Industry Convening on **Unlocking Funding and Trust in News**
Proposal for Industry Convening

Note: Draft as of September 18, 2023.

The Challenge

The current news landscape faces significant challenges, characterized by disrupted traditional advertising-based business models, opaque and uncertain funding, the decline of local news, and the rise of news deserts and information vacuums, leading to a reduction in journalism and journalistic quality, with communities lacking access to vital news. The global digital advertising industry, estimated to be $600 billion and growing, grapples with opacity from advertising technology companies and agencies obscuring bad actors and poor performance, harming advertisers and society by funding disinformation. Many news providers are dependent on tech platforms for distribution, resulting in a lack of control over their content and revenue streams.

Tech platforms have established partnerships and offered support to news providers. For example, the Meta Journalism Project gives training, grants and tools to news organizations, and the Google News Initiative provides funding for innovation, fact-checking initiatives, and digital tools for journalism. However, these are insufficient to guarantee longer-term sustainability for news providers.

Sustainable and ethical journalism is vital for democracy – it provides citizens with reliable information to make informed decisions. Several industry shifts have created an urgent need for increased communication and coordination between news providers, platforms and other actors that are a vital part of our information ecosystem. The news industry suffers from a financial decline due to disrupted business models and decreasing trust due to divisive partisan politics. Technology platforms are taking on increasing heat from policymakers, and the public for their disproportionate financial relationship with news organizations. Advertisers have an opportunity to expand their role beyond generic revenue, to sponsorship as an incentive for ethical journalism. Advancements in AI raise questions about potential impacts on and opportunities for news providers. The writers' strike is causing a move from scripted to unscripted programming. The stakes of addressing these challenges are high, especially with the 2024 elections coming up.

Why Convergence

Convergence is positioned to be successful in this project – Convergence has addressed gridlocked issues through collaborative problem-solving across divides for nearly 15 years, generating solutions that meet urgent needs of millions of Americans. Convergence builds divergent tables that include the diverse political, business, and civil society leaders whose inability to work together has made the issue intractable. Convergence's evidence-based approach is informed by continued advances in contact theory, neuroscience, and psychology, as well as by decades of peacemaking activity. At Convergence, we know how to create that trust – even among the most improbable collaborators.

As part of the *Convergence Collaborative on Digital Discourse*, we have interviewed over 200 experts, and convened over 20 leaders and stakeholders across disciplines, sectors, and ideologies to tackle deep challenges around digital discourse and drive solutions that foster resilience, constructive and ethical behaviors, and digital wellbeing. Our proposal builds on the existing research, community of collaborators, and consensus proposals coming out of the Convergence project. The *Collaborative on Digital Discourse* is a part of Convergence's portfolio of consensus-building projects on Democracy and Society.

Project Summary – Industry Convening on Unlocking Funding and Trust in News

Project Activity – Industry Convening

We propose an **industry convening** of platforms, new organizations, funders, advertisers, and other catalytic actors with influence over the information ecosystem to collaboratively problem-solve around sustainable funding and effective trust-building for news. By leveraging the collective influence and resources of these stakeholders, the convening seeks to co-develop consensus-based, broadly supported solutions to foster a sustainable and vibrant news ecosystem.

Specifically, this project will:
- Conduct **initial research on and outreach to** each relevant constituency individually, to ensure candor, understand needs, and validate emerging impact areas for consensus
- Assemble the **participant table** and launch the multistakeholder convening, recruiting key stakeholders from the groups listed below
- Convene a series of **consensus-building discussions**. Impact areas for collaborative problem-solving will include:
  - **Strategies, models, and policies** that ensure sustained financial support for news providers, especially as we move into an AI future.
  - **New collaboration and partnership opportunities** that ensure sustained financial support for news providers who are focused on local news, investigative news, and nonpartisan news.
  - **AI-enabled revenue opportunities** focused on (1) what news organizations do with AI to make a profit, and (2) mutually beneficial partnerships with AI companies, for example, monetizing news content as training data for AI, like the Getty Images model. Solutions should account for potential negative externalities and long-term viability.
  - **Effective trust-building strategies**, and **incentives and accountability for ethical reporting** to build public trust in news, such as increased transparency and explainability of reporting practices
- Drive action on and impact around **consensus solutions**

The convening will be made up of the following **key stakeholder groups**:
- **News organizations**, including for-profit and non-profit; public and private; local, national, and international, incentivized by better placement by and treatment from platforms, generating more views and readership, and getting paid fairly for their work.
- **Advertisers**, including advertising industry representatives and advertising intermediaries, incentivized by expanded options for ad placement next to content that is ethical and not false or manipulated, and that is more likely to draw attention from platform users.

- **Funders**, including philanthropists; investors; cooperatives; development, and finance staffers from publicly and privately owned media; and foundations, incentivized by the opportunity to create sustainable models to produce ethical and trustworthy journalism, both for-profit and non-profit, and raise awareness about these solutions more broadly.
- **Social media platforms and technology companies**, including news-oriented platform initiatives, such as the Meta Journalism Project and the Google News Initiative. The motivation for participation is to better fulfil advertisers' needs and be a responsible stakeholder in supporting a critical democratic function.
- **Journalism and media ethics organizations**, especially those employing effective trust-building practices, such as Ad Fontes Media in terms of transparency.
- **Regulatory bodies and policymakers**, including the Federal Communications Commission (FCC), Federal Trade Commission (FTC), Food and Drug Administration (FDA) as a potential model for labeling and signaling "healthier" journalistic practices, and members of the national security and intelligence communities.
- **Pro-democracy and civic engagement** groups to better understand trust-building on the consumer side.
- **Academic and research institutions** specializing in media studies and digital platforms, and social anthropology and psychology.

Project Distinctiveness

While several efforts have been made to address the decline in local news, digital discourse challenges, and online toxicity and misinformation, this project distinguishes itself by offering impact areas and solution sets that move beyond partisan framings and divides and galvanize broad consensus support. Our project is also characterized by a unique configuration of cross-industry actors, bringing together news providers, tech platforms, advertisers, AI companies and other catalytic actors to drive cross-industry action and collaboration towards a diverse, financially sustainable, and trustworthy news and information ecosystem.

Project Impacts

Trustworthy and diverse news and information ecosystem that promotes shared facts and understanding
- News providers enjoy sustained funding and shift practices to leverage the AI opportunity and disseminate trustworthy information
- Advertisers shift practice and benefit from having their ads displayed next to trustworthy news sources
- News providers and AI companies launch fruitful partnerships that leverage the mutually beneficial AI opportunity
- Platforms shift practices to compensation news providers, and benefit from reputational gains
- Readers get access to trustworthy, diverse, and transparent information easily and accessibly, resulting in a more informed citizenry prepared to participate in their democracy

Demonstrated efficacy of multistakeholder engagement and problem-solving
- Experts across disciplines, sectors, and ideologies mutually benefit from collaborative problem-solving across differences.

Project Timeline and Budget

- **Year 1**
    - Assess the landscape
    - Research and build the convening table via stakeholder consultations and workshops
    - Launch and convene participants
    - Collaboratively research and co-create materials across impact areas listed above
- **Year 2**
    - Build out convening with additional relevant constituencies
    - Continue convening participants and developing solutions
    - Socialize coalition outputs via briefings, and event and media opportunities
    - Implement solutions

Program Activities and Costs	Program Budget
Staff | Full-time Project Director and Project Associate at current salary rates and a 3% raise in year 2	• Year 1 - $225,500 • Year 2 - $233,000
Convene | Convene participants for eight in-person meetings (assuming $4k/meeting); travel for staff (assuming $1k/trip and two trips/meeting); a budget for travel for non-profit and low-income participants; and professional facilitation of select meetings ($2100/day for 12 days).	• Year 1 - $46,600 • Year 2 - $46,600
Socialize Solutions and Build Awareness | Brand design ($10k); conference fees and travel to in-person trainings or workshops ($15.6k assuming $300 per conference registration for twelve registrations and $1k per trip for twelve trips); public relations consulting ($20k); and an evaluation consultant ($15k).	• Year 1 - $32,800 • Year 2 - $27,800
Overhead | Shared operating costs associated with this project, such as supervision, administration, accounting, software, videoconferencing, office supplies, and more.	• Year 1 - $82,000 • Year 2 - $55,000
TOTAL:	$749,300

Contact Information

- **Monika Glowacki**, Director | monika@convergencepolicy.org

- **Beth Miller,** Vice President of Advancement | beth@convergencepolicy.org