

UC Davis study predicts newspapers will survive

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(PhysOrg.com) -- The nation's struggling newspaper industry has a future, but it will require a commitment to sweeping change that could include a public-private ownership model and help from organized labor, according to a new University of California, Davis, study.

“People think of newspapers as a rapidly changing, technologically driven, flexible industry,” said Chris Benner, associate professor of community and regional development and the lead author of the study.

“But what we found is that newspapers all too often have more in common with a factory assembly line. When you’re trying to get a [newspaper](#) out, there’s intense pressure to meet deadlines every day. That makes it very hard for newspapers to innovate.”

To survive, newspapers must evolve into “the networked information provider of the future — the networked, entrepreneurial local information hub,” Benner said. That will allow them to expand their audiences and revenue sources.

“I think the jury is out on which newspapers will get there,” Benner added. “Some definitely will.”

Overall newspaper circulation has been declining since the early 1990s, as the Internet spawned an explosion of new sources of news and information, according to the study, “Next Generation Unionism and the Future of Newspapers: Networking, Entrepreneurship and Hybrid

Ownership.”

Daily newspaper readership peaked 26 years ago, in 1984, when daily circulation reached 63.3 million. By 2008, daily circulation had dropped more than 20 percent to 48.6 million, according to the Newspaper Association of America. Much of the decline is rooted in younger populations.

In addition to dwindling circulation, newspapers since 2000 have endured a precipitous decline in advertising revenue, the industry’s dominant source of income, the study found.

Total [advertising revenue](#), when adjusted for inflation, was lower in 2008 (\$38 billion) than in every year since 1975, and final figures for 2009 are likely to be on par with 1965, the study said.

In addition to becoming the dominant networked local news source, newspapers should explore hybrid ownership structures with a nonprofit piece that would allow foundations and individuals to make charitable and tax-deductible contributions, the study urged.

“Having some kind of nonprofit, tax-deductible, public sector component helps maintain some level of financial independence,” Benner said. “The thing you’re really worried about is if big money is driving the newspaper’s reporting priorities.”

The study also recommended building bridges across the longstanding firewall between newsrooms and business and advertising departments. Journalists still need to respect ethical boundaries in reporting. But the report argues that the industry should explore “entrepreneurial reporting and salesmanship” in which journalists use their extensive contacts and community knowledge to identify new revenue-generating opportunities.

Benner also proposed a more active role for newspaper unions — as business partners, liaisons with community stakeholders and sources of ongoing training — that moves beyond their historical role focused on bargaining with management, a relationship that all too often has been simply adversarial.

“Unless you can deal with the underlying causes of the crisis in the industry and find new revenue sources, it doesn’t matter how long you want to protest, you’re just going to see a shrinking membership,” Benner said.

“That culture shift is the hardest thing to do because people are used to an us vs. them framework. It’s really got to be seen more as, ‘Our members are valuable assets. We partner with employers and training providers and others in ways that meet dual interests.’”

More information: The full study is available online at [regionalchange.ucdavis.edu/pub ... per report final.pdf](http://regionalchange.ucdavis.edu/pub...per_report_final.pdf)

Provided by UC Davis

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