Midwest Newspaper Summit 3

September 10, 2010

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Kansas City Marriott Country Club Plaza

newspaper evolution
make change happen

EVENT SUMMARY

State press associations in Iowa, Minnesota, Illinois, Wisconsin, Kansas, Nebraska, South Dakota and Missouri teamed up to conduct the third in a series of educational events aimed at developing new ways to ensure the successful future of the newspaper industry. The Midwest Newspaper Summit 3, *Newspaper Evolution: Make Change Happen*, was held on Friday, Sept. 10 at the Marriott Country Club Plaza in Kansas City, Missouri. Using Midwest Newspaper Summits held in September 2009 and February 2010 as its spring-board, the Midwest Newspaper Summit 3 featured a unique hands-on, learn-by-doing platform.

The theme for Midwest Newspaper Summits 1 and 2 was Newspaper Evolution: Survival of the Fittest in the Digital Age. These events featured industry leaders engaged in a cutting-edge discussion about the economics of the news industry and how it might move forward in the digital age. Nationally recognized speakers and panelists discussed the rapid changes newspapers are experiencing, new ways to structure the newspaper business, new revenue models and many other critical topics.

Attendance and interest at the first two summits clearly indicated the need for continued expansion of innovation and technology in the newspaper industry. The Midwest Newspaper Summit 3 served as the next step in the evolution of these events and offered newspapers of all sizes and at all stages of innovation the opportunity to participate in an Innovation Project. Participants were divided into groups and, under the guidance of a facilitator, spent the day working with their peers to develop projects that will not only strengthen the future of their newspaper, but the industry as a whole. Following are the summaries from each Innovation Project.

Presented by
Illinois Press Association • Iowa Newspaper Foundation • Kansas Press Association
Minnesota Newspaper Association • Missouri Press Association • Nebraska Press Association
South Dakota Newspaper Association • Wisconsin Newspaper Association

INNOVATION PROJECT #1

The newspaper representatives that choose this project were engaged in developing a cooperative venture that has great potential to reduce costs while providing newspapers with the opportunity to monetize archived and current content by sharing their data with others. This potential archive of content from newspapers across the Midwest would provide a wealth of information on subjects of interest to many newspapers, as well as a new revenue stream.

The group heard a presentation on the American Newspaper Digital Access Corporation, a for-profit company with the mission to "collect, store, protect and market newspaper content." The mission of this corporation would be to provide news organizations with a means to digitize and archive their content for research, historical and commercial purposes.

In addition, the company could also provide participating newspapers and newspaper associations with
    ---The ability to upload public notices to statewide public notice websites within days rather than weeks to
       protect the future of these notices in newspapers;
    ---The ability of press association ad services to obtain electronic tearsheets within a few days of publication to
       make our ad services more viable and speed payment to newspapers;
    ---The ability of newspapers to create low-cost, word-searchable morgues and archives;
    ---The ability of newspapers to electronically mine the news stories of other newspapers on any given topic;
    ---The ability of newspapers to inexpensively create websites;
    ---The creation of a central collection point for the receipt of royalties derived from reused content.

Innovation Project Resource Partner Presentations

Zeon Solutions

Zeon Solutions is not a vendor that sells hardware and software. Zeon sells a service that connects the newspaper company with a vendor that will have the right service for its operation. It integrates different systems (Digital Asset Management-DAM, Text Mining E-TME).

NewzGroup

NewzGroup has developed a content management system to provide electronic tear sheets, public notice website, archiving capabilities, etc.

Next steps

1. Organize ANDAC as a corporation: ANDAC was incorporated in September, 2010. It is organizing its first board of directors, has distributed request for proposals (RFPs) to potential vendors and will begin the process of raising capital.
2. Encourage ANDAC to:
    A. Use the "power of the press" to sell and/or deliver information to consumers:
    B. Capitalize on newspapers' "Legacy of credibility," or "good housekeeping seal"
    C. Emphasize value to publishers/newspapers of:
        • Electronic tear sheets leading to faster payment for advertising
        • ANDAC helping with preservation of public notice advertising revenue
        • Publishers controlling content through cafeteria of choices
    D. Provide newspaper advertising idea exchange
    E. Share campaigns, sections
    F. View advertisers' competitors' ads/campaigns
    G. Make available consumer intelligence information (time of year washing machines are advertised/sold, etc.) to provide better purchasing information/options
    H. Sell market segment information
    I. Share news/photos
    J. Disseminate news from one source

INNOVATION PROJECT #2

Those working on Innovation Project #2 were charged with arriving at a plan for an electronic system that allows you to write a story for the printed newspaper and then, without format modifications, upload it to your website, a mobile app, a social networking site, e-reader, and-or have it prepped for other electronic devices, in order to speed production and reduce costs.

To begin the discussion, the team analyzed what newspapers are currently using for online products. The online products ranged from a company affiliating with a vendor to do daily website updates, posting an e-edition and doing text alerts to a mobile phone to not having a website presence. Most team members that have websites were making limited content available for free, with all newspaper content available behind a pay wall. All newspapers with websites were handling work flow in-house.

The team discussed what to include in a potential request for proposal for integrating technology so that a newsroom or ad comp service could easily upload. Mobile phones, tablet devices, mobile-compliant web sites and text messaging, along with standard websites were the unanimous selections. E-readers were not included, particularly after vendors noted the number of variables that exist with this technology.

The team heard from three vendors. Their presentations are summarized below. At this point, the team realized its focus needed to change, and to move away from development of such software and programs. The project team determined that there was not a need to develop software and programs, this technology already exists. The real need is to connect vendors with newspapers so they have the chance to explore opportunities appropriate to their size. The group determined that a survey of newspapers and vendors would allow the collection of information regarding services used, services sought and services offered. Press associations would be charged with collecting and distributing this data. This information could then be shared among newspapers.

Innovation Project Resource Partner Presentations

Russell Viers (PeriodicoPost.com)

Viers presented his system for uploading to the internet from the digital layout of the print edition. It was quick and easy out of InDesign. This system starts at approximately $100 a month, plus you receive client support. For smaller newspapers, this was viewed as a very viable product. Viers provided the option to customize the product further.

TownNews.com

TownNews presented a total CMS presentation, with a cloud-based software, print and on-line system. The platform is independent and requires hardware purchases. However, all of it is web-based and very flexible and highly-customizable. It is being put into operation at some larger newspaper companies at this time.

Zeon Solutions

Zeon Solutions is not a vendor that sells hardware and software. Zeon sells a service that connects the newspaper company with a vendor that will have the right service for its operation and staff. Zeon Solutions cautioned the Innovation Project team that smart phones are still a small demographic and that there are far more traditional phones still in use. He said data plans and contract agreements will drive the upgrades more than people's demand for the new phones.

Next steps

After determining that the technology already exists and that there are already vendors offering it, the vision from Innovation Project #2 attendees is to create a web site to conduct surveys of vendors and newspapers, so that comparison grids can be constructed. The grids would allow for various aspects of functionality requested, used, or provided. Cost, or at least a range of costs, would be a factor used on the grid. Press associations would be used to reach newspapers and vendors. Newspapers would be asked to provide information on vendors. A possible list of items to include on the grid are: integration with print product, training on-site, training on phone, customer service and support options, range of costs, mobile capability – application versus web-based, website design restricted or customizable, hardware required, OS or software required, website hosting, site registration, who owns the databases for subscriptions and customers, text alerts integration, email alerts integration, Facebook or Twitter integration, subscription sales format, single story sales, credit card fulfillment options, integration with other vendors and possible vendor relationships, video capability, business directory, references, and space for a description of services.

INNOVATION PROJECT #3

Summit attendees participating in Innovation Project #3 received a briefing on how mobile phone technology is developing and affecting the newspaper industry. Then they were given a set of real-life scenarios and divided into small teams that sought solutions. Using information from the briefing and from Innovation Project Resource Partners, the participants proposed the following:

- Expand the traditional print "Welcome Edition" or similar annual section by adding QR codes to the ads. QR or "quick response" codes are special bar codes that can be read by a smart phone equipped with a camera. The QR codes would allow readers to scan the ads every week for updates, sales and mobile specials. The mobile codes would extend the "coffee table life" of special editions.
- Attract 18-25 year olds with the medium they use most: text messaging. Potential readers could receive text alerts about live music opportunities and entertainment news. The alerts would be branded and link young readers back to the newspaper's print and digital editions.
- Update the concept of breaking news by making it easy for the newspaper to incorporate photos and information submitted by the public. A "citizen journalism" app would be a ready link to the newspaper. Users could snap a photo and immediately send it to the newsroom. They could also browse the contributions of other users.
- Bring immediacy to opinion. Using an app or a text message link, readers could respond to any story, column or editorial "on the fly." The app would also let readers vote in newspaper polls and entertaining "question of the day" projects. Data from the app could be collected and sold to marketers.

Innovation Project Resource Partner Presentations

Handmark

Ryan Sutton of Handmark Software explained how mobile phone apps work and how they differ from the mobile web. He outlined the strengths and weaknesses of both systems, noting the computational power an app brings to a smart phone. Handmark, a Kansas City company, specializes in the development of mobile phone applications for newspapers. Sutton discussed the challenges of reaching an audience through the many types of mobile phones on the market. Handmark's system simultaneously reaches the iPhone, Android, Blackberry and others. Sutton was extremely responsive to the participants, who peppered him with questions.

Cellit

Cellit specializes in mobile web solutions for newspapers. Cellit's Randy Atkisson explained what a mobile website can and cannot do. He outlined the situations where the web works better than an app for a newspaper, emphasizing the low cost and the flexibility of mobile websites.

Zeon Solutions

Brad Martell of Zeon Solutions summarized the discussion. Zeon Solutions is an enterprise system vendor and Martell emphasized how a coordinated technology strategy is important to newspapers of all sizes. While Zeon offers turnkey solutions, Martell also talked about how newspapers can develop their own strategies to integrate mobile projects with their print and online products.

Next Steps

The use of mobile technology is developing so rapidly that no newspaper can ignore it. Participants took from the summit a set of ideas that can be implemented by newspapers of all sizes.

A key need in the newspaper industry is for a rapid exchange of ideas for using mobile technology. The participants in the summit demonstrated how well editors and publishers can visualize new uses of the technology. They had, however, the benefit of collaboration and expert advice. A web-based collaboration system would greatly enhance the industry's efforts to "go mobile."