

Independently Funded News Consortia

A submission to DCMS from:

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In response to the request for public views about the Pilots for the IFNC please find below a submission that draws upon an extensive 2.5 year research project funded by the Leverhulme Trust to investigate the impact of new media on the news in the UK including local and national news, commercial and public service broadcasting, print, broadcast and online, mainstream and alternative news. The research was based on over 200 interviews, three mini ethnographies and content analysis of online news. We are also drawing upon an additional study funded by the Carnegie Trust UK (Witschge et al, 2010) to explore the ways that Civil Society Associations (CSAs) and the media can better interact – whether that revolves around media content, media policy or media ownership. Our findings have particular implications for the establishment of the new IFNC. We believe that these could potentially provide a means of broadening ownership models, but when setting up these consortia or networks, it is important to make sure they do not replicate current patterns of concentrated ownership and that, instead, they truly add value to the existing broadcast environment. A wide and diverse network of partners in the consortium that includes actors from civil society will better ensure true diversity and a broad representation.

In summary, we believe the selection committee for the pilots of these news consortia should:

- Ensure that IFNC operate within a value system based on public service and on a not-for-profit basis ensuring that the maximum percentage of public money invested ends up paying for content rather than commercial gain.
- Foster the creation of partnership structures and collaboration between mainstream, traditional content providers and *non-traditional content providers* based on the pursuit of specific *public interest* goals and the drawing up of agreed procedures.
- Consider seriously, alternative approaches to ensuring public service news content in newspapers as well as in broadcasting. Importantly, the emphasis must be on establishing the conditions and culture to ensure content in the public interest and not on propping up failed business models.
- Ensure that the selection criteria for the IFNC pilots limit any further concentration of media ownership.

- Encourage the development of structures of governance for public interest media, including a Board of Trustees with representation from a range of CSAs.
- Emphasise the need to meet pre-established standards of transparency in news gathering and reporting/writing. Selection criteria should include the requirement for IFNC to be accountable for their own coverage and embrace transparency in their news gathering activities and, wherever possible, declare the source of their information to encourage original, investigative reporting and limit cannibalization and over-reliance on news agencies.
- Ensure that bids emphasize original news content over news aggregation and pure distribution.
- Develop and support hyper-local media through the sharing of resources and on-line link up to encourage alternative voices.

Conclusions from the above research (Fenton, 2009) are central to concerns regarding the nature and sustainability of news in the nations, locally and in the regions. Our research supports the claim that news media are in crisis: newspaper circulation and readership levels are at an all time low; there has been a tremendous growth in the number of news outlets available including the advent of, and rapid increase in, free papers, the emergence of 24 hour television news and the popularization of online and mobile platforms. A decline in advertising revenue, increased investment in new media technologies to attract online audiences, accompanied by cuts in personnel have all had a negative impact on journalism (Freedman, 2009). The Newspaper Society notes that 101 local papers closed down between January and August 2009. The depreciation of the current business model together with the increasing commercial pressures are devaluing the pursuit of news journalism that is in the public interest and, in particular, journalism that relies on original newsgathering and investigative reporting.

In this environment there is evidence of journalists being thrust into news production more akin to creative cannibalization than the craft of journalism – as they need to fill more space and to work at greater speed while also having improved access to stories and sources online – they talk less to their sources (both the elite and the non-elite such as civil society associations), are captured in desk-bound, cut and paste, administrative journalism. Ready made fodder from tried and tested sources takes precedence over the sheer difficulty of dealing with the enormity of user generated content or the overload of online information (Phillips, 2009).

In a commercial environment, news organizations foreground rationalization and marketization at the expense of ideal democratic objectives in a way that has led to a homogenization of content. Journalists spend a large amount of time monitoring other media, the news wires and user-generated content. Rewriting stories gained through this constant monitoring is the main task of many journalists (especially in online newsrooms). Analysis of the content of mainstream online news further reveals that much of the abundant news online is the same: news organizations often cover stories from the same angles and different news organizations repeatedly present the same information in their stories (Redden and Witschge, 2009).

In this context, protecting and enhancing a diversity of media content is ever more vital. Even though there is now a plethora of media outlets, and citizens and civil society can publish media content more easily than ever, there still is a significant threat to pluralism given the domination of a limited number of organizations that control the flow of news and the contours of public debate. Citizen media may be growing but it is still overshadowed by the major international news organisations. These large traditional news organizations with a strong market position and extensive and established news production infrastructure have responded to the current climate by investing heavily in online platforms. They have capitalized on their market dominance and brand loyalty and increased their audience share online. But this is an audience that is increasingly disinclined to pay for its news and is more likely to seek out only those fragments that are of particular interest to them. Nonetheless, UK citizens predominantly use sites that are run by existing news providers further asserting the already significant dominance of the major players (Ofcom, 2007). Furthermore the organisation of web search tends to send more users to the most popular sites in a “winners take all pattern” (Hindman 2009: 132). Added to this, Ofcom has found that, of the top ten news websites by unique user, four were run by internet-based organizations. These were Google News (a news aggregator site that produces none of its own content), Yahoo! News, AOL News, and MSN News (all sites that rely almost entirely on news agency reports) (House of Lords, 2008a). It seems ever likely that the voices on the web will be dominated by the larger, more established news providers in a manner that, yet again, limits possibilities for increased pluralism.

As a counter to this ever increasing concentration, we believe that CSAs can play a central role in ensuring a healthy diversity of viewpoints in the media:

- The role of CSAs can include direct media production/co-production or ownership. This research shows that partnerships between civil society associations and both commercial and non-commercial news ventures have been a productive way to increase the involvement of CSAs in media production while also increasing the number of voices represented in the media. Such partnerships should be based on the pursuit of specific public interest goals and the drawing up of agreed procedures including, for example, an understanding of journalists’ access to and media representation of locally originated CSA content and the provision of adequate funding and training for CSA media producers. IFNC should include local mergers or joint operations that increase relations with civil society in order to facilitate and maintain certain levels of news coverage in the public interest. To further the creation and distribution of public service content, it is important that such partnerships involve actors not previously part of the dominant media sphere and actively seek to increase media plurality rather than limit it. This should also mean that both the dominant media provider and the more marginal organization share and cross-promote content.
- Civil society associations have, of course, been successful in launching their own or acting in partnership with hyper-local media initiatives of online community news and information. These provide a valuable addition to the media landscape and stimulate local engagement and action but they are difficult to maintain. Even though the internet can provide opportunities for small-scale local and global independent journalism and

commentary to enter the mediascape, it is not the free and easy option many claim it to be. If we want to have sustainable structures for media pluralism that can encourage continuity and build expertise as well as engaged audiences, we must also consider ways in which to support them. The IFNC present an ideal opportunity to increase local and regional investment in such initiatives.

- The role of CSAs can also extend to ensuring there is an infrastructure for a plurality of media and that the media are regulated in the public interest through particular structures of governance designed to protect and preserve quality and diversity of content. This type of governance would have to safeguard independence of the IFNC, but could at the same time, increase the involvement of civil society associations.

Funding the different models is clearly a central concern. Sole reliance on fully commercial enterprises for the deliverance of news and current affairs journalism that purports to be for the public good and in the public interest has proven to be problematic. In a particularly harsh commercial environment, we need to preserve and protect the things that news journalism ought to be doing – to monitor, to hold to account and to facilitate and maintain deliberation – we neglect this at our peril. To ignore it is to accept that the market can be relied upon to deliver the conditions for deliberative democracy to flourish. The research on which our report is based offers clear evidence that this is far from true. Markets do not have democratic intent at their core. When markets (and business models) fail or come under threat, ethical practice is swept aside in pursuit of financial stability (Fenton and Witchge, forthcoming; Phillips, 2009a). This is felt particularly keenly in local, regional and international news production. Here, the lack of economies of scale means there is little commercial incentive to provide for it and thus a demonstrable need for additional public funding.

In sum, Civil Society Associations have a key role to play in an extended news environment in the digital age. They can act as wardens of and contributors to news media at local, regional and national levels; they can facilitate deliberation and expand the diversity of views on news platforms and develop news platforms of their own. They could also provide crucial funding for news organizations or consortia deemed to be operating on a *not-for-profit basis*. Establishing a more collaborative relationship between news organizations and civil society associations should be encouraged in order to enable participation, increase effective engagement, expand the public sphere, and enhance democracy.

Without a much tougher attitude towards media concentration and the pursuit of meaningful diversity, current public interest considerations are unlikely to be strong enough to confront aggressive liberalization and marketization at huge cost to the public sphere. Protecting the public interest requires both a more determined stance on media concentration and a more imaginative approach to securing media diversity, one that is based not simply on economic benefits and quantitative data but on the advantages of stimulating vigorous debate and critical perspectives and securing widespread political representation. Civil society has a key role to play to ensure the new news environment develops to promote democratic engagement and counters the growing isolation of the poorest, the fragmentation of society and diminishing arenas for public deliberation and dissent.

Where this funding should come from is not the subject of this submission. However we wish to emphasise that when discussing ways in which money from whatever means can be freed up for public service content, at least part of this funding should be used to bring new voices to the public sphere, rather than merely propping up the old business model of incumbent voices. The new IFNC must be able to guarantee increased diversity and deliberation. Distribution of money syndicated for media production in the public interest should happen according to key criteria requiring independent regulation to ensure that recipients of public money fulfil a series of public policy obligations.

Crucially, the emphasis must be on establishing the conditions and culture to ensure content is in the public interest and not on propping up failed business models.

To counter the trend towards cannibalization, all news organizations should be required to be accountable for their own coverage and be seen to embrace transparency in their news gathering activities and, where there is no clearly stated confidentiality requirement, declare the source of their information to encourage original, investigative reporting, allow users to check the veracity of information and limit cannibalization and over-reliance on news agencies.

We hope the selection panel will take account of our submission in their deliberations. We would be happy to discuss the results of the research further if necessary.

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