



# Summary of meeting with Joel Kramer

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

*Friday, March 21, 2008*

**Guest Speaker: Joel Kramer**, editor and CEO of MinnPost, electronic newspaper in Minnesota

**Present:** Verne Johnson, chair; Chuck Clay, Bill Frenzel (by phone), Paul Gilje, Jim Hetland (by phone), Ted Kolderie, Jim Olson (by phone), and Wayne Popham (by phone)

**A. Context of the meeting** —The Civic Caucus has held occasional meetings over the last 2 1/2 years with persons associated with various media, exploring ways to improve the gathering and distribution of quality public affairs information. Today's meeting spotlights the newest addition to the arena, a four-month-old electronic newspaper, MinnPost.

**B. Welcome and introductions** —Verne and Paul welcomed and introduced Joel Kramer, editor and CEO of MinnPost, an electronic newspaper based in Minnesota. Kramer formerly was a writer for Science Magazine, a writer and editor at Newsday and then executive editor of the Buffalo Courier-Express. In 1983 he became editor of the Star Tribune and in 1992 was named publisher and president, a position he held until 1998, when the newspaper was sold. He spent three years as a senior fellow at the University of Minnesota School of Journalism and Mass Communication. In 2003 he founded Growth & Justice, a Minnesota think tank.

In 2007 Kramer founded MinnPost, a new online, non-profit newspaper emphasizing high quality journalism.

**C. Comments and discussion** —During Kramer's comments and in discussion with the Civic Caucus the following points were raised:

**1. Turn to [www.minnpost.com](http://www.minnpost.com)** —Kramer urged attendees to read the daily MinnPost at [www.minnpost.com](http://www.minnpost.com) and to signup for daily emails. MinnPost is holding the electronic news equivalent of the Gridiron Dinner, when journalists and politicians are "gently skewered", on Tuesday, April 1, at the Graves 601 Hotel in Minneapolis. Kramer distributed a flyer about the dinner. The dinner is serving as a fund-raiser for the non-profit MinnPost.

**2. Central question in assuring high quality journalism** —What motivated Kramer to take a non-profit approach is that the for-profit model for journalism is rapidly deteriorating. For instance, he cited a report that the Tribune Company (owner of the *Chicago Tribune*, the *Los Angeles Times* and others) reported a \$78 million loss for the fourth quarter of 2007.

Because of journalist buyouts over the last year we now have more than 100 fewer daily newspaper journalists in the Twin Cities area than we had the previous year.

The Twin Cities dailies are experiencing a precipitous drop in advertising, more so than circulation.

Advertisers are switching from the daily newspaper to the internet. But more important, they are switching from advertising that runs adjacent to content to advertising that is unlinked from content. With the newspaper there was a direct connection between advertising and the content of the newspaper. Advertisers liked good news content because that brought people's eyes to the ads. But with the internet, there's no necessary attachment between advertising and news. More and more of the advertising is attached to the search engines. That's why Google is getting so much ad revenue.

**3. Aspects of MinnPost's non-profit model** —With the threat to journalism, MinnPost has been created as a non-profit organization. It has assembled 50 writers and seven editors, all of whom are veteran journalists, many of whom have taken buyouts from the dailies. MinnPost is receiving start-up support from some foundations and large donors. Its two other sources are sponsorships (advertising) and donations from readers. MinnPost's goal is that from 2011 and into the future it will be relying upon sponsorships and donations from readers - in other words, it will be sustainable without ongoing support of foundations, most of which do not like supporting organizations indefinitely.

Serious journalism, Kramer said, is a community asset, not just a consumer good. It's not unlike the non-profit art museum, he said, that need contributions and can't support its expenses by admissions charges.

There's a similarity between MinnPost's non-profit model and that of Minnesota Public Radio, also a non-profit, Kramer said. He also mentioned Pro Publica, a non-profit investigative newsroom being started by a former managing editor of the *Wall Street Journal*. Pro Publica, he said, will rely more heavily on pure large scale philanthropy, to provide investigative journalism for media that can't afford such journalism on their own.

A key difference from Pro Publica, he said, is that MinnPost hopes to become a break-even non-profit, relying upon advertising-sponsorships and donations from readers.

**4. Significant growth in audience** —MinnPost went online on November 8, 2007. It has experienced significant growth in audience for its first 19 weeks. In its most recent month MinnPost attracted 100,000 different, unique visitors to its website, up from 64,000 the previous month. That makes MinnPost the largest on-line news site in the Twin Cities area that isn't associated with a print or broadcast medium. For all news sites, including those associated with another medium, The *Star Tribune* site has the largest audience, followed by MPR and the *Pioneer Press*, according to rankings by Alexa.com. The web isn't their main business, as it is with MinnPost.

According to Technorati, an organization that measures how many web sites link to yours, MinnPost has become among the top 9,000 most-linked-to sites on the Internet.

Currently more than 3,600 persons receive daily emails from MinnPost, drawing their attention to the major news stories in that day's edition, Kramer said. Anyone may subscribe, free, for these emails, by going to the website, [www.minnpost.com](http://www.minnpost.com).

**5. Growth in donors has exceeded projections** -Last summer, MinnPost told the Knight Foundation, a major supporter of start-up funds, that it hoped for 250 reader-donors by the end of December. Instead it had 700, and has added 100 more since then. The median gift is about \$100 and the average is about \$250.

**6. Advertising and sponsorship revenue is increasing** —Currently, MinnPost is covering less than 25 percent of its monthly expenses from advertising and sponsorship revenue. Its long term goal is to raise that percentage to 50 to 70 percent.

**7. Some partnerships developing with other news outlets** —MinnPost has developed a good relationship with Minnesota Public Television. MinnPost has appeared on public television's weekly public affairs program, Almanac, and public television has used some of MinnPost's videos. KSTP-TV has used MinnPost writers as news sources and has mentioned MinnPost stories on their website. Minnesota Public Radio has declined to partner with MinnPost and has stopped allowing MinnPost to be a paid sponsor on the radio, which is disappointing, Kramer said.

**8. Writers are independent contractors** -Most of the writers aren't employees of MinnPost; they are free-lance independent contractors who are paid for the stories that MinnPost uses. All writers are serious professional journalists, so there's very little question about whether a story will be used by MinnPost. Kramer said that many of the journalists have told him they're grateful for the chance to continue to work on serious, quality journalism in an organization trying to do something positive for the field. The writers engage in "truth-telling", that is, they are free to say what they believe is really happening, not just to say what is on the surface. At the same time they don't suppress points of view with which they don't agree.

**9. Vision of MinnPost** —The MinnPost vision is high quality journalism at the metro and state level, producing true, accurate, and meaningful stories, Kramer said. If you do good journalism, you'll be widely read and relied on.

**10. "Community Voices" section offers other commentary** — MinnPost is a non-partisan, tax-exempt, non-profit organization and takes no positions as an institution on issues. However, it does invite commentary from people in the community to share their opinions, Kramer said, and actively seeks out a wide spectrum of viewpoints and ideologies. Click on "Community Voices" on the MinnPost home page. Community Voices might be the place for airing issues that are covered in Civic Caucus summaries, he said.

**11. Coverage of policy issues, not just political give-and-take** —A Civic Caucus member observed that so much of today's public affairs coverage in traditional media takes on a tone of controversy among personalities, not so much coverage of the policy areas themselves. Kramer said MinnPost wants to do more on public policy, but the challenge is to make it interesting to a broad audience. A member took note of a speech by Paul Grogan, CEO of the Boston Foundation, who made some very perceptive comments on education at Macalester College last month. Unfortunately, the issues discussed in that speech never got public attention locally, despite their relevance on how to leverage change in education, the member said.

**12. Minimizing "links" to other news-related websites** —Kramer was asked whether MinnPost links readers to stories on other news-related websites. He said linking is limited because the brand of MinnPost is original content, and the business plan is to keep readers on the site, generating page views that bring in advertising dollars, not send them to other sites.

**13. Some coverage of national and international affairs** —While local news is MinnPost's main activity, MinnPost writers do one essay a day about a national or international issue, and some of its writers do interpretative pieces with a local angle on national and international affairs.

**14. Serving the occasional reader or the serious reader** —A member related a conversation with a journalist for one of the Twin Cities dailies in which the journalist said the newspaper designs its news coverage for the occasional reader, which means the newspaper isn't paying much attention to in-depth coverage of a serious issue that the serious reader would prefer. Kramer said MinnPost is very much committed to the 15 to 20 percent or so of adults who want serious, in depth coverage.

**15. MinnPost budget** —Kramer said the MinnPost budget now is about \$1.3 million a year. He is working 60-70 hours a week, without compensation, as is his wife. Also he has invested about \$250,000 in seed money of his own. Ultimately, he hopes to draw a salary, so that the enterprise can become truly breakeven, not survive only because executives are working for no pay.

**16. Thanks** —On behalf of the Civic Caucus, Verne thanked Kramer for meeting with us today.

***The Civic Caucus is a non-partisan, tax-exempt educational organization. Core participants include persons of varying political persuasions, reflecting years of leadership in politics and business.***

**A working group meets face-to-face to provide leadership. They are Verne C. Johnson, chair; Lee Canning, Charles Clay, Bill Frenzel, Paul Gilje, Jim Hetland, John Mooty, Jim Olson, Wayne Popham and John Rollwagen.**

**Click Here** to see a biographical statement of each.