

# MAKING THE MOVE

Five historic papers that preceded The Spokesman-Review's transition to a nonprofit model

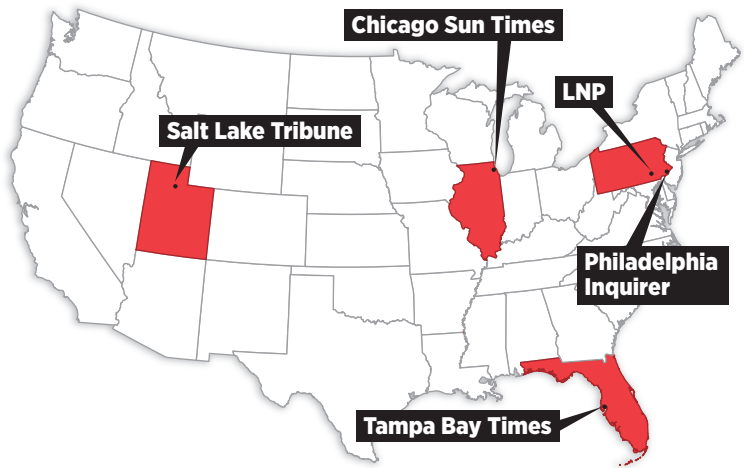
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THE SPOKESMAN-REVIEW

It's not news to anyone that the traditional business model for America's newspapers isn't humming like it used to.

Circulation numbers have never been the same postinternet, and the same is true for those once-trusty advertising dollars. In an effort to cut expenses in light of that decline in revenue, newsrooms serving American communities have dwindled in size, if not altogether disappeared. Northwestern University's Medill

Local News Initiative estimates an average of two newspapers close their doors weekly, with more than 3,200 print newspapers vanishing since 2005.

The Spokesman-Review's leadership is not alone in setting out to form a sustainable media model to avoid the fate of so many of the paper's peers. Across the country, in big, small and mid-size cities, historic publications have had to get creative to survive.



## SALT LAKE TRIBUNE

- Est. 1870 as The Mormon Tribune.
- City population as of 2020 census – 204,087.
- Received nonprofit status in late 2019.
- Paper itself is nonprofit, rather than owned by nonprofit.
- Online focus, in-print twice a week.

The Salt Lake Tribune became the first major metro news organization in the country to transition to a nonprofit model in 2019, which was due in large part to the foresight and work of Utah businessman Paul Huntsman. When he purchased the paper from a hedge fund three years earlier, the Tribune had cycled through four ownership groups, a bankruptcy and, like its counterparts across the U.S., a decline in circulation and advertising.

“The current business model for local newspapers

## PHILADELPHIA INQUIRER

- Est. 1829.
- City population as of 2020 census – 1.58 million.
- Became public benefit corporation in 2016.
- For-profit paper, owned by nonprofit the Lenfest Institute.
- Digital focus, in-print daily.

Former cable television titan H.F. Gerry Lenfest purchased the Inquirer in 2014, following a decadeslong stretch of changes in ownership, bankruptcy auctions and layoffs, as reported by the Nieman Journalism Lab.

When he transitioned the paper into nonprofit ownership two years later to what would be known as the Lenfest Institute for Journalism, he did so alongside two other Philadelphia publications: Philly.com and the Philadelphia Daily News. The former was transitioned into Inquirer.com, while the latter still runs.

“Of all of the ventures I have been involved with in my life, nothing is more important than preserving the

journalism that has been delivered by these storied news organizations,” Lenfest told the New York Times following the donation.

The Inquirer's model differs from the Salt Lake Tribune in that it is still a for-profit business. It's classified as a “public benefit corporation,” meaning the public interest is integral to its mission. Company leadership have prioritized a digital product and related subscriptions to drive revenue, while the nonprofit provides targeted grant support to the Inquirer, as well as several other news organizations.

The transition did not come about smoothly.

Staff were asked to reapply for their jobs at the onset, the rollover to the digital-focus model happened slowly, and there were mass buyouts and layoffs of hundreds of newsroom and printing plant employees. Still, the paper appears to be pulling in the online audience it set out for, with digital subscriptions growing from around 32,000 in 2019 to 98,000 as of last June, as reported by the Inquirer.



## TAMPA BAY TIMES

- Established as the West Hillsborough Times in 1884, became St. Petersburg Times in 1898, then current iteration in 2012.
- Area population as of 2020 census – 3.18 million.
- Nonprofit-owned since 1978.
- For-profit publication, owned by nonprofit the Poynter Institute.
- Digital focus, in-print twice a week.

The Tampa Bay Times is unique in its decades-early transition to a nonprofit model, but the driving force behind the decision to do so is in line with what the publishers of today pursuing the same have posited.

Nelson Poynter inherited operation of the Times from his father, and spent 40 years at the helm building it into a robust metropolitan publication. In 1978, he donated the Times to the Modern Media Institute, a nonprofit school for journalists that would later bear his name. Poynter's motivation to donate the paper was to ensure it would “remain locally and privately owned and thereby unencumbered by the pressures chain newspapers face,” the company's web-

site states.

That sentiment has proven to be ahead of its time as hedge funds and corporate chains continue to snatch up independent news organizations. As of last year, just 10 companies control a quarter of all U.S. newspapers and more than half of all daily publications, according to an annual report from Northwestern University's Medill Local News Initiative.

The Times' model has not left them completely immune to the challenges facing the industry in recent decades. It was one of the first to cut print days amidst the pandemic, and later closed and sold its printing facility. Last year, the paper announced it would reduce its total staff by a fifth amidst budget concerns, as reported by Poynter.

The Times still relies on advertising and subscription revenues while pursuing its own philanthropic support, which it does independent of Poynter. Neither party supports the either with funding, although Poynter has seen revenue and staffing grow in recent years, particularly since the fact-checking platform PolitiFact was transferred from the newspaper to the institute's control in 2018.

## LNP LANCASTERONLINE

- Est. as the Lancaster Journal in 1794.
- City population 57,153.
- For profit publication Donated to public television/radio station WITF in 2023.
- In-print seven days a week.

Nonprofit news organizations are nothing new; the public radio and television content Americans have enjoyed for years rely predominantly on public support. The longtime owners of the Lancaster, Pennsylvania, publication LNP opted to follow the established model in ensuring the vitality of one of the oldest newspapers in America.

The Steinman family owned and operated the publication for 158 years before turning the reigns over to local public broadcasting station WITF, of which

LNP is now a subsidiary. The newspaper has retained for-profit status as a Pennsylvania Benefit Corporation, meaning it must create public benefits like the Inquirer.

The deal included the daily newspaper, it's corresponding website, a publication dedicated to state government and two weekly newspapers for nearby rural communities, which remained as independent entities. The two are managed under the parent company Pennon, which announced a 10% reduction in force across both entities last October.

Twenty-four positions were cut following the merger, which was part of an effort to “invest in new areas, suspend certain operations and reorganize resources to create innovative and integrated products and services across the organization,” according to a statement published by the company. The cuts came as public media organizations across the U.S. reduced staffing levels.



## CHICAGO SUN TIMES

- Est. 1948, when Chicago Sun and Chicago Daily Times merged.
- City population 2.67 million.
- Acquired by Chicago Public Media in 2022.
- Nonprofit newspaper, owned by public media nonprofit.

Chicago is home to the White Sox, the “Bean” and as of 2022, one of the largest nonprofit news organizations in the country, as reported by public radio station WBEZ.

The Chicago Sun-Times was gifted to Chicago Public Radio, home to the aforementioned NPR-affiliate, after the nonprofit generated \$61 million in philanthropic support for the endeavor. That figure was a

sort of cannon heard around the industry, especially when considering the newspaper was bought for a \$1 by an investor group just four years before. Primary investor Michael Sacks led the charge in securing the transfer agreement, WBEZ reported.

The agreement merged WBEZ and the Sun-Times, which newsroom leaders said improved and streamlined coverage of politics, local arts and culture and deep investigations, as reported by the Nieman Lab. The journalism think tank said the Sun-Times' page views increased 55% from 2023 to 2024, as did staff sizes and compensation.

Consistent with recent layoffs and buyouts within public media at-large, WBEZ and the Sun-Times saw a staff reduction of 20% last year. The 35 buyouts included 23 Sun-Times reporters and editors, as reported by the Chicago Tribune.