Panel 4: The Big Picture

Has online journalism come of age? What lies ahead?

Moderator:

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Panelists:

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FRANK DURHAM: I am a member of the faculty of the Department of Journalism here at the University of Texas. Rosental (Alves) asked me to moderate this panel and to summarize the things that I have heard today. I am going to take a stab at that. I have been listening and taking notes and trying to process this really eclectic discussion all day.

One thing that I am aware of is that I do not know the right answer. I do understand that the discussion is vital and quite varied. I would like to in a minute to review four themes that have been treated today. That is just my way of reminding you of what we have been talking about. I am going to ask the panelists who are here with me and also the audience, to take this opportunity to revisit some of the points made during the day that you would like to expand on or points you would like to make. I would like to use this as a sort of chance to tie things together. Before I do that, let me introduce the people who are here. **Mickey Butts** is managing editor of The Industry Standard, **Douglas Feaver** is the vice president of the Washingtonpost.Newsweek Interactive and editor of washingtonpost.com, **Peter Zollman** is a consultant and principal of Advanced Interactive Media Group, and **Peter Lewis** is a columnist for The New York Times and a resident of Austin.

The first point I want to remind us about is the earlier question that came up today was whether there is an online narrative for journalism. This is a port of entry for all kinds of discussions that we have had today. Rosental began the day by pointing out that there is no crystallized knowledge about online journalism. There is no set way to do things. Still, some people made points that I think suggest that the way that story telling happens is influenced in part by the context in which it is done. (Austin 360 General Manager) Ben Smylie earlier this morning suggested that search logic is creeping into the ways journalists are writing their stories.

That sort of came and went in a moment, but I would like to hear more about that in this hour. Another dimension of that was raised in the second and third sessions in different discussions, but there is a different definition of space obviously between print and online journalism. One is a question of paper cost and newsprint and so forth. Another is online journalism is economically more advantageous, but it really has to do with this space. So the question is how long the story can be and whether you would include back-up material or reports, source materials and so forth. The 300-page report that we talked about in general terms. A question I kind of had was which way would that go? If we are going to play futurist, if we are going to try to address the implications of a different technology as a different working context for journalism.

Does that mean that the inverted pyramid itself might give way to some other narrative form? Traditionally, we have what is called narrative, "once upon a time," also expository structure, and we have the inverted pyramid. But is it possible that that increased space would change that? Will reader apathy or viewer apathy and the unwillingness, or in some cases the inability, of viewers to engage in extensive text actually push us to write shorter and shorter pieces. I don't know. Those are just things that I was thinking about in terms of that.

And the final dimension of this idea of what narrative structure and narrative form could mean in online journalism, has to do with the idea of time frame and the period of news. As Howard (Witt, Associate Managing Editor/Interactive News, Chicago Tribune) mentioned earlier, when you have a snow storm or blizzard going on in Chicago, you can write as much as you possibly want at that moment about that. But the next day that may not be of any relevance at all. In the case of entertainment news, for example, at the Orlando paper (Orlando Sentinel) with their entertainment calendar, it may be possible to gain time by posting information four and five days ahead of the editorial calendar that would otherwise be observed in the print operations.

The idea of time as a dimension and therefore of consideration. Is technology Affecting the way we tell stories? Again, Howard (Witt/Chicago Tribune) says absolutely not. To sort of summarize that point, there was a lot of discussion about the economically driven need to pull up and take the shot. It's time to show that online journalism is viable. It is time to show that it can be economically successful.

It is time to quit experimenting, for example, with the dynamic story narrative structure, which is something that when I was at the University of Florida at the College of Journalism there in the mid-80s, they were still playing around with videotext and the reader driven narrative line. So it is time to quite fooling around, time to show a profit? That is the first sort of topic that I want to talk about.

The second area of discussion, which I think is equally interesting, is about community journalism as a future strength of online journalism. As I heard the discussion, as I was listening and sorting out what "community" means, as I was looking for some definition of that, I got sort of two different definitions. One was an economically driven definition of community, which is a kind of aggregated market share. Smylie referred to the need to let the people group themselves at a particular theme of shared interests and then exploit that theme by advertising to it and so forth, so people can be interested in that. As Glen Golightly (Houston Chronicle) mentioned, the parasailing around the world, for example, or the space shop. Let people be, let them have a sense of community there. But that does sort of represent an excess of editorial in the economics.

It is a sense of definition of community. The other perhaps more grounded definition of community is simply that community news is local news. That has to do with whether you cover local events or not. Whether you are presenting news as commodity, a specific kind of information that people have to have. That is certainly more editorially oriented. There is some optimism expressed about smaller papers' ability to compete in an online journalism world. The discussion is tended to be fairly represented by national newspapers, for the most part. But the expense is relatively low compared to print operation. I think that when I am thinking about community, this is what I thought, not what I thought that I heard.

The Elizabeth (Osder) story about the migrating welfare reform discussion, which I am going to remember in detail because it was a great story. It has a lot to say to corporate media managers. You can build the site, but you can't tell people what to do with it. Today's discussion has largely been about the need to have some sort of vision of the future and a sense of control or the ability to marshal power and exercise it for the survival of the business. And when faced with a group that will move from welfare reform to modern dance it will and then go to Philadelphia when they get upset. That's so (columnist) Calvin Trillin, that story. If I were that corporate manager I would be at a loss about how to attract people, how to let them group themselves. What to do?

People are going to move themselves around in cyberspace unlike they have before. And part of that is function of the technology. If you had a local newspaper the space is defined. People are in that space until they fold and put it away. But in cyberspace there are many ways to change. The notion of community is complex, but I think is very interesting.

The third point that I would like to raise has to do with tensions between market considerations and journalistic integrity. As Ben Smylie quoted (Katharine) Graham, "'Ads are news too.'" And as someone pointed out in the last panel, there was a moment when the ad content outpaced the news content. And the production of Web content itself wasn't up to the same quality. In more general terms I would say, I think that most of the families today would agree, the tensions between advertising and the need to generate revenue and an idealized sense of editorial ethics are the same as they were in a print operation. It is just possible to think of it that way. Louis Hodges (Knight professor/ Washington and Lee Univ.) reminded us of one of the most basic purposes of journalism is surveillance. It really has to do with making the world known and noble, making the world safe and social. Allowing us to find each other in communities. So the tension is between that and what Gerry Barker (Dallas Morning News) qualified as news as a commodity, particularly a commodity that competes with all others. There is that definition of a tension between what journalists are doing as journalists and how they are going to be able to continue to do it economically.

Again, I think that we have to consider that Web users are going to tell you what is important and in a rather flattened landscape. It is possible that advertorials funded by Nissan are going to be taken with as much credibility as the Houston Chronicle will be taken. I would not assume that in all cases, but it is possible, not picking on the Houston Chronicle. I just mean that the distinction about integrity that we are talking about is not something that is perhaps commonly held. It is possible perhaps to establish it. But again, we have been having a very top-down discussion today and one of the things that I would like to consider is that the person with the mouse in her hand is most powerful.

The fourth point is about the integration of different media. The how and the why of the integration of different media boil down to two answers, sure and it depends. The discussion is raised, for example, from whether reporters should take photos. Again Golightly says yes, and Witt says absolutely not. On to questions of how to manage the embargoing of stories and how when you have got print online and television in more places as exist in Orlando. A more local question asks, I mean local to this department, to the College of Communication and to the Department of Journalism and again more of what I have thought than what I think I heard, what kind of job are we doing as journalism educators to prepare people for that future? We have recently revised the curriculum to allow more connections between and across the sequences. We are looking, we are really trying to allow people to know something about broadcasting and be prepared for print, something about magazine is made as they do other things.

And I agree with Rosental completely, that our highest sense of mission has to be tied to teaching students to teach themselves and to identify problems that can be solved by teaching themselves. Semester-to-semester, year-to-year, the applications that we use in computer labs are outdated and out of phase with the other computer

labs on campus, so we sort of have this technology that presumes its own set of mind and patience.

I suppose the last point that I'd like to raise is a question, and I'll ask it first of the panelists and then of you in the room in general. Has online journalism reached the point of maturity? Has it reached the point where it can be viable? And can we address ourselves to evident trends? So I'm asking not about the future, but the wave of the present. Is online journalism in the present, is it something we can count on, and really work with, or not? And I've heard different discussions about that but this is a good time to try to "bell the cat."

PETER ZOLLMAN: The big picture - has online journalism come of age? And what is the future? I wasn't planning to start this way, but DOUG FEAVER and I were having a discussion at lunch today and he turned to me and he said, "So what is the future?" I gave my standard glib answer, which is, "Well if I really knew, do you think that I'd be sitting here and telling you? You know, I'd be writing the big check." But then I got a little more serious and said, "I have seen it." Not only have I seen it but I have worked with it. And I do know what the future is. And I know what the future is because I had it in my den for about a year and a half until about two years ago when Time Warner, seeing a great way to finally kickstart its stock, bought CNN and Turner Broadcasting. But Time Warner shut down the interactive television project in Orlando where I was the news director. Although it was way ahead of its time, I half-jokingly, half-seriously, say it was the most fabulous project in interactive media today. And it was.

The only two things wrong with it were that it was totally unfeasible and couldn't be scaled beyond 4,000 homes. Other than that, it was perfect. But I have seen that and for those of us who are now working in interactive media, which really translated to the World Wide Web and perhaps some e-mail newsletters, is starting to translate a little bit into wireless devices and news on palm pilots. We all need to understand, we are working in a phrase I just came up with today. We are working in an "interim media," an "interim medium." This is not a medium that is the end game. If you are a believer that people want text and graphics on a computer screen and have to type in URLs to get there, as opposed to people wanting movies, and by that I don't mean Hollywood movies, but I mean moving pictures with full motion video, one click on the remote control. If you believe that, you might as well stand up, walk down stairs and put on a sign that says will work for food or something.

I mean, there is just no believing that the Internet as we now know it, and all of our online journalism, and all of our online news services, don't believe for a second that this is where this world will end. This is where the world is beginning. I want to see a show of hands for a second. Who here was in this business three years ago? That is an amazing thing. Most of the people who are building online journalism, who are building online news, have been in the business two years, one year, three years. If you've been in it five years, there is only one newspaper in this country that can

say it started online journalism, and that's 1982. That was a bulletin board system, and it happened to be in Fort Worth (Star-Telegram), because Tandy was there with their Radio Shack computers. No other newspaper has been serious about this until the early to mid-90s.

This is all brand new. There may be 50 per cent penetration of Internet in homes, but how many people use it consistently? For how many people is it a pertinent and vital medium? The fact is, we're steeped in it, all of us are steeped in it. So we all think of it as part of our lives. For a vast majority of people, it's not part of their life yet on a consistent basis. That said, if Janine (Warner/ Miami Herald) doesn't have that huge discussion board when there's a hurricane, boy will there be hell to pay. People have come to rely on it. People have come to expect it, and if you shut down El Herald on the Web, and Miami Herald.com tomorrow, boy oh boy, will people be upset.

So there are people who have come to rely on it. There are two words that luckily or unluckily haven't been uttered once at this table today. So I will say them once, I am taking the prerogative, and then I will expect no one to use them again. I don't believe even in that session we had earlier today on working within various media, anybody used the word "convergence." Nor do I believe anybody used the word "synergy," and that is good. All of this in many ways is about both of those two words, I won't use them again, both of those two developments because media are going to come together. Media are going to reshape and reform. It's not going to be, "we publish a newspaper" anymore. We are going to provide information in whatever form and format people want it. We are going to work.

You know, there were lots of discussions about the Web site competing with the newspaper, competing with the television station. Guess what? The TV station in Raleigh, North Carolina, which is a client of mine -disclaimer - and the newspaper in Raleigh, North Carolina, were competitors like tooth and nail until about a year and a half ago. Now they share a lot of Web resources. Guess what? On the one hand, they're trying like crazy to share all sorts of products, and services, and work together. On the other hand, I was in the TV station on Thursday and Friday explaining to them how they need to go eat the News and Observer's lunch on classifieds. It is a revenue stream that they could never get before and at the same time they have to strengthen and enrich this relationship with the newspaper. It's crazy, but it's a reality.

This is not about bandwidth, it's not about technologies, it's not about servers, it is not about job applets or Dreamweaver or anything like that. It is about audience, and advertisers and interests. People are saying, "Well, if you have stories and nobody is interested in them what's going to happen? Are we going to stop doing the stories?" And my contention would be, "Maybe we should stop doing stories that nobody is interested in." If nobody is interested in it, is it really news? If we can't make it interesting, if we can't make it compelling, if we can't explain to people why

it is interesting, if we can't help them understand why they should care, should they care?

We face some huge economic ships in our businesses. Be you the television person, be you the newspaper person, be you the radio person, be you the Web person, or as many of you are the students coming up in the world, figuring out, where am I going to be in five years. Much less as Elizabeth Osder (IXL) put it, where are you going to be in 2041? I don't know where I'll be in five years, much less 2041. By then, they will probably have planted me. Classified advertising, which is certainly the lifeblood of every newspaper, will make some radical transformation. And that will have some astounding and stunning impacts on the newspaper. Exactly what those are, I wish I could tell you, but I can't.

Two other points, and then I will turn it over to my esteemed colleagues. People will pay for content. Everybody looks at the <u>Wall Street Journal</u> as the only subscription model on the Web. I have not looked recently, but the last I looked, right behind them was another company that none of you think about - Consumer Reports. They're right up there in the 250,000-270,000 paying customers range. The Wall Street Journal is at 285,000 paying customers or there thereabouts. Consumer Reports very quietly and unassumingly is around 260,000. So there are people who are willing to pay for content if it is important to them, if it is compelling to them, if it has useful information and it's not a commodity.

The last thing is this will create tremendous shifts in our business models and our world of content as we know it. We have talked often about it and it is not as far - fetched as it may sound. But I have talked often about it with my clients. How many newspaper people in this room have thought about the day in the not very distant future, and I'd like to get a show of . . . well I won't get a show of hands cause none of the answers will be yes . . . have thought about the day when the National Football League will say to newspapers, "You may only publish 300 words about our game. That is all you may publish." And everybody thinks, "Huh, why did they do that?"

Well guess what, they already do that with television. They say, "you may have one minute of our game, and you may only show it for the next seven days," and so forth. The Master's (golf tournament) has said to every credentialed person, there are now six page contracts for credentials, you may not put our scores on your Web site within 30 minutes of the scores' existence. Now there are lots of issues about that, but this will make fundamental shifts. The NFL is now a huge media company. Their content just happens to be the football games which they then put on their Web site. They publish magazines, newsletters, and they own broadcast rights. They are a huge media company, they are not a football league. They are a media company which creates its own content. So if you think about all of that and try to figure out where you are going if you are a student or try to figure out where you are going if you are a consultant, heaven forbid,

versatility is the key. Don't say, "I write newspapers, and that's all I do," because in a few years you won't. That will be it. Learn. I mean, I love what you said about teaching yourself. Teach yourself, learn about what you can do. Learn about the new media, plural, and enjoy the ride because it's an interesting one.

DOUGLAS FEAVER: I am very conflicted on the question of where we are. There are days when I say to myself, there is nothing new in this world. I am quite comfortable saying that. The conflict between advertising and editorial has been going on as long as I have been in the news business, which is very close to 40 years now. The competition that everybody talks about, remember a year ago there were a couple of unfortunate incidents about Web versions of newspapers getting some things out early, or turned out not to entirely right. There was this flurry of comment in <u>CJR</u> and <u>AJR</u>, and over the airwaves about the Internet. The Internet as a news medium has forced the absolute abandonment of ethics, care and what have you in journalism.

Give me a break. I am sorry, but we have all made mistakes. The Washington Post made one of the most colossal ones in the history of journalism and turned back a Pulitzer for it, and thought it was being very careful there. This particular problem has been going on forever, and it wasn't the competition. It was like competition was brand new in journalism.

When I came to Washington DC in 1969, there were three viable daily newspapers. The fact that the Post has survived as monopoly has been very comfortable for us for a while. But we handled stories a little differently back then. We got them out there a little faster than we might have when there was just two and certainly a little faster in some cases then we might have when there was just one. So we are back in the old game. I am sorry, this is not a new game, this is an old game. The competition is some ways has returned to the medium. The players are a little different, they may be electronic instead of another printing press. But in some ways, I feel more at home in the medium that I am working in today. It is a return in some ways to my roots.

Another thing that is comforting to me and helps me say there is nothing new in this world is the good reporting. Good work seems to win, still. Quality news products are developing quality audiences. And you are seeing it on the Net. They may not be developing quality business products yet or business models yet. The organizations that are taking care and have good reputations, that do their homework and try to get it right, and are avoiding the push towards commodization of news in some ways, are the organizations that seem to be doing pretty well at this point in terms of news.

Okay so that is all old stuff and here we are. There are some things that are new. We just heard a great deal about them right here in terms of technology. Speed is clearly accelerating all of the time. Speed is getting faster. That sounds like a ridiculous thing to say, but it does seem to be the case. We are in a bigger hurry

now. We find out about things, or the competitors are out there with things, and the pressures that that creates are real. Jeff Bezos was in town a few weeks ago and I think that this is an old thing of his. He was telling us that he thought the next big thing in the computer was instant on, when the computer could be turned on just like your television set. You hit a remote and the computer goes on. You don't have all of this time loading up and waiting for the Windows 95 to come up. That will be the enormous big technological change that will launch us into the new millennium. That is a poor choice of words.

So technology is changing and I hate to say this word. I have not heard it all day. Except once from you, "convergence." Somehow we are converging, but I think that we are diverging at the same time. I mean there is an awful lot of collision. There is a lot of banging going on here. We have had a lot of conversations throughout the day about the mix of cultures. Witt insisted that, how many times can we use this example now, that reporters can not take good pictures. Although I can show you some examples where that has not been true; I can certainly show you some photographers who write well. Generally, I will accept the sweeping generalization.

I think that the tougher issue is frankly between broadcast and print backgrounds. I have more print background. Half of the people who work on our site now, on the editorial site, are from broadcasting backgrounds. I have to say in some ways they get it better than the print people do in terms of writing that short intro, that snappy headline. That is going to get somebody into, I hope, that long form Washington Post story. But what am I to make of CNN when I go to its site the other day to look at its Kosovo coverage and I click on their lead story and it is longer than the lead story in the Washington Post that same day. It is very interesting. I mean we are borrowing and stealing from each other, trying to learn from each other. We are figuring out some things that we can do better together. But right now, I still think that TV is a great place to watch television, not on my computer screen. The newspaper is still a terrific way read a newspaper. But the Internet is clearly gaining in some ways on both of those mediums will end up looking all the same. I really don't know where it is going to go.

MICKEY BUTTS: Well I just wanted to talk about how the online journalism has come of age in terms of my story. I am the managing editor of The Industry Standard. We are a weekly print news magazine that covers the Internet economy. We have a companion Web site. We have a circulation of about 100,000 and we get about 2 million page views a month on our Web site. We launched only a year ago. I am happy to report that in an age when magazines launch and fail, we are still going after one year, which is encouraging. This is a really big boom time for this topic. I am kind of the perfect example of, I don't know what. I started in print. I went online and I was there four years ago. I went back to print. I still play a role in our online site. I don't know what that says about my confidence for the new medium. I wanted to also give the magazine perspective to what has been presented at this conference. It has been very newspaper oriented.

When I started in new media in 1995 at Parenting magazine, the state of the art of online journalism was repurposing our magazine articles exactly as they appeared in print on America Online. AOL paid for that and they no longer pay most people for that today. Our corporate parent, Time Inc., has a site you probably heard of called Pathfinder, with some of the most powerful brands. Supposedly they were going to take over the Web, Time, Fortune, People, becoming the reigning content model at the time. Today AOL now has 17 million subscribers and gobbled up Netscape. Pathfinder is reportedly mulling the idea of spinning off its Web brands as separate entities. I don't know what that tells you.

I have seen buzz words in business models come and go, repurposing premium content, aggregation, eyeballs pushed and back to interactivity and community. Now the big kahuna is commerce. It seems to me that online journalism comes of age every six months. One of the things I do at the magazine, among many things, we are a start-up magazine. We do a little bit of everything. I edit the metric section where we present a blizzard of facts and figures about the Internet economy every week, which is no easy feat. What I would like to do is inject some facts into our discussion, some things that I have found particularly interesting over time. We should consider a study by International Data Corp, which I have to say is owned by our parent company as well, IDG. It estimates that by the year 2002 businesses will spend more than \$1 trillion to enable their companies. Everyone is covering the story now. When we started a year ago our competition was mainly the niche sites. Increasingly, our competition is everybody. We are competing with The New York Times, Fortune, Business Week, the Wall Street Journal over this story.

That is where the Web comes in. We launched our Web site at the same time as we launched our magazine. I hate to say it was kind of an afterthought, we did not promote this very heavily. We put very few staff in it. We run it thanks to the miracle of Vignette, which gives us the impression that we have a huge staff. We have an editorial staff online and on the magazine we have about 30. We now publish about five original Web stories a day. We also get a text feed from our sister company, IDG News Service, which enables us to cover those breaking news stories that we can't cover, but we need to have a story on our site.

We are also publishing, which I think is really interesting, nine e-mail newsletters at the moment including Media Grock, the Intelligencer and Metrics Report which together reach about 100,000 people with very little promotion. The biggest surprise has been the success of Media Grock which is a daily critique of the media's coverage of the Internet business. People like the fact that we summarize and pre-digest the daily news in this space. We include links and Mark Laser does an excellent job everyday of reading everything and he spends a lot of late nights doing it. It is a very intense project.

But through all of this we have learned that you can't fear cannibalizing your own content in print. You put everything you publish on the magazine online often before the magazine hits the streets. We realize that we could not realistically compete with the big online, 24-hour news operations. But we can give them a pretty good run for their money by producing a limited number of well chosen high quality daily articles in this news space that we have helped carve out for ourselves. A lot of other sites are learning some of the same things. Here is were I am going to toss out a few interesting factoids. A survey of newspaper and magazine executives were released last month by Middleburg and Associates and the Columbia Graduate School of Journalism. They found that between 1997 and 1998 the percentage of newspapers that published only minimal original content, meaning less than five percent of their site is original, has dropped from 39 percent of all newspapers to 22 percent. For magazines the move toward original content is even stronger with the number of minimal original content sites falling from 27 percent of magazines in 1997 to 11 percent in 1998.

Clearly, news organizations have realized that online is not just a technology and a distribution devise, it is also a new medium. Another lesson we have learned is that since we are a magazine start-up we have no choice in this. We came out of gate by integrating our print and online news operations. How we do it is when we are in our news meeting we decide where pitches of stories go first and then we decide how to present them and lastly whether to distribute the story via print, the Web, e-mail or some combination. Again the facts kind of back us up. There is the trend that print and online news operations are completely shared in more than half of the newsrooms across the country today.

We are also not shy about scooping ourselves online if a news story will not hold. Middleburg again says that more than one-third of print publications allow their Web sites to scoop their print products. An interesting thing that I have learned from a not so recent publication by Jupiter Communication called Digital News published last October was that 50 percent of surfers enter the Web through sites, 50 percent surf in from portal sites and search engines. They spend an average of 10 minutes on a major news site. Jupiter concludes that people want headline-driven summaries about breaking news events. And that is all they want.

|We are also learning the critical importance of distribution beyond our Web site. We supply content to CNN.com and CBS Market Watch. We are partners editorially with the Street.com. We also deliver our Web news via the palm pilot. Last week we learned that people respond to high quality targeted content. It could lead to healthy revenue. A few sites are even turning a profit including the Wall Street Journal Interactive and USA Today and CNN.

The question was has online journalism come of age. To answer that I would ask the Street.com and CBS Market Watch for the answer to that, either initial public offering

(IPO) recently or going to IPO. Their offices are within a several blocks from ours. Their employees are very excited about online journalism. The stakes, conversely, for traditional print operations are extremely high. Editor and Publisher reports that last year that Web related losses totaled \$20 million at Time, nearly \$35 million at Tribune Company, \$23 million at Knight Ridder and \$15 million at the New York Times. Considering how things are going with the Internet space, most Internet executives will actually congratulate these companies on their fine losses and would recommend that they spend off their properties in IPO.

PETER LEWIS: I am from The New York Times and we did consider the motto, "All the news that does not suck." Being the New York Times someone suggested, "All the news that does not create a partial vacuum with one's mouth." Has online journalism come of age? I guess my standard response for that is, I will know it has when Wired declares that their print publication is worthless and that they would have to go completely digital since they have been forecasting the demise of printed publication. But their greatest success still seems to be in the print world. It has come to an age and I agree with PETER ZOLLMAN (AIM) at the other end of the table here. It is just now starting. In fact, I would argue that we are not even out of the starting gate yet.

I spent most of my time at The New York Times looking at technologies and platforms and infrastructures and boring stuff like that. What I like to do is look ahead and see where we are going to be five years from now when online journalism in probably going to start kicking into gear. I started out at a hot lead newspaper, anybody else here do that? I remember when our newspaper converted from hot lead, for those of you who do not know what hot lead is, it was a way of making a newspaper before computers. There was a big debate about whether that was a worthwhile thing to do. There was a young generation of us who slapped our head and said, "What is the debate?"

This is so much better. The same thing is happening at papers like the New York Times, where we talk about using the online force there. Some people are wondering if that is a good thing. And of course it is a good thing. It is inevitable, it is going to happen. My great fear is that journalism online is driven by business motives, and primarily business motives, and not by journalistic motives. That has been the case with the New York Times. On my first tour of duty on staff at the New York Times my last official act was to be part of a SWAT team in 1987. I was designing prototypes on the page for the New York Times for the year 2000. There were 10 editors selected and I was the only one who came in with a computer screen as a model.

It took them about 30 seconds to send for the butterfly net. They said it was just not on our radar screen. It wasn't until they commissioned a \$1 million survey that said online journalism projects are going to steal millions of dollars of classified advertising from the New York Times. Suddenly they got religion. And even then they made sort of a feeble effort to support this thing. We built a prototype of the

online New York Times. We were dismayed when they finally got it up and running and they announced that the person who was going to lead the New York Times in this electronic universe was being brought in from the advertising world and not from the journalism world. They went to Ogilvy and brought in the leader. A lot of people quit the New York Times because of that, because they felt that the New York Times did not understand that it had to be journalism driven. There are competing interests. People are going for the money. We can come back to that later.

Five years from now, assuming that we are not all living in cave because of the Y2K problem, there are projections that there will be one billion people online around the world. Let's get it out of the way right now - the United States is currently in the lead, but global markets are coming on extremely fast. When we talk about online journalism we Think of it on a global level. Penetration of PCs in the house is going to continue to rise. It is going to be well over 50 percent. Most of the PCs being sold today are coming with online access of some sort. So people are going to be connected.

There are going to be all sorts of broad-banded options. Right in my house here in Austin, Texas, I have a cable modem, I am getting DSL next week, the New York Times is paying for it. I am also getting a satellite broad band link in a couple of weeks. The New York Times is paying for that one too. I have all sorts of options. The satellite thing is the most intriguing, because you don't have to wait for the cable companies or the phone companies to come by and string your house up. For those of you who have not used broad band access, and are still using dial-up, it is an entirely different ball game. When you click on the front page of the New York Times, it pops right up on screen. You don't have to wait for the thing to sort of crawl down the page. That changes the way that I read news. In the old days I might not go to a different site to read because I do not want to sit there and twiddle my thumbs and wait for this stuff. With broad band coming on, especially cheap, affordable and accessible broad band, people are going to start getting more of their news online.

The other thing that is happening, and somebody has already used the convergence word, there are all sorts of wireless mobile devices coming out that will allow you to read the Web from wherever you are. Whether it is on your cell phone or on a special tablet, whether it is on the dashboard of you automobile - don't do it while driving. Also on your portable PCs which are going to get a lot smaller, etc., etc. You can call up your news on your telephone, you can call it up on your TV set, you can call it up on your PC, you can get it pretty much wherever you are. Instant news gratification on demand and you are not just going to go to the New York Times for everything, because frankly the weather part of the New York Times sucks. You go some place else to get your weather. You go some place else to get your sports, you go some place else to get your local news. And you just click and that is the way it ought to be.

I was up in Seattle, Washington, about three years ago and somebody said would you like to see the newsroom and this was at Microsoft. I said the newsroom at Microsoft? And they said sure come around. You are the first outsider to look at this. I walked into the most scary thing I have ever seen in my life. Has anybody seen the Microsoft newsroom? It's a newsroom! It is like a dream newsroom. It is huge. It has got banks of video monitors. It has got journalists pecking away on their PCs. I used to work at the Des Moines Register and as I was walking through this place and I hear, "Hey Pete." I look over and there are people I used to work with at different newspapers that are sitting there typing away for Chairman Bill.

I got on an elevator and I ran smack dab into one of my bosses at the New York Times. "What are you doing here?" He said, "The same thing you are. Looking at where we are going to be working about five years from now." Microsoft now has more editorial employees than the New York Times does. In five years they are going to have more editorial employees than the New York Times, the Washington Post and other companies combined. What is to keep them from being the New York Times of the 21st century, or the Washington Post or the Industry Standard. There is really nothing. We are all corporate entities as far as news organizations go. Microsoft can be a corporate entity just as well as anybody else, assuming that they get through this anti-trust thing. So you see these people and touching on another topic. A lot of these guys are carrying little digital cameras with them. There is a great book called Snow Crash by a writer named Neil Stevenson, a science fiction writer. He described a new type of critter who is a journalist who carries a notepad, a video camera, a sound recorder. He is called a Gargoyle, I think was the official name. These guys go and gather information. They are surveillance entities. They go around and they sell that information to the highest bidder. That makes a lot of sense.

Have you ever seen a reporter from Bloomberg these days? Those cats carry notebooks and cameras with them and they do little video feeds and sound feeds. I presume that the New York Times is going to start getting into that eventually. Stevenson's second book, which was called Diamond Age, is also a science fiction book. Newspapers exist in this future, but they are a precious commodity to the elite classes. Only the people who can afford to buy paper and get it physically delivered to their house are going to get it. Everybody else gets their feeds online. I think that there is some truth to that. Papers will continue to exist, but they will be specialty items.

What is happening with people, the consumers, their attention spans are getting shorter, at least mine is. There are so many choices I can go here, there, there, there. Journalism is going to have to adapt to that. We are going to have to figure out how to offer a lot of information to a lot of people and that means coming up with alliances. The New York Times will probably will have to align itself with a major TV network with perhaps radio stations, perhaps with others and combine those

feeds into some sort of a new media. This is an "interim medium," what we are seeing now is just the tip of it. I can't wait to see what happens five years from now.

FRANK DURHAM: Are there any questions from the floor at this point?

Question: What were the Microsoft editors writing?

PETER LEWIS: Microsoft now has collaborations with MSNBC. They are also generating all sorts of reports for their Encarta program, which will be expanded and sent all over the place. By the way, has anyone seen the Encarta TV ad? The soundtrack is in Latin and basically if you listen to it, and you know Latin, it says, "Ye will be consigned to the fires of hell" etc, etc. Of course Microsoft's first theme song for windows was "Start Me Up" by the Rolling Stones, whose chorus was, "You make a grown man cry."

PETER ZOLLMAN: Frank you asked about narrative structure, time and space, community journalism, journalism ethics, integration of different media. I think that we have touched on all of those in one form or another. There is one that I just want to get back to briefly. The journalism ethics question. There has always been pressure from advertisers and there probably always will be pressure as long as there are media and advertisers. There have always been standards debates. There have always been errors, we heard about the Washington Post one. The United Press International ended World War One two days early. There have always been errors and there will continue to be errors. About journalism ethics though, I think one thing that we all need to remember is that this is not the newspaper. It is a different medium. That is not to say any of the journalistic standards with which we have grown up and which we have come to respect and embrace because they are important to ourselves, our audiences and ultimately to the core of presenting concrete information. Those are all important and at the same time you have to remember this is not the newspaper. For example, I would contend that on any page that has a book review there should be a button saying buy this book here. Now, whether it should be exclusive to Barnes and Noble and whether there should be a banner across the top that looks like editorial that says this page brought to you by Barnes and Noble, the exclusive book seller of that New York paper, that I do not know.

But the reality is there should be a button there. Why? Because the audience wants it, it is utility, it is valuable, it is helpful. There is no reason on the face of the earth not to have that button. There should be ways to get more information. There should be ways to buy what you want to buy when it relates to what you have been reading about. There is no earthly reason that shouldn't be done. Should sponsors be able to integrate with the editorial? I see absolutely nothing wrong with that as long as there is a dividing line between advertising and editorial. Anybody who looks at the sports pages knows that is where the tire ads usually are, right? Anybody who looks at what used to be called the "Women's pages" or the food section knows that that is

where the recipes are and the food ads are. There is nothing new, there is nothing inherently wrong with that.

Where it is inherently wrong is where you white out your entire front page and then allow it to colorize with Hewlett Packard. Or certainly that is not inherently wrong, but it is definitely an affront to the existing structures. Now, I am not opposed to affronting the existing structures. I think that affronting existing structures is what we are all here to do in many ways, but you have to be very careful about that. Ethics are very important, I do not know that ethics in the newspaper and ethics in the new media necessarily have to be identical. The bottom line ethics of purity, self worth, and integrity has to be the same. But I am not sure that the presentation forms and formats have to be the same as long as people understand what they are getting.

I know there was a flap a few weeks ago about or maybe a month now about Amazon taking money for promoting books. I think that is the most remarkable, and frankly I am glad they were nailed on it and I am glad that they are now identifying sponsored promotions. However, that is the most preposterous, naive thing I have ever heard in my life, that there should be a journalistic ethics applied to a retail store. Any more than every supermarket you walk in to? Do you know why they have the merchandise on the end cap? Or if you walk into a software store do you know why they carry software? Not because they are selling software and making money off of it. They are getting paid for the space on the end caps, they are getting paid for the space that the software takes up and that his how they make their money. They sell the software at the same price for it typically. They get paid for the space.

No different at Amazon, but people's expectations were that this was pure and innocent. People were offended and that is good and I think that is a valuable lesson for anybody who wants to cross over a line, even though I think there was no line there for them to cross over. But never the less it is a valuable line. That is my 90-second spiel on ethics that ran two and a half minutes.

DOUG FEAVER: I want to jump in here a little bit. If this retail store begins to look a lot like a journalistic product do only the retail ethics apply, because more and more interesting things on the net look more and more like journalistic products when that isn't really their core, that really isn't their source. Now I don't care. Actually, I do care. I wonder if somebody is getting into our space, if some of our rules don't need to at least be waved around on a banner some place and say, "Hey is there full disclosure?" Do we know whether this is advertising or is this news? What is your angle here? I mean the sort of things we as trained journalists would expect to do in our reporting, it seems to me that when we get into the online area we also need to be asking those very questions of those folks who are in that medium. It is interesting set of questions. The answers are not that clean.

MICKEY BUTTS: I also want to speak to that. It does seem to me that the future of journalism is the fact of the lines between commerce and content are blurring. When Amazon can be confused for a content site you know something has changed. The fact that Amazon has an editor, they have writers. I am an editor. What does that mean for journalism? These are all very important questions. I know people, people that graduated from graduate school in journalism, who work for commerce sites, software companies and they review software and they sell software on their sites. They are called editors and they are called writers. They have increasingly PR marketing role and they are under tremendous pressure to not say anything bad about the products. I also edit book reviews in our magazine. We had a flap. Barnes and Noble is our exclusive retailer on our site and we had a little too close of a bias now on the association with the book reviews that we presented in our section in our Web site called Bookstore, where all of the Web reviews are aggregated. We had to pull back from that for a little bit after we got a lot of flack. These are very interesting, very confusing blurry lines that are being created on the Web.

FRANK DURHAM: One working definition of ethics that I offer my students is that ethics represents a flattening of power relations when all parties in a particular exchange or interaction know the same things at the same time or understand the same principles of what is going on. That it is transparent. Peter suggested that this sort of advertorial content or relationship between editorial and economic positioning on a particular Web page is okay as long as audiences understand the difference. I would also say that it works two ways in that if Microsoft is in a position to acceed to the top media position in the next century. I love this, the year 2000 which is now some minutes away. That it really depends on the people who are running the current media corporations, understanding what audiences think they know too. Understanding the same principles. That probably means that Microsoft is not going to be as concerned with these distinctions and that is why they are going. If they succeed that will probably be why. Journalism is a 19th century practice, the notion of the corporate institution. It is very industrial, it is very modern, it is very traditional. That is why we spend all day talking about the rules. I would suggest that the people who are playing fastest with the Web are not beholden to those rules. There needs to be some way to reconsider the position the way editors and owners of media position themselves versus who they have been and who they perceive themselves to be.

Question: It's not just happening on the Web. (Garbled, something related to custom publishing)

DOUG FEAVER: When the airlines we all flew on to get here all have their own magazines which are certainly not running anti-airline stories.

MICKEY BUTTS: An interesting example is imagine if you could go to a site, a heavily trafficked site where that reviews products, computer products, software products, and go there regularly you discover a section of the site that not only

reviews computer products, but also searches the Web for the lowest price on those products being reviewed. It delivers you to the site where you can purchase that and complete the purchase all in one loop. C-net is doing that or planning to do that right now. It is an interesting model. I don't really know what I feel about it totally. I think it is very convenient. If done in the right way it can save people a lot of time. But it does blur the lines tremendously.

PETER LEWIS: I was at a conference in Arizona a couple of weeks ago and Mickey and I were talking about this earlier. Katharine Graham (publisher of the Washington Post), Douglas's boss was giving the keynote address. She of course is one of the great figures of journalism from the Washington Post, Newsweek, and others. She was making the case that online journalism just hasn't quite got it. I believe one comment she made that stuck with me is how would Matt Drudge have handled the Pentagon Papers. She has a point there, when you look at the ability of this new crop of online journalists to handle stories of the weight that papers like the New York Times and the Washington Post and others traditionally handle. At the same time, she was completely clueless about the power of the Web and the strengths of online journalism. I would love to hear about how you guys think that Matt Drudge would have handled the Pentagon Papers and whether it would have been necessarily bad.

DOUG FEAVER: The available cheap shot here is to say that Matt Drudge wouldn't have handled it. He would have found that someone else was handling it and would have linked to them. And that would have been his exclusive, that somebody's got their arms around the Pentagon Papers. I think it's a very good question though as to where, so far, most of the newspaper Web sites are basically repurposing certain ads and we are doing basically the same as the New York Times site, and repurposing not that much engaged in the original content. One of the things that we talked about in the earlier session is how do we develop a narrative style or a story telling style of our own. How do you talk about the Pentagon papers in online stuff? We are looking

back at one of the most perilous and difficult periods of the 20th century and certainly the second half of the 20th century. All of this rancor was running around the country on this subject, and then this enormous document comes forward. You (the New York Times) had it first. We were chasing around. You think there is no competition? Ben Bradlee (former Washington Post editor) was killing himself, that he did not have the Pentagon papers and the New York Times did and chased all over town to get them out of the source, and rush them in before some court can stop us. I don't know how that plays out in today's media, I really don't. It is an awfully good question.

You are not entirely right about the captain (Graham) being clueless on the Internet. She has been extremely supportive. I just need to say that to jump to her defense because this speech has gotten a lot of criticism in other media. She has been tremendously supportive in the effort and understands it. But I need to go back to the point that you made earlier and that is the reason that the large media

companies, yours and mine both, are involved in this is basically a business reason. Classifieds, classifieds, classifieds, as Don Graham has said on several occasions.

PETER LEWIS: It is fun to look, if you go into the financial documents that are filed by these big companies that run Web sites like the New York Times, and take a look at the prospective and other reports that they file. They say why is this business going to be successful? It is because they have ability, they say, to gather an incredible amount of information about their readers. Personal information about their viewing habits so they can target the advertisements with laser like precision. They know exactly what you do when you come to the site, how long you spend on each page. The New York Times asks you to register and they gather demographic information on you. That drives me nuts. On the other hand that shows pretty clearly that the reason that these companies are investing a lot of money in this is that they are expecting a big pay back in the advertising space because they can deliver ads with greater efficiency to a greater number of readers. So once again I am concerned. Is that driving the newspapers going online or is it a belief that this is a better way to deliver news to people?

If you look at the New York Times or other sites it is no secret that if you want the latest news you are getting an AP feed. We don't have a reporting staff cranking out stories 24 hours a day. They repurpose the newspaper and then they plug in an AP feed. That is going to change. The New York Times is hiring a bunch of people, reporters, to be covering this stuff, but it is primarily limited just to technical stuff. The computer geek stuff, cyberspace news. When is that going to shift? When are we going to start hiring online journalists specifically for covering national news and international news, etc.

PETER ZOLLMAN: Three quick points. Number one, we talked about community journalism and online news and all of that good thing. We are talking about the big sites like the Washington Post and New York Times and USA Today and so forth. To all of you who are interested in community journalism, or for all of you who have not seen it or heard my 60-second spiel, I just want to tell you that you owe it to yourself to go to the single best online newspaper in the world which is none of the above, but is the Charlotte Sun Herald in the little old port of Charlotte, Florida, sunline.net. If you want to see what community journalism is all about and if you want to see what a business model is all about there it is. And for a 30,000 circulation daily newspaper in a demographically challenged area where the demographics are generally somewhere between 75 and death they have 23 people now in there Internet operation and they are breaking even. So if we don't believe there is a business model to be had they are it. It is not necessarily online journalism, it is not necessarily online news, but it is certainly a fascinating community journalism model.

I wrote a 90-some odd page book for the radio and television news directors' association and news directors' foundation about two years ago called Interactive

News State of the Art. I am happy that it is not much available anymore, because what was certainly state of the art two years ago is hardly state of the art these days. In all of those 90-some odd pages I had one reasonably brilliant line which was with the possible exception of the town crier, no old medium has been put out of business by the new medium. Newspapers have not been put out of business by radio. Radio was not put out of business by television and so forth and so on. I don't believe for a second that newspapers will be put out of business by the new world of online media. I don't think that any of us believe it, certainly not in our lifetimes and maybe not for a long time to come.

There will be some radical shifts, there will be some radical changes but I certainly don't think that newspapers are going away anytime soon. I hope that is the case, because most of them are my client base. I have a power point presentation that I do from time to time which is one slide and I decided not to whip out the laptop and set it up and all of this stuff. But it is a slide that I like because it is a great new media philosopher and I recommend his quote to you highly. I am not going to have them pull down the screen and put up the laptop and all of that other good stuff. But the new media philosopher whom I really really appreciate is a guy by the name of Wayne Gretzky who once upon a time said you miss 100 percent of the shots you don't take. We should still be in the shot taking mode. The time will come in five or 10 or 15 or 20 or 30 years when it will be that much tougher to take the shot. For now, and I know in some cases it is becoming harder and harder because of the economics, we need to still be taking lots of shots and seeing where they end up.

Question: My question was about the future of online journalism. I think that we are talking about online journalism always attached to a newspaper, to press. But I think the great future of online journalism, is an online paper that has nothing to do with the press. The audience is totally different. We are talking about a global audience. We are talking about a different scope, a different market, different advertising, even different press control, editorial freedom that you can say anything you want in the Internet, that your editorial lines don't allow you to (in the press). So what about those newspapers that are targeted to people who have access to that technology that know how to use it and that they are interested in that kind of journalism, not just a newspaper with a political line or not. What about that new paper online that has nothing to do with press, nothing to do with the New York Times that has a global audience that all the world can reach to it? I would like to know about it.

DOUG FEAVER: Very quickly several of them exist and they are doing very well and I suspect will continue to do very well. I think right away of the Street.com and C-Net, the business seems to be grabbing a lot of these. I have every expectation, with no information at all other than just my gut, that there are going to be very successful online only publications for a long time to come.

PETER LEWIS: My daughter is a junior at NYU studying journalism and I asked her what direction she wanted to go with it and she said, "Zines." She did not even consider traditional media. That sort of turned my head around.

DOUG FEAVER: I mean, the fossils are sitting up here.

PETER ZOLLMAN: I do not believe for one second that there has been a panelist under the age of 40, and if you are at an Internet conference (interrupted by jeers from other panelists) . . . Oh, I'm sorry under the age of 34 or 35. I really have blown that.

FRANK DURHAM: Just to follow the Zine idea. To clarify a comment I made earlier when I talked about not following the rules, that is what I am talking about. The idea that it is possible to take communication to two places that it has not been, because you don't start where it has been. The idea that the newspaper is an institution has such a history gives it a certain kind wealth including capital. But it liberates younger people or people with younger minds to do things we have not really considered as serious journalism and I think there is a lot to say for that.

MICKEY BUTTS: I think that online newspapers and magazines are finding that their audiences are younger. I have read Jupiter reports that suggest this and that publishing online is an excellent way to reach a younger audience that newspapers are missing as their demographic ages.

Question: But just real quick, we talked about it as a global market and it is a global medium and all of that kind of thing. Just real quick, I get the feeling with everything we are talking about that we are in a domestic product in a sense of what we do and what see on Web pages. Obviously there is international coverage on the New York Times and other papers' Web pages. But can you talk maybe really quickly or briefly is my sense way off or is that what you guys feel too. And also where does it go from here? Do you see more international presence, again for me my interest is in international news. Do you see that growing on a Web?

DOUG FEAVER: If I may just tell a <u>Washington Post</u> story. We are a locally produced newspaper and we distribute in the ink-on-paper version only in the Washington metropolitan area to the great unhappiness of our national and international staffs both of which are very very good. All of a sudden with the Internet we have become for the first time a nationally distributed and an internationally distributed product and it is having a wonderful effect in the newsroom particularly on the international staff which is getting real feedback from its sources all over the world, in real time, because they can actually see what is happening. I don't think that there is any question that we see the international market as a major future potential for us.

PETER LEWIS: I have been listening to B92 a lot lately, a radio station in Belgrade that is broadcasting over the Internet. I am surprised at how many people are

nodding their heads because I think that is indicative that geography really doesn't matter as much anymore. You can listen to a station whether it is in Australia or Yugoslavia. You can read Web sites from newspapers in Spain or other places.

FRANK DURHAM: The Times has also published stories written by people in Kosovo who have laptops and phone lines and who are not designated as trained journalists, but are on the site and are giving reports that are absolutely not available and so there is a certain blurring of national lines. It sort of undoes state power in time of war. The Serbs can not tell that person not to communicate without undoing all of the phone lines.

Janine Warner (Miami Herald/from the audience): There are some wonderful examples already of places where governments have traditionally tried to stop Web news. I was talking earlier about Mexican publications and five years ago they could stop publications in Mexico simply by cutting off the paper supply. The government controlled the paper supply. More recently (Subcomandante) Marcos had a laptop computer and was communicating with the whole world even when people tried to prevent that. One of the excitements for me about the Internet is precisely that that we can gather information from places traditionally where there have been restrictions like that.

MICKEY BUTTS: We have learned with our magazine that we get dinged whenever we make a statement that seems too U.S.-centric. We have readers all over the world and they remind us and we have taken their criticism very seriously. So we now cover stories like China and the emerging markets in Europe. They are important stories and a lot of the Internet's growth is going to happen outside of the United States. It is a really important story to focus on.

Rosental Alves: Talking about that, I was leaving the room all of the time to go to my office to see if somebody from the "thousands" on the Web cast were asking questions. Finally, I was very happy because I received two. I received several others, but they were only complaining. "The audio disappeared, where is the audio, there is a lot of net congestion." And I said well maybe because thousands of people are on and the server is not supporting them.

The two guys who wrote were from Brazil. One wrote from southern Brazil saying that he is enjoying it etc. He asked a question whether radio is the model for Internet news at this point, and he agrees with Howard. The other one is commenting about the multi-media journalist, a reporter from Sao Paulo, Brazil. It is impossible for this multi-media reporter doing everything, and it is economically not feasible. I want to take advantage of this moment to thank you all again for coming from several parts of the United States to help us to understand the current situation of online journalism. I think that we are very pleased, but maybe we now understand less than we did before. That is natural. We still have more questions than we have

answers. But I am absolutely sure that we now have more intelligent questions than we had before. This was a good opportunity for us to go forth with our permanent effort to learn more about online journalism. Thank you very, very much.