



July 28, 2016

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Re: Written Ex Parte Communication, MB Docket Nos. 14-50, 09-182, 07-294

Dear Ms. Dortch:

Although the Commission determined more than a decade ago that the print newspaper rule no longer serves the public interest,¹ an FCC fact sheet reports that the broadcast ownership order circulating for vote would make no serious modifications to the rule.² In light of this, the National Association of Broadcasters (NAB) is filing for the record the attached information regarding the plight of print newspapers for the Commission's consideration.³ The attached

¹ See *Prometheus Radio Project v. FCC*, Nos. 15-3863, 15-3864, 15-3865 & 15-3866, at 38 (3d Cir. May 25, 2016) (*Prometheus III*) ("[T]he 1975 [cross-ownership] ban remains in effect to this day even though the FCC determined more than a decade ago that it is no longer in the public interest. This has come at significant expense to parties that would be able, under some of the less restrictive options being considered by the Commission, to engage in profitable combinations.").

² FCC, *Fact Sheet: Updating Media Ownership Rules in the Public Interest* (rel. Jun. 27, 2016).

³ Since July 6, NAB has filed various articles discussing the challenges faced by print newspapers and the public's increasing reliance on non-print outlets for news and information. See NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 6, 2016) at Attachment, David Glance, "The story of the nosebleed decline of the newspaper industry told in pictures," *The Conversation* (June 5, 2016), available at: <http://theconversation.com/the-story-of-the-nosebleed-decline-of-the-newspaper-industry-told-in-pictures-60530>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 7, 2016) at Attachment, Noah Kulwin, "Jeff Bezos is saving the Washington Post, but he won't be able to save newspapers," *recode* (June 28, 2016) available at: <http://www.recode.net/2016/6/28/12050416/jeff-bezos-saving-washington-post-but-not-newspapers>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 8, 2016) at Attachment, Erik Sass, "Print Ad Declines: Newspaper, Magazine Revs Fall Again," *Publishers Daily, TheDailyBlog*, (June 27, 2016), available at: <http://www.mediapost.com/publications/article/279073/printaddeclinesnewspapermagazinerevsfalla.html?print>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 11, 2016) at Attachment, Athena Cao, "Newspapers' woes linger as digital ad spending, cable network revenues rise," *USA Today*, (June 15, 2016), available at: <http://www.usatoday.com/story/money/2016/06/15/news-media-yahoo-google-twitter-facebook->

#

1771 N Street NW
Washington DC 20036 2800
Phone 202 429 5300

article discusses a new direction at The New York Times (NYT) that emphasizes the newspaper's digital presence over the print product. A letter from the Executive Editor to NYT staff explains that the new approach will free editors and reporters to assign and cover subjects without regard for whether the story's length, format or subject matter fits into the

[verizon-tv/85937176/](http://www.verizon-tv/85937176/); NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 12, 2016) at Attachment, Joshua Benton, "Tampa just lost a daily newspaper; is this the continuation of an old trend or the start of a new one?," NiemanLab, (May 4, 2016), available at: <http://www.niemanlab.org/2016/05/tampa-just-lost-a-daily-newspaper-is-this-the-continuation-of-an-old-trend-or-the-start-of-a-new-one/>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 13, 2016) at Attachment, Nick Madigan, "An Abrupt End to The Tampa Tribune After a Blow Delivered by Its Rival," The New York Times, (May 20, 2016) available at: <http://nyti.ms/256WgNS>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 14, 2016) at Attachment, Patrick Seitz, "Facebook, Google Cash in on Ads as News Media Firms Struggle," Investor's Business Daily (June 15, 2016) available at: <http://www.investors.com/news/technology/click/facebook-google-cash-in-on-ads-as-news-media-firms-struggle/>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 15, 2016) at Attachment, Margaret Sullivan, "Face it, Facebook. You're in the News Business," Washington Post (July 10, 2016), available at: https://www.washingtonpost.com/lifestyle/style/face-it-facebook-youre-in-the-news-business/2016/07/10/cc53cd70-451a-11e6-bc99-7d269f8719b1_story.html ("With the advent of live-streaming options — Facebook Live and Periscope, primarily — their already huge influence in the news universe has taken another stunning leap."); NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 18, 2016) at Attachment, Benny Evangelista, "Americans turning to mobile phones for news, Pew study shows," SFGate.com (July 7, 2016), available at: <http://www.sfgate.com/business/article/Americans-turning-to-mobile-phones-for-news-Pew-8344673.php>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 19, 2016) at Attachment, Dan Tynan, "Democracy in Action on Twitter's Live Stream," Consumer Reports (July 16, 2016), available at: <http://www.consumerreports.org/phones-mobile-devices/watch-the-convention-coverage-on-twitters-live-stream/>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 20, 2016) at Attachment, Dan Kennedy, "Print Is Dying, Digital Is No Savior: The Long, Ugly Decline of The Newspaper Business Continues Apace," WGBH News, (January 26, 2016), available at: <http://news.wgbh.org/2016/01/26/local-news/print-dying-digital-no-savior-long-ugly-decline-newspaper-business-continues>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 21, 2016) at Attachment, David Chavern, "Commentary: FCC Rule Limits Newspapers' Access to Capital, Growth," Philly.com (July 18, 2016), available at: <http://www.philly.com/philly/opinion/20160718 Commentry FCC rule limits newspapers access to capital growth.html>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 22, 2016) at Attachment, Max Kutner, "As Print Journalism Declines, Fate of Sidewalk Newspaper Boxes is Unclear," Newsweek (Dec. 20, 2015), available at: <http://www.newsweek.com/2016/01/15/decline-newspaper-boxes-407158.html>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 25, 2016) at Attachment, Mathew Ingram, "Print readership is still plummeting, and paywalls aren't really helping," Fortune (June 1, 2015), available at: <http://fortune.com/2015/06/01/print-readership-paywalls/>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 26, 2016) at Attachment, Rick Edmonds, "Newspaper Industry Lost 3,800 Full Time Professionals in 2014," Poynter.org (July 28, 2015), available at: <http://www.poynter.org/2015/newspaper-industry-lost-3800-full-time-editorial-professionals-in-2014/360633/>; NAB Ex Parte in MB Docket Nos. 14-50, 09-182, 07-294 (filed July 27, 2016) at Attachment, Malathi Nayak and Deborah M. Todd, "Verizon to buy Yahoo's core business for \$4.8 billion in digital ad push," Reuters (July 25, 2016), available at: <http://www.reuters.com/article/us-yahoo-m-a-verizon-idUSKCN1040U9>.

“the old print architecture.”⁴ Stories may be presented via video, digital, or print, allowing assigning editors to “worry over coverage, and the best ways to tell stories” not “filling space.”⁵ With print newspapers developing an increasingly multimedia identity, an outright ban on investment in print newspapers becomes increasingly inexplicable.

To the extent that Commission’s rationale for restricting print newspaper ownership relates to viewpoint diversity or independent “voices,” NAB notes that a newspaper that has closed its doors can no longer provide a viewpoint or serve as a “voice.” Retaining a rule that deters investment by broadcasters in the struggling print newspaper industry certainly cannot serve the public interest. Rather, the only result that can rationally be expected from the continued prohibition is to hasten the demise of print newspapers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rick Kaplan", with a long horizontal line extending to the right from the end of the signature.

Rick Kaplan
General Counsel and Executive Vice President
Legal and Regulatory Affairs

Attachment

⁴ Benjamin Mullin, “The New York Times of the future is beginning to take shape,” Poynter (May 21, 2016, available at: <http://www.poynter.org/2016/the-new-york-times-of-the-future-is-beginning-to-take-shape/413097/>) (attached hereto).

⁵ *Id.* A print hub will construct The New York Times’ print paper out of the broad range of stories that are produced.

Poynter.
A global leader in journalism



The New York Times of the future is beginning to take shape

By [Benjamin Mullin](#) • May 21, 2016

An ambitious effort to overhaul The New York Times is beginning to come into focus.

In a memo sent to staffers Friday, New York Times Executive Editor Dean Baquet outlined several steps in a project, announced in February, to remake the newsroom in a bid for "journalistic dominance." Among them:

- **A shift away from commodity coverage.** "The digital news marketplace nudges us away from covering incremental developments — readers can find those anywhere in a seemingly endless online landscape. Instead, it favors hard-hitting 'only-in-The New York Times' coverage: authoritative journalism and information readers can use to navigate their lives."
- **A reimagined plan for covering New York City.** "What should coverage look like if we are going to hold onto our mission of aggressively covering the mayor and the governor, and yet still produce a report that makes sense given that fewer than half of our readers live in New York?"
- **Less stilted writing and more visual stories.** "[Masthead editors] have been meeting with department heads and others to collect ideas about how to build a newsroom that produces fewer perfunctory articles and a greater array of story forms, including more visual journalism, and conversational writing."
- **A new model for copy editing.** "[Editor] Susan Wessling is leading a team that is examining whether our copy desks are structured properly for an era when stories no longer move at the rhythms of print."
- **Editors won't concern themselves with the print edition.** "Assigning editors, in the very near future, will not worry about filling space. They will worry over coverage, and the best ways to tell stories. The print hub, a dedicated group of designers and editors, will then construct the print paper out of the great wealth of journalism."
- **De-emphasis on large "desks," more "coverage clusters."** "In the past, an editor who ran education coverage across The Times had to convince the metropolitan and national editors to run stories that fit their sections. Now, to be provocative, it could be that some important subjects — climate change, education, health care, to name a few — should function on their own."

In the memo, Baquet also referenced the reality of cuts in the newsroom. Contrary to an April 23 report in the New York Post that said The Times was planning to lay off "a few hundred staffers" in the second half of the year, Baquet said there were no additional layoffs planned in 2016. But he did say the newspaper would have to "cut back in some areas," while "invest[ing] in others."

“

We have already announced major commitments to international reporting and visual journalism, including video. And I am determined to diversify the newsroom so that it looks more like the world we aspire to reflect and cover. I'm confident the newsroom of the future will be even stronger than today's.

”

Ultimately, Baquet said, the goal is to create a newsroom that's more nimble and less encumbered by bureaucratic bloat:

“

The newsroom I envision will say yes to new ideas, new stories to cover, and new ways to tell them, unfettered by the bureaucracy we have created over generations.

”

Here's the full memo:

“

To the Staff:

I wanted to update you on several initiatives I've announced over the months, projects to transform the newsroom and make our journalism even better, while remaining faithful to our mission and the big ambitions that have made us the world's premier news organization.

Those values have been very much on display in recent weeks, as we broke the biggest sports story of the year (allegations of widespread doping by the Russians), produced hard-hitting coverage of the presidential campaign (including a much praised examination of Donald Trump's relationships with women), published two major New York narratives (by Sonny Kleinfield and Nina Bernstein), beat out the networks for an Overseas Press Club Award for video coverage of the Paris attacks, and produced the second largest number of Pulitzer finalists in our history.

But as I said in the earlier memo, the newsroom will have to change significantly—swiftly and fearlessly. The task laid out in the company's Path Forward vision for the future is huge — we aim to double our digital revenue and more than double our number of committed digital readers by 2020. No other news organization has the confidence in its journalistic power to set such an aggressive agenda, and no other has proven that it can grow and sustain a paid audience.

Make no mistake, this is the only way to protect our journalistic ambitions. To do nothing, or to be timid in imagining the future, would mean being left behind.

This is an historic and exciting time. I know it can be unsettling to let go of some traditions, to make tough decisions about what not to cover, to grapple with new skills, to work in a newsroom that is constantly changing. But these changes have made our journalism better. Anyone who doubts that should look at the role video has played in our best coverage, the mobile presentation on primary and debate nights, the virtual reality films that takes our audience to the surface of Pluto, the Race/Related feature that has engaged with readers long ignored by The Times.

The digital news marketplace nudges us away from covering incremental developments — readers can find those anywhere in a seemingly endless online landscape. Instead, it favors hard-hitting “only-in-The New York Times” coverage: authoritative journalism and information readers can use to navigate their lives.

I also know there is anxiety about cuts. While no layoffs are planned in the newsroom for this calendar year, the company is planning other measures to cut costs, including in the newsroom. I’ve made clear that the changing economics of journalism make it unlikely we can sustain a newsroom of this size, which is larger than it has ever been. More importantly, The Times of the future will look different, which is why you will see that as we cut back in some areas, we will invest in others. We have already announced major commitments to international reporting and visual journalism, including video. And I am determined to diversify the newsroom so that it looks more like the world we aspire to reflect and cover. I’m confident the newsroom of the future will be even stronger than today’s.

As I announced months ago, the goal of Project 2020 is to help the masthead and me design the newsroom of the future. The group, led by David Leonhardt, now includes Jodi Rudoren (of the International Desk), Jon Galinsky (of the Strategy Group), Karron Skog (of the News Desk), Marc Lacey (of the National Desk), Tom Giratikanon (of graphics), and Tyson Evans (also of the strategy group). They have been meeting with department heads and others to collect ideas about how to build a newsroom that produces fewer perfunctory articles and a greater array of story forms, including more visual journalism, and conversational writing.

In recent weeks, for example, they have been working with Wendell Jamieson and me on what a New York report should look like for a news organization that is increasingly international. What should coverage look like if we are going to hold onto our mission of aggressively covering the mayor and the governor, and yet still produce a report that makes sense given that fewer than half of our readers live in New York? Wendell has been a full partner in this discussion.

The 2020 group will also give me guidance on how the newsroom should be structured going forward. This is a fact-gathering and advisory exercise by journalists who are deeply committed to The Times, and who have been told to be challenging, creative and bold in their questions. They are not deciding what to cut, or making judgments about individuals. Their work will end after the summer, and decisions about the size and architecture of the newsroom will be made by me, in consultation with the masthead and the publisher.

The 2020 team wants to hear from you. They will soon be circulating a survey to the newsroom, and will be holding office hours. Send an email or reach out to them. Bring them your most ambitious and risk-taking ideas.

The group's work is not happening in isolation and is connected to other efforts underway to change the newsroom. To insure that our international expansion provides a laboratory for experimentation, Joe Kahn, Steve Duenes and Tom Bodkin are crafting a new job — International Creative Director. This editor will make sure all forms of storytelling are considered whenever we jump into a new story, or take on a new subject.

Susan Wessling is leading a team that is examining whether our copy desks are structured properly for an era when stories no longer move at the rhythms of print.

I also want to underscore how enormous — and transformational — an undertaking it is to create a print hub, a desk designed to build the best print paper each night. Assigning editors, in the very near future, will not worry about filling space. They will worry over coverage, and the best ways to tell stories. The print hub, a dedicated group of designers and editors, will then construct the print paper out of the great wealth of journalism.

This structure will make it far easier to imagine smaller, more focused coverage clusters that operate apart from big desks. In the past, an editor who ran education coverage across The Times had to convince the metropolitan and national editors to run stories that fit their sections. Now, to be provocative, it could be that some important subjects — climate change, education, health care, to name a few — should function on their own.

I know there is much going on right now. But if I may, I venture to say that a vision is starting to emerge of The New York Times of the future. In crucial ways, it will be much like The Times of the past — great writing, investigative reporting, scoops and beat coverage will be more valued than ever. No institution in American journalism is more committed to these ideals.

Yet it will differ in significant ways. Fewer stories will be done just “for the record.” In fact, fewer traditional news stories will be done overall. Stories will relax in tone. Reporters will have greater responsibility for making sure their stories are read by recommending headlines, and thinking through who they are trying to reach. The video operation will be an even more important part of our storytelling. In fact, a much greater percentage of our stories will be told through visual journalism. Reporters will cover their subjects or regions without concern for where their stories land in the print paper, thus allowing them to take on subjects that do not need to be neatly categorized. Their editors, free from worrying about filling specific print pages, can say yes to a much wider range of story ideas that do not fit the old print architecture. And all this freedom of form and subject will make the print paper more compelling.

That newsroom sounds exciting. It takes me back to some advice Joe Lelyveld gave me when I was a young editor: The goal of a good editor should be to say “yes,” as often as possible. The newsroom I envision will say yes to new ideas, new stories to cover, and new ways to tell them, unfettered by the bureaucracy we have created over generations.

”

AUTHOR INFORMATION

Benjamin Mullin

Benjamin Mullin is the managing editor of Poynter.org. He previously reported for Poynter as a staff writer, Google Journalism Fellow and Naughton Fellow, covering journalism innovation, business practices and ethics. He's also reported for USA TODAY College and The Sacramento Bee, and he was editor in chief of The Orion, Chico State's student-run newspaper. An Air Force brat who grew up around Northern California, he's still adjusting to the Florida sunshine.

