stories connected residents not only with their neighbors but also with the concerns and issues confronting the larger metro area.

All but 300 of the 1,865 papers closed in the nation's 1,166 urban counties since 2005 have been weekly papers located in the suburbs. The pressure on weekly papers has been severe. As print advertising has declined – and local, small businesses close – they often don't have the funding to keep going.



“In some of the suburban areas in the last five years, we’ve had a lot of community papers consolidated into one, so the communities are still covered, but they don’t have their individual newspapers,” said Lisa Hills, executive director of the Minnesota Newspaper Association.

Most closures have been carried out by big chains and investment groups, such as American Community Newspapers in Minneapolis and Gannett/Gatehouse in Boston. Gatehouse Media,

which merged with Gannett in 2019, owned 126 newspapers in the Boston area. All but three of the print editions have been discontinued and the reporting staffs merged under the [WickedLocal](#) website, with a focus on state and regional news.

Fredric Rutberg, publisher of the Berkshire Eagle and president of the Massachusetts Newspaper Association, said that often these mergers result in smaller reporting staffs at the cost of local news.

“When the lights go out at the local newspaper, there is almost always no journalist to cover local festivals and personalities in suburban communities or the routine government meetings where important decisions about taxes and funding of local schools are made,” said Penny Muse Abernathy, co-author of the 2023 State of Local News Report.

The Boston Globe announced in September that it will [expand coverage of the Boston suburbs](#) “with the goal of meeting our existing readers where many of them are and attracting new eyes from the many surrounding communities.”

While the Globe’s outreach to the suburbs could help provide coverage of areas that have lost community newspapers, “the staffing is minimal enough that the Globe won’t be able to provide granular reporting” in those communities, Northeastern University professor Dan Kennedy wrote in his Media Nation blog.

Most of the suburban weeklies that are still publishing are small, multi-generational family businesses. The Wakefield Daily Item, which covers a suburb north of Boston, publishes a print daily paper five days a week, delivered the old-fashioned way to subscribers’ front doors. The Wakefield Item Company also produces weekly newspapers for nearby towns: the Melrose Weekly News, the North Reading Transcript, and the Lynnfield Villager.

These are small circulation papers that are hyper-local in their news coverage. Maximum print circulation for any one of the papers is 7,500, although all the papers also have websites. Because the towns they serve are relatively affluent, the Item’s editor, Robert Burgess, said the newspapers are largely funded by subscriptions. The daily item Item costs \$21 a month, and the weeklies cost no more than \$32 a year. But the company is backed by private owners, the Dolbeare family, who have owned the Item for more than 100 years. “They’re just committed to local news coverage and local sports coverage,” he said.

And everybody strives to keep costs down. “You keep your staff small, and you pay them as little as possible,” Burgess said. “That’s the business model. It’s been that way for years. Everybody who works here is committed to community journalism. You don’t go into it to get rich.”

Delivering digital news

Currently, 80% of the nation’s 552 digital-only local news sites are located in metro areas with more than 250,000 residents. New York, Chicago, San Francisco, Boston and Washington have had the most success in establishing successful digital sites, especially in the more affluent suburbs as well as in the core city. These are also some of the [most wired cities in the country](#), according to CNBC.

Although Boston has lost many of its suburban print newspapers, new digital-only news sites are springing up. Launched in January 2023, [the Newton Beacon](#) is a free, nonprofit, digital-only publication “rooted in and devoted to covering news and issues in the City of Newton, Massachusetts.” The site, funded initially with donations from 400 local residents and organizations, is governed by a board of directors composed entirely of people who live in Newton.



The free, nonprofit, digital [New Bedford Light](#), started in 2021 with funding from two major backers, now has 1,400 donors. It currently depends on a combination of individual donations, grants from foundations and partnerships with other media outlets to fund a staff of 12 that focuses on providing “in-depth journalism that keeps the public informed and holds the powerful accountable.”

While the New Bedford Light and Newton Beacon are digital-only publications, the Concord Bridge, a nonprofit started in October 2022, provides a free print newspaper to 8,700 homes and businesses in Concord. Doing so has enabled the paper [to acquire more advertising revenue from local businesses](#), according to a member of the board of directors told Poynter.

Across the country, the [Shawnee Mission Post](#), which covers Overland Park and Johnson County outside Kansas City, provides suburban news coverage no longer offered by the Kansas City Star. It and a [sister publication](#) have more than 6,000 subscribers who pay \$7 a month.

Most recently established digital sites and newspapers operate in relatively affluent

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YOU KEEP YOUR STAFF SMALL, AND YOU PAY THEM AS LITTLE AS POSSIBLE. THAT’S THE BUSINESS MODEL ... EVERYBODY WHO WORKS HERE IS COMMITTED TO COMMUNITY JOURNALISM. YOU DON’T GO INTO IT TO GET RICH.

– **Robert Burgess,**
Editor of The Wakefield Daily Item

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suburban communities where they can attract donors and business sponsorships. However, a growing number of nonprofit start-ups are looking to connect with minority and ethnic populations in the core city.

In Atlanta, [Capital B](#) is a startup aimed at the Black community, as is Canopy Atlanta. [Outlier Media](#) in Detroit, a digital-only nonprofit, serves one of the nation's poorest cities. Given that a majority of residents lack access to high-speed internet service in their homes, the Outlier uses text messaging to communicate with readers.

Reviving the metro dailies

While many of the large metro papers owned by large chains have experienced round after round of layoffs, some of the dailies with local ownership, featured in the [Bright Spots section](#), have been more fortunate. The publishers have found innovative ways to invest in the journalistic mission and have developed promising business models.

Some, such as the Seattle Times and Charleston Post and Courier in South Carolina, have actively solicited donations and grants from individuals and foundations to supplement their newsroom budgets and to fund aggressive investigative journalism.

Others, such as the Philadelphia Inquirer, have transitioned totally to a nonprofit model and now assist other start-up and legacy news operations in establishing similar models that rely on a combination of philanthropy and sponsorship by local businesses.

In contrast, the Boston Globe and the Arkansas Democrat-Gazette have remained for-profit by relying increasingly on revenue from digital subscribers. The Globe, owned since 2013 by John Henry, the principal owner of the Boston Red Sox, has some 245,000 digital-only subscribers who pay \$360 a year. In 2019 it

became the first local publication to have more digital than print subscribers.

The Atlanta Journal-Constitution is looking to [boost its digital circulation](#) to 500,000 from current 60,000 by 2026 and to “super serve” the Atlanta area and the state of Georgia. The paper plans to hire about 100 people in the newsroom. This effort will be funded in part by a \$100 million investment from Cox Enterprises, the paper’s family-owned parent company. Also, the newspaper will move its headquarters from suburban Dunwoody to midtown Atlanta next year.

But even with these success stories, the path ahead for metro papers is unpredictable. The Washington Post lost money in 2022 and in October 2023 [announced plans to sever 240 workers](#) through buyouts and possible layoffs by the end of 2023. The Los Angeles Times [laid off about 13 percent of its newsroom](#) earlier in 2023.

Nonprofits still have to meet payroll and pay other expenses, just like for-profit newspapers. Philanthropic support has not been robust. “[More than 70 percent of funders](#) said their contributions to journalism represented less than one-tenth of their overall donations,” according to Nieman Lab. “Just five funders reported investing more than \$5 million.”

“Just being nonprofit is not like some magic wand that solves your economic problems,” warns former Washington Post Executive Editor Martin Baron in his new book, [“Collision of Power.”](#)

As they scramble to save money, dailies are cutting back on print editions and selling their printing presses as well as their iconic downtown buildings that once housed illustrious newsrooms. Forty of the nation’s 100 largest newspapers now publish a print edition six or fewer days a week, with 11 publishing in print only once or twice a week. Many newspapers aren’t printed in their home city. The Buffalo News is now printed in Cleveland, which means Buffalo readers don’t get late news or sports scores.

“ THIS INDUSTRY SPENT 20 YEARS TEACHING EVERYONE IN THE WORLD THAT NEWS SHOULD BE FREE. THE TRUTH IS READERS ARE SMARTER THAN THAT. THEY KNOW THAT HIGH-QUALITY JOURNALISM IS EXPENSIVE TO PRODUCE, AND THEY ARE WILLING TO PAY FOR IT. BUT YOU HAVE TO ASK THEM. ”

- **Jeff Bezos**, From “Collision of Power”

A growing number of major city daily newspapers no longer have buildings or physical newsrooms. The Charlotte Observer, owned by the McClatchy chain, operates out of co-op office space near downtown Charlotte, its former white multi-story downtown building, known locally as the “Taz Mahal,” having been demolished in 2016. The Hartford Courant, owned by Alden Global Capital, closed its newsroom in 2020 and has not opened a new one.

The Minneapolis Star Tribune perhaps offers a different path. The paper went bankrupt in 2010 but has produced operating profits every year since then while also winning three Pulitzer Prizes. Owned by billionaire Glen Taylor since 2014, the Star Tribune, in the nation’s 16th largest market, employs about 240 journalists. It has the fourth largest metro print circulation, trailing only the New York Times, Washington Post and Los Angeles Times. But print revenue has declined every year since 2005. Digital subscribers reached 100,000 in 2022, although, like many

metro dailies, it encountered slowing digital subscription growth in 2023.

If digital is the future, it still requires convincing people to pay for the news. And income from digital still doesn’t match print. Studies show that most digital subscribers pay only 10-20% of the print rate. Yet tech billionaire Jeff Bezos, owner of the Washington Post, is optimistic that people will pay more for news.

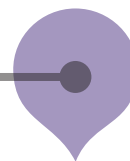
“This industry spent 20 years teaching everyone in the world that news should be free,” he says in Baron’s “Collision of Power.” “The truth is readers are smarter than that. They know that high-quality journalism is expensive to produce, and they are willing to pay for it. But you have to ask them.”

Bill Arthur is a former researcher and writer at the University of North Carolina at Chapel Hill, and a former news editor for Bloomberg. He is currently retired and writing about the state of local news in the largest metro areas.



PART 10

Tipping Point for Public Support?



As local reporters vanish and news deserts expand, more leaders from both parties see why America’s founders ‘understood that the press was central to the foundation of a self-governing system’

by LAURA COLARUSSO

When *Identidad Latina* launched in 2001, it was a free biweekly newspaper with a circulation of about 10,000 that covered Hartford and the surrounding areas for the Spanish-speaking population of Connecticut. But by 2009, it had cut back to 7,000 copies, because, like most local news organizations, its advertising revenue had declined substantially after the Great Recession forced widespread small business closures.

To weather COVID-19 and skyrocketing printing costs, *Identidad Latina* had to downsize again. It’s now a 32-page magazine that publishes every two months with a goal of posting at least three stories a day to its website.

Identidad Latina has survived thanks to a mixture of federal pandemic aid money, personal sacrifice, and cost cutting; it let go of six part-time staff members in 2020. The arrangement works, but the outlet squeaks by financially.

“It’s gotten harder to make ends meet,” said Ruth Espinoza, *Identidad Latina*’s co-founder

and director. “The ads only come every two months now, but the paychecks still go out every two weeks.”

So when the Connecticut legislature failed in June to pass HB-6347, otherwise known as [“An Act Concerning the Purchase of Print and Digital Advertising by the State,”](#) it was a blow to Espinoza and her partners, Adelia Santa-Cruz and Jorge Alatrasta. They were hoping the bill, which would have required the Connecticut government to spend half of its estimated \$8 million annual advertising budget with locally-owned, in-state news outlets, would provide a much-needed cash infusion.

“We’re not asking for money for a frivolous reason,” said Espinoza, who worked a separate, full-time job as an accountant until she qualified for retirement benefits in July 2021. (Alatrasta still has a second job, and the other six people who work on staff are part-time.) “We’re just asking lawmakers to consider local media. Making money from digital is going to take time. We need a bridge.”

Identidad Latina is one of dozens of local news outlets in Connecticut and hundreds across the United States facing this dilemma of declining revenue with little hope for a market-based solution. It's a story that's been written hundreds if not thousands of times, but the situation may be reaching a tipping point where increased government support is both more palatable and possible.

Some of that change is timing; a bill can take several tries to pass, and legislative efforts across the country may finally be ripening. Another factor is the sheer urgency of the matter. Since 2004, 2,887 newspapers have closed, and there are now 219 counties across the United States without a newspaper, according to the latest statistics compiled for the Medill 2023 State of Local News Report. But the closures, which are happening at a rate of two and a half per week, are only part of the problem. Many more news organizations are contracting, laying off staff to pay back the debt taken on by hedge funds gobbling up local chains or cutting back print runs because of declining subscriptions.

“
**MAKING MONEY
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A BRIDGE.**

– Ruth Espinoza,
Director and Co-Founder, Identidad Latina

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“It's not uncommon for newspapers that once had a staff of 400 or more to have less than 40,” said Penelope Abernathy, visiting professor at Medill and co-author of the report. “What we depended on those large metros to do was unite a region or a state around common issues. We relied on them to have great beat reporters. We are missing the feature and investigative pieces that can save lives and address policy discrepancies.”

In response to the deepening crisis, legislation designed to reinforce local news outlets has been introduced in roughly 20 states and municipalities. In Wisconsin, a bipartisan group of lawmakers filed a proposal in December 2021 that would have given a tax credit of up to \$5,000 to small businesses that advertise with local media outlets. It failed, but advocates hope to bring it back to life in the future, believing it will also boost struggling local retailers, whose revenue streams have been similarly upset by customers shopping online.

The District of Columbia is considering creating a voucher program that would set aside nearly \$12 million, which represents 0.1% of the city's budget, for local newsrooms. If passed, the funding would be allocated based on voter preferences expressed through a “news coupon” system designed to put up a firewall between the government and the media.

New Jersey has established what it calls a [“civic information consortium”](#) to disburse grants to outlets in news deserts and to those that cover marginalized communities. More than \$5.5 million has been given out since 2018. In California, [legislators appropriated \\$25 million](#) to create a fellowship program that will place reporters in newsrooms throughout the state. Administered by the University of California at Berkeley, the initiative is believed to be the largest direct, state-level investment in local news in the United States.



At the federal level, there have been a few recent attempts to pass legislation, though the dysfunction surrounding the election of the Speaker of the House and the persistent threat of a government shutdown make it hard to see how much might get done between now and the next election. Still, there are two bills of note.

The Journalism Competition and Preservation Act, which would essentially allow news publishers to collectively negotiate a price with tech firms like Google and Facebook for using their stories, had bipartisan support, passing through the Senate Judiciary Committee by a vote of 15-7 last September, but it failed to move forward. Sens. Amy Klobuchar (D-Minn.) and John Kennedy (R-La.) [reintroduced the legislation](#) in March with five Democratic and six Republican senators signing on as original co-sponsors. It's now waiting to be placed on the Senate calendar for debate. (Canada and Australia have seen some success with this approach. Google pays to use news content in both countries, while Facebook has an agreement that compensates Australian publishers.)

The Community News and Small Business Support Act, introduced in July by Rep. Claudia Tenney (R-N.Y.) and Suzan DelBene (D-Wash.), has two main provisions: a tax credit for employing local journalists and a tax credit for small businesses that advertise in local media. The credits would be available over five years, with the most generous assistance available in the first year when news organizations could claim up to \$25,000 per employee, and small businesses could recoup a total of \$5,000.

The bill had momentum in large part because it reframed the issue in terms of tax breaks for mom-and-pop shops. Thirty-two House members — 16 Democrats and 16 Republicans — are co-sponsors. The bill also picked up in October its first major endorsement from a business group, the National Restaurant Association, which sees the legislation as a symbiotic way to support both industries.

These bills have value even if they never become law, said Steve Waldman, president of Rebuild

Local News, a nonprofit coalition working to advance public policy solutions to address the collapse of community journalism. They create a template for state lawmakers and other stakeholders looking to introduce legislation and to build bipartisan support. For example, the New York News Publishers Association and the NewsGuild-CWA are jointly supporting New York legislation, modeled on provisions in the Community Journalism and Small Business Competition bill, that would provide \$500 million in salary tax credits over five years to news organizations in that state.

“There are risks to any legislation, but from what I’ve seen, the risks are outweighed by the danger of doing nothing,” Waldman said. “We are driving off the cliff, and we have to be looking at ways of changing course.”

Connecting Communities

Identidad Latina’s offices are tucked away on the first floor of the Connecticut Public Broadcasting building in West Hartford. The three rooms they rent — they get a “good deal,” Espinoza said — are small and sparsely decorated but none more so than the studio where they film Alatrística’s interview show. There are a few cameras and tripods, two stools and a banner with the outlet’s logo stuck to the wall with thumb tacks.

From here, Alatrística has interviewed community organizers, local chefs and state lawmakers, to name just a few. The paper has also covered the elections in Ecuador, convened a forum on why voting turnout among Latinos in Connecticut remains depressed and discussed with Hartford’s school superintendent how to prepare students for college.

But much of the value the audience sees in Identidad Latina comes from its presence at community events. Its Facebook and YouTube pages are a repository of videos from celebrations

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WE ARE DRIVING OFF THE CLIFF, AND WE HAVE TO BE LOOKING AT WAYS OF CHANGING COURSE.

– **Steve Waldman,**
President, Rebuild Local News

”

such as the Colombian Festival for Independence Day and the crowning of the queens of the Puerto Rican Day parade. “We are connecting communities through conversation,” Santa-Cruz said. “We are constantly asked, ‘Can you come to this? We want you here.’”

It’s the kind of work that’s filling a gap as the rest of the industry is shrinking. Since 2004, Connecticut has lost 56 newspapers, nearly half of the 120 newspapers operating in the state less than two decades ago. Other outlets, such as the Hartford Courant, the oldest continually publishing newspaper in the country, have been hollowed out by rounds of layoffs and cutbacks from hedge funds such as Alden Global Capital, which is notorious for consolidating operations and replacing local coverage with boilerplate regional stories. At its peak, the Courant, whose parent company was acquired by Alden, had a few hundred journalists covering towns across the state. It now has a few dozen.

It's against this backdrop that lawmakers are gearing up to get a refined version of HB-6347 reintroduced in February, when the legislature is back in session. The bill's original sponsor, State Rep. Kate Farrar, is hopeful. In May, the House passed the measure by a 96 to 48 vote, but the Senate failed to act before adjourning. This was a setback but one that Farrar and other advocates feel they can build on — especially given that the bill is revenue neutral and affects only advertising money already in the state's budget that would otherwise be awarded to faraway digital ad servers. Farrar has spent much of the past few months trying to build support within the Senate, the governor's office and other state agencies.

"I think we have a good chance of moving this legislation forward," Farrar said. "Last session there was a lot of focus on voting access bills in the committee, and with those passed it can be more of a priority for next year."

Should the bill pass both houses and be signed by Gov. Ned Lamont, no one expects a few million dollars in state ad spending to fix all that ails local news in Connecticut. The problem is too complex to be solved by a single solution. But it would be a statement that local news is a priority and would reaffirm that the government has a role in ensuring the public remains informed in our democracy. It also has the potential to sustain small publications such as *Identidad Latina*, where even a few thousand dollars can mean the difference between making payroll or not.

"It would be very helpful even if the state put just a few ads with us," Espinoza said, noting that extra funds could help them hire an employee to expand their digital operation and attract more of an online audience.

It's not just the money; it's also the consistency of the cash flow. Nancy Chapman — the founder and writer behind *NancyOnNorwalk.com*, a local website covering city government, education and land use since 2012 — became a full-time

employee of her own company just three years ago. (She still doesn't have health insurance.) The outlet has survived thanks to two well-timed infusions of money: A \$25,000 fundraising match from the Institute for Nonprofit News kept the business going in 2018, and a \$20,000 grant from the Knight Foundation helped relaunch the website in April, which it otherwise couldn't afford to do. Recurring ad buys would help *NancyOnNorwalk*, which had an operating budget of \$85,000 last year, to move past merely subsisting.

"If there is the potential for state money on a consistent basis, we'd start to have regular predictable income," said Claire Schoen, a *NancyOnNorwalk* board member. "We would know that we could pay certain people certain salaries. We'd be able to hire more people to fundraise and hire more reporters."

If Connecticut enacts HB-6347, it will join a handful of states that have recently passed legislation to support local media. Earlier this year, Washington Gov. Jay Inslee signed a measure that will exempt news outlets from the state business and occupation tax for a five-year period starting in 2024. It took two tries for Sen. Mark Mullet, a Democrat who has seen three papers in his district close since he was elected in 2012, to push the proposal through. When he first introduced the bill in 2022, he couldn't get it voted out of committee. The feeling that the media is biased was too pervasive among lawmakers, even among Democrats who didn't like many of the editorials that were being run at the time, Mullet said. But in March his colleagues in the Senate advanced the bill with a vote of 47-1. Less than three weeks later, the House passed it with a vote of 89-7.

"What a difference a year makes," Mullet said. "What happened was people just had honest conversations with their local papers and realized how difficult the environment is. They appreciated if you don't have the papers, it's really hard for the average Washington voter to know what their government is doing."

The exemption is expected to save news organizations about \$1 million a year. That's not enough to restore the entire industry, Mullet conceded, but it's an acknowledgment the government can help. "At the end of the day my argument was, the state of Washington does not want to add fuel to the fire," Mullet said. "At a minimum, by exempting them from the business and occupation tax, we've done what we can to alleviate the pressure."



PEOPLE JUST HAD HONEST CONVERSATIONS WITH THEIR LOCAL PAPERS AND REALIZED HOW DIFFICULT THE ENVIRONMENT IS.

— **Mark Mullet**,
Washington state senator



Legislators also set aside \$2.4 million over the next two years to establish a journalism fellowship administered by Washington State University. The funding is expected to put eight reporters in the field in 2024 and another eight the year after, but the larger goal is to survey the local news ecosystem and prove the fellowship concept can strengthen community coverage — especially in places where there may not be enough wealth to support media organizations through advertising or subscriptions.

It's modeled after California's Local News Fellowship, the \$25 million initiative established

at Berkeley in September 2022. That program hired its first of three cohorts this summer and has placed 39 journalists in newsrooms such as Access Humboldt, a small community nonprofit; L.A. Focus, a newspaper that reports on the African-American experience in Los Angeles; and The Fresno Bee, which is expanding coverage into Madera County. (The focus in California is on small newsrooms. Of the 37 outlets where a fellow has been placed, 26 have staffs of fewer than 10.)

"Part of the appeal of the fellowship model is that it's directly going after a core problem: the lack of journalists in local newsrooms," Waldman said, noting a natural firewall is created because the money flows from the government through the university before it gets to the journalist. "As a political matter, there's a familiarity with what a fellowship is. There's a familiarity with state university systems ... so there's a certain amount of trust in these existing institutions."

That dynamic played out in New Mexico, where in May state officials allocated \$125,000 to subsidize a fellowship and internship program run by the New Mexico Local News Fund and the University of New Mexico. The program, launched in 2019, had previously relied on private grants and donations. With the extra funding, it has been able to expand to seven fellows and eight interns, a record number for both.

America's founders: Press is essential to self government

One of the main obstacles to advancing legislation designed to aid struggling newsrooms is the perception that public support won't make enough of a difference. For evidence to the contrary, one can look to our neighbors to the north. In 2019, Canada introduced a salary tax credit of 25% per journalist for news organizations. An assessment by the University



of North Carolina's Center on Technology Policy found that even the smallest hyper-local outlets reported the policy increased their bottom line by as much as 10%. As a result the credit was increased to 35% in 2023 and will extend through 2027.

Another obstacle is the idea that the free market should decide the winners and losers. It's an argument internalized by journalists themselves because they fear that by accepting public funds, they open themselves up to government control or undue influence. But this fear is not grounded in historical context.

The Post Office Act of 1792 is often cited to illustrate the federal government's long history of supporting journalism. In addition to setting delivery routes in granular detail and establishing that the penalty for robbing a mail carrier would be a death sentence, it capped delivery rates for a newspaper at 1.5 cents no matter where in the country it was going. That was a steep discount, as postage for letters cost between 6 cents and roughly a dollar, depending on the weight of the envelope and distance it was to travel. The law, which also allowed newspaper printers to mail single copies to each other for

free, went so far as to specify that newspapers would need to be "carried in separate bags from the letters," and it set a fine of up to \$50 for post office employees who "detain, delay, embezzle or destroy any newspaper."

The exacting provisions around newspaper delivery speak to the central role lawmakers saw for newspapers in keeping citizens informed — not just in the big cities but also in rural areas and across the frontier where printing presses were in short supply. To get news to people living outside of New York, Boston, Philadelphia and other urban centers required heavily subsidizing the distribution process.

"There wasn't a debate about it," said Robert McChesney, professor emeritus of communication and media history at the University of Illinois Urbana-Champaign. "That's how singularly important the press was seen by the founding fathers. It was just understood that the press was central to the foundation of a self-governing system."

McChesney and co-author John Nichols, a correspondent for the Nation, noted in their 2016 book, "People Get Ready: The Fight

Against a Jobless Economy and a Citizenless Democracy,” that the information economy at the time depended largely on government support. “Newspapers constituted more than 90 percent of the Post Office’s weighted traffic yet provided only about 10 percent of its revenue,” they wrote. “If the United States government subsidized journalism in the second decade of the twenty-first century as a percentage of GDP to the same extent it did in the first half of the nineteenth century, it would spend in the area of \$35 billion annually.”

Today \$35 billion would go a long way for an industry that has lost almost two-thirds of newspaper journalists in the past two decades. To put this into perspective, the payroll taxes for news organizations that Congress nearly passed last year (as part of the Build Back Better legislation) would have invested about \$1.7 billion over a decade. Another data point: The Press Forward initiative, a coalition of philanthropic funders looking to boost grants to local news outlets, pledged \$500 million over the next five years.

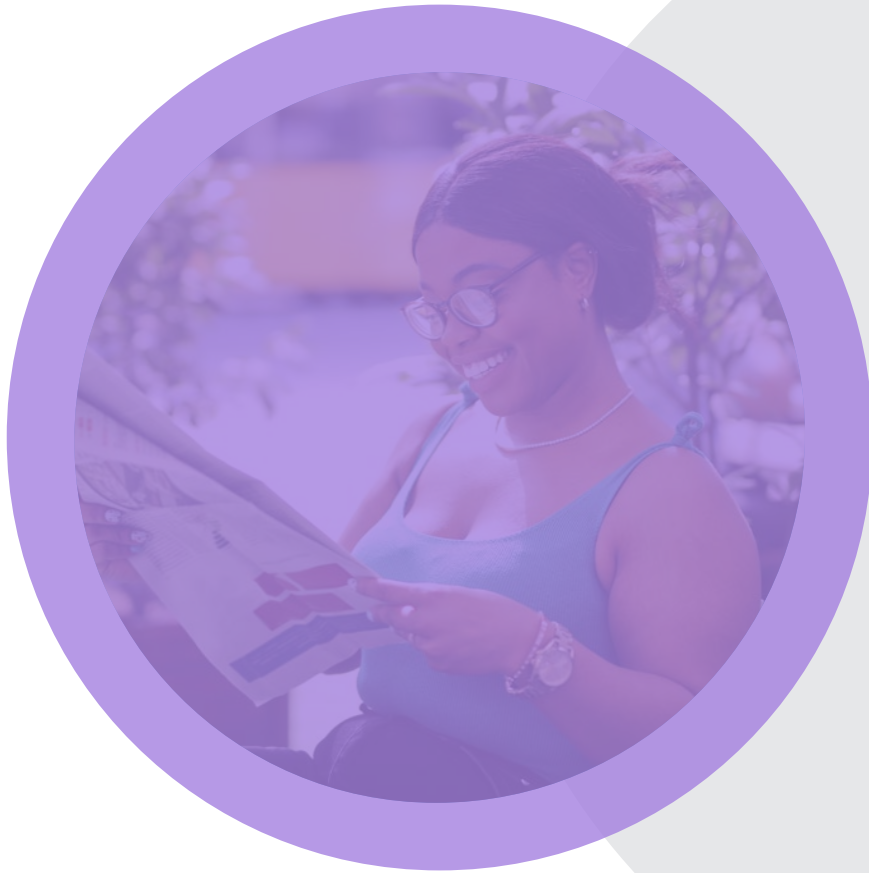
Individual state tax breaks, fellowship programs or grant awards won’t solve the whole problem,

but taken together they can make a difference. “Progress is never straightforward,” Medill’s Abernathy said. “We are holding our breath right now. But I’m increasingly optimistic that we may be moving together to fix this. You put together the legislative policy front, the renewed focus in philanthropy and scholars studying what this means for our society and democracy. We’re beginning to get enough of a collective movement to see what’s going to work.”

While all of these efforts take time to work their way through their respective processes, Espinoza and her co-founders hope that help comes in time for them to train the next generation of journalists to take over Identidad Latina.

“We love what we do, and we are happy that we are still working,” Espinoza said. “All we want, like other local media outlets, is some help to keep us going and to educate younger generations. We won’t be here forever, and we need to train the next generation.”

Laura Colarusso is the senior editor of Nieman Reports, a magazine dedicated to elevating the standards of journalism.



PART 11

SAVING COMMUNITY JOURNALISM

THE PATH AHEAD

by PENELOPE MUSE ABERNATHY

“ A GOOD NEWSPAPER IS AN ANCHOR IN A COMMUNITY. IT REMINDS A COMMUNITY EVERY DAY OF ITS COLLECTIVE IDENTITY, THE STAKE WE HAVE IN ONE ANOTHER, AND THE LESSONS OF ITS HISTORY. ”

– **Ron Heifetz**, John F. Kennedy School of Government, Harvard University

Two decades ago, few of us envisioned how quickly and decisively the internet would demolish the economic model that had supported local news in this country for almost two centuries. In 2004, newspaper stocks were still the darling of Wall Street investors, trading at a premium and delivering consistently above-average returns to shareholders. And many of the nation’s 9,000 newspapers — especially those in small and mid-sized markets — were posting profit margins that exceeded 20%. The best of those community papers aspired to the ideals articulated by Ron Heifetz, author, professor and founder of Harvard University’s Center for Public Leadership, in the epigraph to my first book on local news, “Saving Community Journalism: The Path to Profitability.”

In early 2024, the nation will reach a milestone that illustrates what’s been lost since 2004: One-third of the papers that existed then will be gone. Once a vast news and information network that knitted together this diverse country encompassing almost 3.8 million square miles, newspapers are vanishing at a rate of more than two a week. Most of the 6,000 surviving newspapers today get by with slim profit margins in the single digits, and despite the optimism of many in 2004, digital alternatives have failed to fill the void.

After working for more than three decades as a journalist and senior business executive at some of the nation’s smallest and largest news organizations, I became a professor at the University of North Carolina in 2008, at the very moment that the Great Recession was exposing the fragility of the last remaining vestiges of the business model that had supported local news for so long. It was all the motivation I needed to commit to reviving and reimagining local news for the digital age, tapping the knowledge and expertise gained from a professional journey that had begun

in my teen years, when I snagged a summer reporting job with my local hometown weekly in rural North Carolina and culminated with stints at the New York Times and Wall Street Journal.

In two books — “Saving Community Journalism” and “The Strategic Digital Media Entrepreneur” — and six major reports on the State of Local News published in the last decade, I’ve documented the relentless expansion of “news deserts” and “ghost newspapers,” the rise of hedge-fund and private equity ownership, and the persistence and resilience of entrepreneurs who have sought to develop new business models to replace the old one. I’ve been joined in this pursuit by industry and academic researchers in multiple disciplines — including political science, economics, law, business, history and communication — who are tracking how the loss of local journalism affects our society.

Through it all, I’ve come to appreciate that the largest news organizations in the country are only as vibrant and reliable as the smallest — and that the health of our democracy depends ultimately on the health of the thousands of weekly and daily newspapers, digital outlets, ethnic media publications and public radio stations that inform the nation’s 330 million residents about what is happening in their own backyards.

As the 2023 State of Local News report makes abundantly clear, this is a pivotal time for local news, as a growing number of policymakers, philanthropists, educators and even ordinary citizens are coming forward with new proposals and funding aimed at reversing the trend. The actions we collectively take over the next couple of years will determine whether we can revitalize and refurbish our local news ecosystem so that it serves us even better in the digital age than it has in the past two centuries.

Given the many questions that need to be probed and answered, now seems the right time to entrust the ongoing research to an expanded team at the Local News Initiative at the Medill School of Journalism, Media, Integrated Marketing Communication, which will have the ability to take the inquiries in new directions.

This means the 2023 State of Local News report will serve as a sort of coda to this phase of my involvement with local news, as I find other ways to support the many entrepreneurs and stakeholders committed to reviving local news.

One of those entrepreneurs, an Oregon newspaper publisher, recently reminded me of the “three epiphanies” or insights in the concluding chapter of “Saving Community Journalism.” Revisiting those epiphanies I was pleased to discover they had withstood the test of time and offer an excellent framework for looking back at lessons learned since 2004, as well as providing guidance for actions we should consider in the months and years ahead.

Epiphany #1: Healthy community news organizations support both our democratic and capitalist way of life at the most basic level — in our villages, towns, city blocks and counties where we work, play, spend our incomes and elect our public officials.

What We Now Know

The decline of local newspapers has been relentless over the past two decades, resulting in a loss of 2,900 newspapers — mostly weeklies and small dailies — that were often the sole source of reliable local news in many small and mid-sized communities.

But not all communities have suffered equally. Residents in affluent communities with widespread access to high-speed internet often have multiple digital, print and broadcast local news alternatives that can fill the gap. However, many economically struggling, traditionally underserved communities — both rural and urban — lack both the commercial and philanthropic funds to support local news organizations. These are the very communities most likely to lose a newspaper and the ones least likely to attract an entrepreneur or philanthropist willing to invest in starting a print or digital alternative or to purchase a struggling local newspaper.

“ THE HEALTH OF OUR DEMOCRACY DEPENDS ULTIMATELY ON THE HEALTH OF THE THOUSANDS OF WEEKLY AND DAILY NEWSPAPERS, DIGITAL OUTLETS, ETHNIC MEDIA PUBLICATIONS AND PUBLIC RADIO STATIONS THAT INFORM THE NATION’S 330 MILLION RESIDENTS ABOUT WHAT IS HAPPENING IN THEIR OWN BACKYARDS. ”

This disparity between communities that have journalism and those that don’t is a crisis for our democracy. Recent research has shown that in communities without a local news outlet, the lack of journalistic oversight and transparency leads to a lack of accountability in government and business, which causes residents to pay more in taxes and for the goods and services they need. Voter participation — especially in



local and state elections — also decreases. Into this news void creeps misinformation and disinformation, which leads to political polarization around national — not local — issues, and a crippling inability of residents to understand the problems confronting them and to come together to chart a new path forward.

Speaking at a 2020 awards ceremony at the University of Kentucky honoring community newspaper publishers and editors who had overcome significant obstacles, Chuck Todd, then moderator of NBC’s “Meet the Press,” observed, “I wish a lot more of my colleagues in D.C. and New York would hear these stories. I know we need to do a better job of covering America. ... There’s a lot more to learn, sometimes, in rural America than there is in urban America.”

As Todd notes, the loss of local newspapers leaves all of us poorer and less informed. It creates a gap in knowledge that affects not only the ability of national news organizations to cover major issues confronting the country but also the ability of our democratically elected and appointed officials to address those issues.

What We Can Do

Eliminating this disparity between communities with local news and those without involves using both public and philanthropic funds to entice entrepreneurs either to establish news outlets in news deserts or to encourage existing news organizations — print and digital, for-profit and nonprofit — to expand their news coverage to reach residents in these news-deprived communities.

Fortunately, there are both philanthropic and policy proposals that could begin the process of reviving local news in these areas. To date, most philanthropic funding has gone to digital startups in cities. Press Forward, a national coalition of more than 20 major donors led by the MacArthur and Knight Foundations will distribute half a billion dollars to news organizations over the next five years. It offers an immediate

opportunity for philanthropic organizations to focus also on news deserts and at-risk areas outside the city limits by prioritizing grants and other donations to existing for-profit and nonprofit news organizations who aim to expand coverage of those communities. Longer term, several pieces of legislation being considered in Congress and in more than a dozen state legislatures would provide either indirect funding — tax subsidies to hire new reporters — or direct grants to existing news organizations that support expanded news coverage of at-risk communities.

Epiphany #2: Good journalism alone is not sufficient to save local news organizations. (The commercial business model that supported local journalism for two centuries has collapsed); therefore, news organizations must develop a “forward-looking” business plan that addresses the needs of both its readers and business owners.

What We Now Know

A Dec. 29 column in the Washington Post optimistically predicted “local news in 2024 would stage a comeback as communities across the United States support high-quality online local news sites.” However, the reality is we are a very long way from realizing that prediction in 2024, or even in the next few years. In a typical year, the number of new sites is matched by the number that go dark. Only half of the approximately 550 local digital-only news sites active in 2023 have survived more than five years, and 90% are in cities, where there is more access to philanthropic and investor funds and to broadband. Residents in many areas of the country — including not only rural areas but also inner-city neighborhoods and less affluent suburbs — lack high-speed internet connections in their homes, as well as the community funding to support a digital enterprise.

Funders and entrepreneurs of for-profit and nonprofit ventures have consistently failed to consider how difficult it is to establish and sustain a new business, especially one relying exclusively on attracting sufficient numbers of digital readers and advertisers to fund robust news coverage once the initial capital is depleted. The difficulty in attracting sufficient digital subscriber and advertising revenue to compensate for the loss of print advertising dollars has also hindered the ability of newspapers to transition to a new business model. About two-thirds of the revenue that sustains many smaller weeklies and dailies still comes from the print edition, though at much reduced margins.

In addition to broadband access, three characteristics tend to determine whether a newspaper or digital news site can craft a sustainable business model. News organizations that have made the most progress tend to be in larger, more affluent communities, be locally owned and operated, and have access to funds that allow them to reach scale quickly and then to continue investing in growth once they've achieved profitability.

What We Can Do

In 2024, we are a long way from being “all digital, all the time.” Most of us consume our local news in multiple ways on multiple platforms — print, broadcast and digital — and that is likely to be the case for some years to come, especially in smaller and mid-sized communities. A \$45 billion investment by the federal government is designed to make broadband widely available by the end of this decade, but that does not ensure a steady flow of reliable local news to communities that are currently “broadband deserts.” There is simply not enough potential digital revenue in many of these poorer or sparsely populated communities to sustain a commercial model. That means policymakers and philanthropists will need to come up with new incentives to encourage both existing and start-up news organizations to provide news to the residents of broadband deserts.

We can also do more — through public policy and community philanthropy — to support local ownership of surviving newspapers. While many of the large daily newspapers are part of chains owned or indebted to hedge funds and private equity groups, roughly half of the 6,000 papers still published in 2023 are locally owned and operated. Most are weeklies and smaller dailies; many have survived for more than a century and have been owned by the same family for three or more generations. They have deep roots in the community and retain very loyal readers and advertisers. However, their slim profit margins in most years leave them vulnerable to unforeseen increases in expenses or sudden decreases in revenue that could force them to close shop or to sell their enterprise to a large national chain owned by a hedge fund. Either way, the community loses an important local institution.

Epiphany #3: The expectations of both readers and advertisers have changed dramatically. This requires news organizations to adopt a new way of thinking about community — and nurturing it.

What We Now Know

When “Saving Community Journalism” was published in 2014, I was often asked by other journalists why I did not instead title my book “Saving Local Journalism.” The clear

implication seemed to be that “community journalism” was somehow inferior. But as I have realized since my earliest days working for the hometown weekly, community journalism is not an inferior subset of local journalism. It is, instead, a more expansive way of viewing the vital role of news organizations in building and nurturing community.

Like all reporters, community journalists are watchdogs of our local institutions, covering routine government meetings and courthouse proceedings. But they are also chroniclers of everyday life, connecting people to one another through their reporting on the comings and goings of their neighbors — their births, deaths and major celebrations — as well as the community events, such local festivals and the establishment of local businesses, that nurture a shared culture. Strong community journalism engenders identity and engagement with others who live in the same vicinity.

We’ve lost almost two-thirds of the journalists employed at newspapers two decades ago. The large metro dailies that once employed hundreds today employ only a few dozen, while the vast majority of local digital sites employ fewer than a dozen full-time staffers. With many fewer journalists, surviving newspapers, as well as digital start-ups, have been forced to focus on covering only the big stories. As a result our local news feed is missing the stories that once inspired us to engage with others and to solve small problems before they became big ones. We also lack the features that introduced us to interesting characters who lived just around the block, down the road or across the tracks.

The internet has vastly expanded our concept of community to include groups bound together digitally by their interests and affinities or by their affiliations and ideologies. Yet even in a digital age, where we physically live determines so much: the candidates we vote for in local and statewide elections, our career and lifestyle options and the quality of our healthcare, to name but a few examples. Historically, the best newspapers have helped people in a geographic area understand how their actions affect others and how they can band together to solve community-wide problems, improving the quality of their own lives and of their neighbors.

What We Can Do

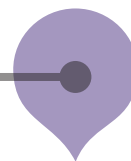
As we go forward, there will be many business models for local news. The business models that sustain national and stateside news organizations will be very different from those that sustain small local ones, just as the models for many newspapers will — at least for the time being — be different from those for digital-only sites. Much more research is needed to understand which models will work in what circumstances and in what markets.

Seminal research in the latter half of the 20th century found that in the healthiest communities, the local newspaper was a vital institution, nurturing both grassroots democracy and a sense of connection with others. Its advertising encouraged economic growth by connecting local residents with local businesses, while its journalism helped set the agenda around debate of issues large and small and engaged individuals in the everyday activities that define a community. Or, as a plain-spoken newspaper publisher recently put it, “A good newspaper holds up a mirror to its community. A great newspaper is not afraid to love its community.”

The digital age has provided news organizations with new ways to reach out and engage residents in communities that historically have been deliberately ignored or unintentionally overlooked. It is the responsibility of today’s generation of journalists and business leaders to use those new tools, as well as old-fashioned journalistic techniques, to engage and connect the many communities in the digital space to the neighborhoods, towns and cities where we live, work, play and vote. Reinvigorating local news in the 21st century requires rethinking and modifying journalistic and business strategies to engender a sense of accountability to one another. Nurturing a sense of belonging to a larger community is both the challenge — and the opportunity — for all local news organizations, whether legacy or start-up, for-profit or nonprofit.

In 2024, thanks to the collective efforts of many — industry leaders, philanthropists, policymakers, researchers, educators and even ordinary citizens — we’ve begun to chart a path forward. Research often poses as many questions as it answers and can take us in unexpected directions. So we don’t yet know where the path will lead in the days ahead and whether we face increasingly difficult terrain. But we now know our ultimate destination: not only to save community journalism but also to reimagine and reinvigorate it, ensuring the health of our democracy and society in the digital age.

Penelope (Penny) Muse Abernathy is a visiting professor at Northwestern University’s Medill School of Journalism, Media, Integrated Marketing Communications. Abernathy is teaching and doing research at the Medill School after serving as Knight Chair in Journalism and Digital Media Economics at the University of North Carolina from 2008 to 2020. A former executive with The New York Times and Wall Street Journal, she is nationally known for her “news deserts” research.



Methodology

The findings in this report are based on information in a comprehensive proprietary database that is created and maintained by the Local News Initiative at Northwestern University. Over the past year, faculty and researchers in the Medill School of Journalism, Media & Integrated Marketing Communications have collected data on more than 6,400 local newspapers, 1,100 public broadcasting outlets, 950 ethnic media outlets and 600 digital sites. The information is derived from a variety of industry and government sources, and supplemented with extensive research and reporting, fact-checking and multiple layers of verification.

- **Newspapers:** Information on individual newspapers in the database was derived from a number of industry sources. Membership lists provided by the 50 state press associations were cross-referenced with news industry stories published in 2022 and 2023, as well as data available from Editor & Publisher, SRDS and the Alliance for Audited Media (AAM). Researchers then conducted extensive independent online research, ascertaining the status and content of newspapers by checking websites and print versions, and also interviewing press association directors, editors and publishers when appropriate.
- **Independent Digital-Only News Sites:** The list of local digital news sites was compiled by merging lists published online by the Local Independent Online News Organization (LION) and the Institute for Nonprofit News (INN). As with newspapers, researchers then visited all of the websites to verify that the content was updated regularly, and the domain was still active.
- **Public Broadcasting:** The list of public radio and television stations came from data supplied by the Corporation for Public Broadcasting. To determine whether a station produced original content, we reviewed individual stations' schedules and staffing, as well as content posted on the station's website.

- **Ethnic Media:** The list of ethnic media outlets active in 2020 was compiled using lists of ethnic newspapers in the Editor & Publisher DataBook (2004 and 2018), the Craig Newmark School of Journalism’s (CUNY) State of Latino News Media, the National Newspaper Publishers Association (NNPA, an association of African American newspapers) and the National Association of Black Owned Broadcasters (NABOB). In this 2023 update, we checked each outlet to determine whether it was still actively producing news content for its community and recorded the frequency of publishing. Using our research in the broader database, we were able to classify the presence of these ethnic media outlets in news deserts, high poverty areas and metro areas.

In addition, we used media information contained in numerous surveys and reports by, among others, the Pew Research Center, the Poynter Institute, the Tow Center for Digital Journalism, Agora Journalism Center, and the Knight Commission on Trust in Media and Democracy, as well as scholars and researchers at the nation’s universities, including the foundational data compiled between 2012 and 2020 by the Hussman School of Journalism and Media at the University of North Carolina at Chapel Hill. Demographic and economic data from both state and national government sources, including the U.S. Census Bureau, the Bureau of Labor Statistics and the U.S. Department of Agriculture, were also incorporated and analyzed.

Building and Refining the Newspaper Database

Our 2023 report identifies 6,005 local newspapers in the country – 1,213 dailies and 4,792 weeklies – that were still being published at the end of September 2023. (We excluded the four large national newspapers – The New York Times, Wall Street Journal, Washington Post and USA Today

– from our analysis to focus on large regional and small local newspapers.) Each newspaper in the database has the following variables: name, city, state, parent media company, frequency (daily/weekly), number of days published per week, and (when available) total circulation. Our research is concerned with identifying local newspapers that provide public-service journalism.

Therefore, in addition to using industry and press association lists, we add an additional layer of verification. When possible, we consult both online and print editions of newspapers, analyzing the content of several editions of a paper, to ascertain if the paper covers local government meetings, such as school boards and county commissioner meetings. Intentionally excluded from our proprietary database are shoppers, community newsletters (which focus on people and events, instead of news), specialty publications (such as business journals and lifestyle magazines), monthly and biweekly publications, advertising inserts, TMCs (Total Market Coverage publications) and some zoned editions that feature minimal local journalism relevant to the county where the zoned edition circulates. Many states and municipalities have different thresholds for determining whether a newspaper is a “paper of record” and therefore eligible to carry legal notices. Often that threshold is based on circulation and distribution. We recognize that the income from legal advertising is critical to small dailies and weeklies. Therefore, we can work with the executive directors and general counsels at individual press associations if there are questions or concerns about the difference in our methodology (which is focused on news coverage) versus the threshold used by government officials to determine whether a publication is eligible to receive legal advertising.

Building and Refining the Digital Database

Our 2023 report identifies 552 digital-only news operations that focus on producing either local,

regional or statewide coverage of events and issues. This includes 418 sites that cover local news and 134 that cover statewide or regional issues. Excluded are those sites associated with existing or legacy media – such as sites for public and commercial broadcasting stations, newspapers and magazines – as well as national digital operations, such as ProPublica and Inside Climate News. We also exclude sites that are focused primarily on entertainment or event coverage, government and commercial sites (such as those operated by real estate companies) and those that have been inactive for the past six months. Each site in the digital database has the following variables: name, city, state, nonprofit or for-profit designation, news focus (local, regional or state focus), specialties (i.e., specific focus on topics such as politics, business or education), year established and founder or publisher/owner. As with newspapers, we add an additional layer of verification, analyzing the content of the sites, seeking to ascertain whether each site provides coverage on any of the eight topics identified by the Federal Communications Commission as being “critical information needs.”

Building and Refining the Public Broadcasting Database

There are more than 1,100 public radio stations in the United States. Roughly 65% of these are repeater or affiliate stations that are excluded from our consideration. The remaining 380 stations do not all carry local news content; some primarily schedule jazz or classical music, others are event-focused, and others simply repackage national available content. We manually reviewed the news content provided by each of these 380 stations and identified 214 that actually have original local journalism. This forms the core of our public broadcasting database. On the television side, there are nearly 350 PBS stations and affiliates across the country, but only nine have a local news program that airs at least

three days a week, according to data compiled by Robert Papper, Syracuse University professor and director of the annual Radio Television Digital News Association survey of all the nation’s commercial and public broadcasting stations. Employment numbers were provided to us by the Corporation for Public Broadcasting. The numbers are limited to only NPR or PBS employees and do not include staff who may be paid through grants, sponsorships or donations from other sources.

Building and Refining the Ethnic Media Database

Our original list of 950 ethnic and minority news outlets was assembled by the University of North Carolina in 2020 from several sources, the Editor & Publisher DataBook (2004 and 2018), the Craig Newmark School of Journalism’s (CUNY) State of Latino News Media, the National Newspaper Publishers Association (NNPA, an association of African American newspapers) and the National Association of Black Owned Broadcasters (NABOB). As with all of our data, ethnic and minority outlets were included only if they provided local news coverage about their communities. For this update we manually checked each of the 950 outlets in the 2020 list to determine whether they were still active, leaving us with a final 2023 list of 723 outlets. This core list of outlets, including traditional newspapers, websites and TV and radio stations, will serve as a foundation as we continue to expand this dataset over the coming years.

Dealing with Circulation Limitations

The circulation figures in our 2023 report come with a number of limitations. Some circulation figures are audited and verified; others are self-reported. Therefore, we have incorporated additional verification steps and information in an attempt to be as transparent as possible

about where we are getting the numbers. When possible, we use circulation numbers for paid weekday circulation from the Alliance for Audited Media (AAM). AAM is the industry leader in media verification and specializes in verifying circulation metrics for publishers. However, only 10% of papers in the database – mostly dailies – currently subscribe to AAM audits, which count both paid print and digital subscriptions in the total number. Additionally, the reported AAM numbers for the large dailies often lag behind the audit by a year or more. Because news organizations must pay AAM to verify their circulation statistics, many small papers do not use the service and instead self-report. In addition to AAM, we also have consulted SRDS and E&P datasets. When available, we used circulation figures provided by state press associations. There is currently no widely accepted and easily accessible tracking system for online readership data, especially for the thousands of local papers in small and mid-sized markets.

Tracking Sales, Changes in Ownership, Mergers and Closures

Throughout the year, the Local News Initiative tracks changes in ownership of newspapers, digital-only news outlets and ethnic media organizations, as well as closures and mergers, through news accounts and press releases, as well as extensive online research, consulting a number of industry sources. We define a closure as a newspaper or news outlet that ceased publishing and a merger as a newspaper that has been combined with another publication. We classified digital sites as either closed (with a date listed for closure) or inactive (if the site has not published any content for more than six months.) We consult:

- Publicly available corporate documents, including quarterly and annual reports released by the individual media companies, and press releases by Dirks, Van Essen, Murray & April; Cribb, Cope & Potts; and Grimes, McGovern and Associates, three of the most active firms in the U.S. handling sales of newspapers and digital sites.
- Numerous news articles about individual purchases and business decisions.
- Statements made by executives in press releases, news articles or industry presentations.
- Reports and interviews with industry representatives and analysts.

There are limitations to all of the above sources. Press releases, news articles, statements made by news executives and reports from industry analysts often list by title only the sales of the largest and most prominent newspapers in a chain, usually dailies. The weeklies involved in the sale, as well as specialty publications (including shoppers and business journals) and digital sites, are often grouped together and reported as a single number. That is why we try to check all announcements of sales against publicly available documents and corporate websites.

This research was overseen by Senior Associate Dean Tim Franklin, John M. Mutz Chair in Local News and director of the Local News Initiative, Penelope Muse Abernathy, visiting professor at Northwestern University and co-author of the report, and Sarah Stobely, Project Director and co-author. Inquiries about the findings or insights in this report can be addressed to: stateoflocalnews@northwestern.edu.



Research Faculty and Staff

This research was overseen by Senior Associate Dean Tim Franklin, John M. Mutz Chair in Local News and director of the Local News Initiative, and Penelope Muse Abernathy, visiting professor at Northwestern University and primary author of the report.



Tim Franklin, Sr. Associate Dean, Director, Medill Local News Initiative, John M. Mutz Chair in Local News, leads the Medill Local News initiative, a series of programs designed to bolster the sustainability of local news. Before joining Medill, Franklin was President of The Poynter Institute. He's been the top editor of The Indianapolis Star, Orlando Sentinel and Baltimore Sun. He was as a Washington Managing Editor of Bloomberg News. He's a member of the Illinois Local Journalism Task Force.



Penelope (Penny) Muse Abernathy, Visiting Professor and Researcher, is a visiting professor at Northwestern University, and a former senior executive at The New York Times and Wall Street Journal. She specializes in researching local journalism. She is the author of two books and five reports, including *The State of Local News* (Northwestern University: 2022).



Sarah Stonbely, Director, State of Local News Project, received her PhD from New York University in 2015. Sarah's expertise is in journalism culture and practice, local news ecosystems, media policy, and research methodology.



Zach Metzger, Database Manager, is responsible for managing, updating, and analyzing the different databases of news organizations maintained by the Medill Local News Initiative. He is also currently pursuing his PhD at the University of North Carolina, Chapel Hill.



Srishti Bose, Research Associate, is responsible for coordinating the design, data analysis, and ethnic media section of the State of Local News. She is a Medill School of Journalism graduate with a degree in Media Innovation and Content Strategy. Before her current role, Bose practiced as a mergers and acquisitions (M&A) lawyer in the Fin-Tech and Retail space.



George Stanley, Project Manager, 2023 State of Local News Report, joined the 2023 State of Local News Report after stepping down in January as editor of the Milwaukee Journal Sentinel and regional editor of 11 Gannett dailies. Under Stanley's guidance, the Journal Sentinel received virtually every major national journalism award including 3 Pulitzer Prizes and 10 Pulitzer Finalists. In October, he became CEO of the nonprofit newsroom Wisconsin Watch.



Larry DeGaris, Executive Director for the Medill Spiegel Research Center, works with Ed Malthouse and Spiegel's team of post-docs and affiliated faculty to run the Medill Subscriber Engagement Index and other local news related research projects. With a background in market research and brand partnerships, he helps local news organizations use research to make decisions about revenue models, business portfolios, audience development, and products and processes.



Mark Caro, Editor, is an author (*The Foie Gras Wars*, *The Special Counsel: The Mueller Report Retold*) and former longtime Chicago Tribune culture reporter, columnist and critic. He talks with prominent creative people on his weekly Caropop podcast and writes for Chicago magazine and other outlets. He was a journalism Cherub at Northwestern's National High School Institute a long time ago.



Joe Germuska, Chief Nerd, runs Knight Lab's technology, professional staff and extracurricular activity. Formerly, he was a founding member of the Chicago Tribune's News Apps team. He is the founder and project lead of the Census Reporter project, a website designed to make Census data easy for journalists. He also serves on the board of City Bureau, a Chicago-based civic journalism lab. His technology background is balanced by his BA in African History and MS in Product Design and Development Management, both earned from Northwestern.



Ed Malthouse, Research Director, is the Erastus Otis Haven Professor of Integrated Marketing Communications at Medill. He also has an appointment in the McCormick School of Engineering and Applied Sciences' Department of Industrial Engineering and Management Sciences. Malthouse is an expert in applied statistics, market research and media marketing.



Jaewon Royce Choi, Postdoctoral Research Fellow, is part of the Spiegel Research Center at Northwestern University Medill School of Journalism, Media, and Integrated Marketing Communications. He is a quantitative social scientist whose research interests spans media engagement, digital journalism, and social implications of technology. He earned his Ph.D. from the University of Texas at Austin.



Nicole Tan, Research Assistant, is a junior at Northwestern University majoring in journalism and legal studies. She was previously a reporter at the Medill Investigative Lab and the South China Morning Post, where she won an award for her coverage of a charity event celebrating Asian culture. She was also a print managing editor at The Daily Northwestern.



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Mitra Nourbakhsh, Research Assistant, is a sophomore studying Journalism and International Studies with a minor in Data Science at Northwestern University. She is a writer and editor for North by Northwestern magazine and has interned at PublicSource, a Pittsburgh local news group.



Alex Perry, Research Assistant, is a Medill senior double majoring in journalism and economics with a minor in data science. She previously served as The Daily Northwestern's editor-in-chief and has interned at The Pittsburgh Post-Gazette and The Information. ProPublica named her an Emerging Reporter in 2022. She's currently a part-time copy editor for Axios.

*The web presentation was designed by Medill Associate Professor **Zach Wise** and Knight Lab Executive Director **Joe Germuska**.*

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