

SECTION TWO

nonprofit media

PUBLIC BROADCASTING
PEG
SPANS
SATELLITE
LOW POWER FM
RELIGIOUS BROADCASTING
NONPROFIT NEWS
WEBSITES
FOUNDATIONS
JOURNALISM SCHOOLS
EVOLVING
NONPROFIT MEDIA

Throughout American history, the vast majority of news has been provided by commercial media. For the reasons described in Part One, the commercial sector has been uniquely situated to generate the revenue and profits to sustain labor-intensive reporting on a massive scale. But nonprofit media has always played an important supplementary role.

While many nonprofits are small, community-based operations, others are large and some have developed into institutions of tremendous importance in the information sector. The Associated Press is the nation's largest news wire service, AARP: The Magazine is the largest circulation print magazine in the country, NPR is the largest employer of radio journalists, and Wikipedia is one of the largest information sites on the Internet.

Technological changes have transformed noncommercial media as much as they have commercial media. Public TV and radio are morphing into multiplatform information providers. Even before the Internet, nonprofit programming was emerging independent of traditional public TV and radio on satellite, cable television, and low-power FM stations. And now, with the digital revolution, we see an explosion of new nonprofit news websites and mobile phone applications. What is more, our perception of the nonprofit sector must now expand to include: journalism schools that send students into the streets to report; state-level C-SPANs; citizen journalists who contribute to other websites or Tweet, blog and otherwise communicate their own reporting; and even sites born of or shaped by software developers who create "open source" code, free to the public for use and open to amendment by other developers. This has led to countless programs and software languages including Mozilla Firefox, Linux, Drupal, and WordPress.

Therefore, to understand the full media landscape—especially when it comes to news, journalism, and information—we must consider not only the still-important realm of public broadcasting and its digital extensions, but also the wider range of nonprofit media whose primary mission is to serve the public’s information needs.

Several factors have prompted media watchers to focus more intensely on the role of nonprofit media. First, as noted in Chapter 4, Internet, the types of information that are in decline are those that have always been challenging for the commercial sector to produce profitably. Business models from the past that relied on more profitable types of information to subsidize the production of less profitable types have crumbled in the digital age, making the challenge of providing those less profitable types even greater. Among the products the commercial sector seems to be under-producing are local labor-intensive beat reporting; investigative reporting; so-called broccoli journalism (about topics important to individual and communal health, but not always popular); and foreign coverage.

Commercial enterprises have struggled to find business models that would sustain such journalism, in part because of the “free rider” problem: many Americans find these topics important in theory, but figure they will find out about them without having to pay for the content. (See Chapter 4, Internet), The value of such “public goods” to a healthy society is not always readily apparent. And there is the fact that most advertisers do not like to associate their brands with controversial or less popular content, so they are unlikely to pay premium rates to help sustain the content production.

Most American media outlets are now owned by publicly held corporations traded in the equity markets. This structure has many advantages, providing operational efficiencies and drawing massive amounts of private capital into the media system. But it has drawbacks, too. These companies have a fiduciary responsibility to maximize profit, making it sometimes difficult for them to do what non-

profit media or some family-owned businesses did in the past: accept lower short-term profit margins in order to invest in the community, either for psychic rewards or a longer-term financial payoff.

The persistence of gaps in the markets for information has led many to wonder whether the role of nonprofit organizations in the media ecosystem should become different or larger, especially in regard to local news. Indeed, some nonprofits seem inclined to step up their contributions to local information, news, and journalism, but they face many obstacles in doing so.

6 Public Broadcasting

THE AMERICAN PUBLIC BROADCASTING SYSTEM is the product of two historic moments, one in the 1930s, when spectrum was first set aside for noncommercial broadcasters, and the other in 1967, when Congress created the modern system of public TV and radio. Many experts believe that we now sit at a third such critical juncture. This is a “1967 moment” for public broadcasting, says Ernie Wilson, former chairman of the Corporation for Public Broadcasting (CPB) board of directors and current dean of the USC Annenberg School for Communications & Journalism.¹

Today’s pivotal decisions concern, in part, how public TV and radio will adapt to the same changes that are buffeting commercial media: the rise of the Internet and mobile, the proliferation of consumer choices, the economic downturn’s impact on revenue, and the disruptions of digital technology. But, the soul-searching goes further. What should the public media mission be? Some suggest they should increase their educational content and their work with schools, as districts everywhere seek to improve educational services. Others urge public media to focus more on local content, especially news, information, and journalism. In “The Reconstruction of American Journalism,” an October 2009 report for the *Columbia Journalism Review*, Leonard Downie Jr. and Michael Schudson recommended that public broadcasters increase their production of local information:

“The CPB should declare that local news reporting is a top priority for public broadcasting and change its allocation of resources accordingly. Local news reporting is an essential part of the public education function that American public radio and television have been charged with fulfilling since their inception.”²

Picking up on policy proposals for CPB reform,³ Steve Coll, a Pulitzer Prize–winning journalist and head of the New America Foundation, recommends a new “strategic direction” for CPB, which he thinks should be renamed the “Corporation for Public Media.” The funding regime for the restructured entity, Coll says, “should be measured by whether or not it will produce more serious, independent, diverse, public-minded reporting.”⁴ On the other hand, the political problems that arise whenever public broadcasters make a controversial decision with respect to programming or staffing raise questions about whether a focus on journalism would not simply exacerbate concerns about the use of taxpayer dollars in media.

Whether public broadcasters (or an expanded group of public media participants) will play a more central role in the provision of news and information, especially at the local level, depends on many factors, including whether the current public broadcasting culture, structure, and rules can adapt to new realities, and how legacy and emerging public media entities define their missions.

History

Public broadcasting had its origins in American universities. In 1917, the University of Wisconsin in Madison launched 9XM,⁵ the first educational radio station, which aired shows like *The Friendly Giant*, a precursor to *Sesame Street*.⁶ Four years later, the Latter-Day Saints University in Salt Lake City, Utah, received an official federal government license for a station⁷ that broadcast educational lectures, basketball games, and musical concerts.⁸ By the mid-1930s, there were 202 such “educational” stations in existence.

But in 1936, the bottom fell out. Universities discovered that their stations did not stimulate greater enrollment or publicity, and that those who staffed them lacked the time and expertise to produce compelling shows. Struggling economically through the Depression, most universities let their licenses expire or transferred them to commercial enterprises.⁹ Meanwhile, commercial radio stations were attracting large audiences, and they coveted the spectrum held by educators.¹⁰

As increasing numbers of educational stations turned their licenses over to commercial operations, a wide

range of organizations began to fear that their interests would be neglected under this new regime. Agrarian stations worried that farm extension programs would be lost; church leaders and religious broadcasters were concerned about programming for the disadvantaged and working class; the growing labor movement was afraid that it would be unable to reach the people. Many feared that a wholly commercial system would squelch free speech by reserving the airwaves for majority viewpoints.¹¹ University of Wyoming president, Arthur G. Crane, called the commercial system “an almost incredible absurdity for a country that stakes its existence upon universal suffrage, upon the general intelligence of its citizens, upon the spread of reliable information... and then consigns a means of general communication exclusively to private interests, making public use for general welfare subordinate and incidental.”¹² A coalition of noncommercial stations pressed the newly created Federal Communications Commission (FCC) to reserve channels for educational broadcasting.¹³

The commercial broadcasting industry fought back. Broadcasters feared that spectrum set-asides would deprive businesses of lucrative markets and that new noncommercial entrants would siphon off audience and support. To address the interests of educational broadcast supporters, the National Association of Broadcasters offered instead to increase the amount of commercial broadcast time its members dedicated to educational programming.¹⁴

In 1938, the FCC decided that educational programming merited a dedicated capacity, so it took the historic step of reserving spectrum for noncommercial broadcast use.¹⁵ In 1945, the Commission reserved the 88–92 MHz band for noncommercial educational FM stations.¹⁶ By 1952, there were 90 stations, with regional networks developing to foster the exchange of programming among stations.¹⁷ The birth of television renewed the debate over noncommercial channels. Frieda B. Hennock, the FCC’s first female commissioner, argued that even though educational institutions might not yet be equipped to create TV programming, spectrum should be reserved for when the capability arose.¹⁸ To do otherwise, she said, would “result in a tragic waste from the standpoint of the public interest if, at the outset of development in this field, adequate provision were not made for the realization of almost limitless possibilities of television as a medium of visual education.”¹⁹

In 1952, the FCC reserved 242 television channels for noncommercial educational (NCE) television stations—and in May 1953, the University of Houston’s KUHT (now HoustonPBS) became the first educational TV station to operate on a reserved channel.²⁰ These early stations aired mostly instructional programs, such as university telecourses in psychology, how-tos on flower-arranging, and high-minded discussions of current events. Popular programs included in-studio concerts, Japanese brush painting (which sparked a national fad), an award-winning set of poetry readings by Robert Frost, and half-hour conversations with philosopher Eric Hoffer.²¹

During this period, noncommercial broadcasters emphasized localism and experimentation, giving rise to programming that did not fit the traditional educational model. The Pacifica Radio Network, for example, aired controversial and political material, discarding educational and commercial broadcast conventions.²² Where other newscasters tended to air short news pieces, Pacifica offered continuing and in-depth reporting on the civil rights movement in the 1960s and took on legal cases to protect news sources in the 1970s.²³ Over time, a broader community radio movement developed that included ethnically targeted foreign-language broadcasters, volunteer-driven radio networks, and stations that were financially supported by their listeners, rather than by educational institutions.²⁴

Despite some success stories, noncommercial stations entered the second half of the 20th century short on money and organizational competence—essentially failing. By the 1960s, educational radio had declined dramatically. When, at this time, foundation funding shifted away from general station support to directed programming grants, public TV stations were forced to make massive cuts.²⁵ Some were kept afloat only by grants from the Ford Foundation.²⁶ Leaders from educational TV stations asked that a national commission be formed to address the crisis, a goal President Lyndon Johnson endorsed.²⁷

The resulting Carnegie Commission on Educational Television (financed by the Carnegie Corporation), issued an influential report in January 1967, entitled *Public Television: A Program for Action*. It called for a new system of public television that would provide national programming, yet retain its local roots. And it called for two key changes: (1) an increase in federal support for noncommercial broadcasting, and (2) the establishment of a private corporation

A 2010 Roper Survey found that PBS outranked courts of law as the single most trusted institution in the United States.

that would coordinate public broadcasting operations. The report foresaw a broad mission for public television, arguing that the service had the potential to “deepen a sense of community in local life,” “be a forum for debate and controversy,” and “provide a voice for groups in the community that may otherwise be unheard.”²⁸ Congress incorporated many of the recommendations into the Public Broadcasting Act, which was signed into law by President Johnson that same year.

The Act established the Corporation for Public Broadcasting (CPB), an organization that would provide regular funding through a process relatively insulated from politics.²⁹ Though appointed by the U.S. president with the advice and consent of Congress, CPB’s board of directors can have no more than a bare majority from one political party and must be composed of non-governmental officials barred from involvement in political campaigns.³⁰ To ensure that it would not control public broadcasting content, CPB was prohibited from producing or distributing programs. Its purpose was to dispense funds to individual stations and to the independent, nonprofit national networks created in 1970: the Public Broadcasting Service (PBS) and National Public Radio (NPR).³¹

Over the next 40 years, PBS and NPR evolved in very different ways. Unlike national commercial networks, PBS does not own stations or programming. It is supported and governed by its member stations, and its primary purpose is to aggregate and brand programming produced by local outlets and other programmers. In the early years of the public broadcasting system, federal funding was allocated for television alone; to the extent that radio received funds at all, it was at the will of television entities.

While in other countries the “public” in public broadcasting means “government,” in the U.S., most of the funding for public broadcasting comes from non-governmental sources.

That changed in the late 1970s through an act of Congress that specifically allocated funding to local public radio stations. These stations have, like their TV brethren, formed a national network. Like PBS, NPR does not own stations and is governed, and largely financed, by its member stations. However, because of the lower political profile of radio when the networks were established, NPR was allowed to produce its own news and cultural programming for distribution across the member stations’ network. (There is a full discussion of CPB structure, rules and policy in in Chapter 31, Nonprofit Media.) Also, in part

because radio is cheaper to produce and in part because of legal interventions, there are competing national networks in public radio (e.g., Public Radio International and American Public Media) that don’t exist in public television.

In terms of audience reach and appreciation, the Public Broadcasting Act must be deemed a success. Before 1967, there were only 292 educational FM stations; today there are more than 900.³² Before the Act, there were 124 educational TV stations on the air;³³ today there are 365.³⁴ Together, they reach nearly 281 million individuals.³⁵ Public radio’s audience in particular is substantial and growing. NPR reached 34 million people over the airwaves of member stations in 2010, its best year ever, and millions more downloaded its podcasts.³⁶ In 2010, NPR had a reported 1.8 million followers on Twitter and 700,000 fans on Facebook;³⁷ its smartphone applications had been downloaded 2.5 million times since 2008, and its iPad application had been downloaded on one out of every five iPads sold.³⁸ PBS.org’s iPad app hit number one in Apple’s iTunes store within 24 hours of its release.³⁹

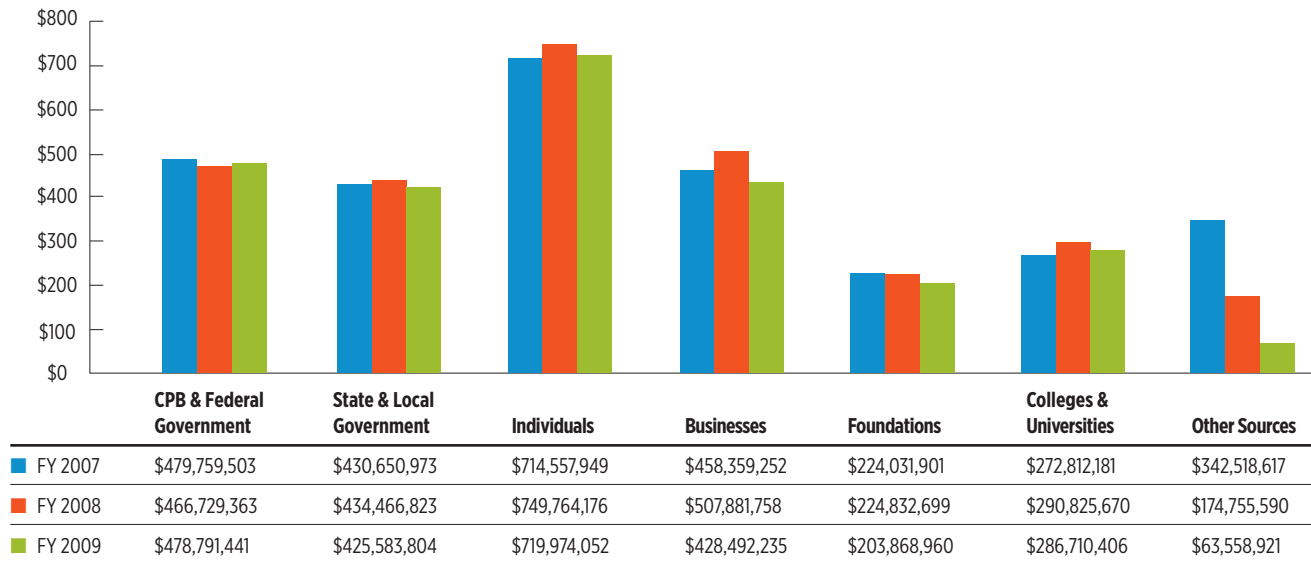
Though subject to occasional controversy, public broadcasters have generally achieved a high level of respect among the public, according to polls. Public television in particular seems to occupy a special place of honor for a wide swath of Americans. A 2010 Roper Survey found that for the seventh consecutive year, PBS outranked courts of law as the single most trusted institution in the United States among every measured age group, ethnicity, income, and education level of the public.⁴⁰

Business Models

The economics of public broadcasting are often misunderstood. While in other countries the “public” in public broadcasting means “government,” in the U.S. most of the funding for public broadcasting (referred to in the following charts as “revenue”) comes from non-governmental sources.⁴¹

In 2008, about 60 percent of public broadcasting revenue came from private sources, including grants from corporations, colleges, universities, foundations, and individual subscribers.⁴³ Individual donors comprise the largest

TOTAL PUBLIC BROADCASTING SYSTEM REVENUE BY SOURCE

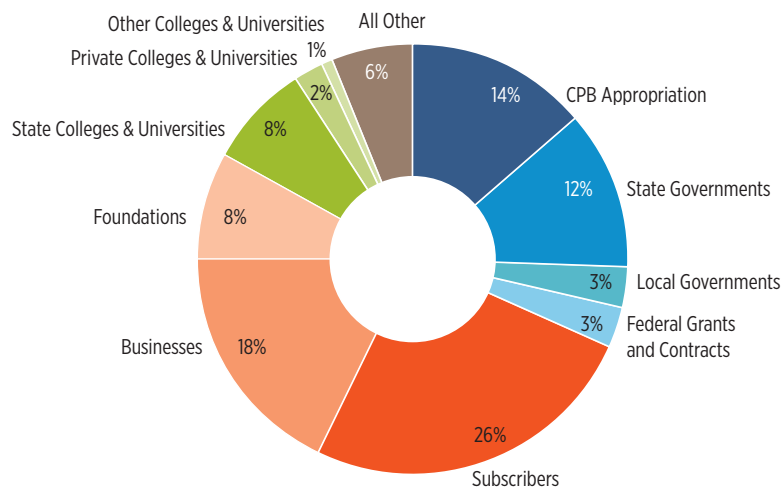


Source: Corporation for Public Broadcasting Annual Financial Report, Station Activities Benchmarking Study, and Stations Activity Survey Information

PUBLIC BROADCASTING REVENUE BY SOURCE (FY 2008)

Public Radio and Public Television

Total Revenue: \$2.85 billion



Source: Corporation for Public Broadcasting Appropriations Request⁴²

single source, accounting for nearly \$750 million, or 26.3 percent of revenue.⁴⁴ Mid-size and larger stations rely even more heavily on individual donations. For example, individual contributions accounted for 46 percent of the revenue of WHYY in Philadelphia in 2010⁴⁵ and provided 52 percent of the support for the local operations of WETA in Washington D.C.⁴⁶ For public stations overall, businesses provide 17.8 percent (about \$508 million) and foundations 7.9 percent (about \$225 million).⁴⁷

The broad base of public broadcasting funding is an underappreciated attribute of the system. It is what public broadcasting systems in other countries strive for: a system rooted in local connections, civil society partnerships (e.g., universities, local sponsors), and diverse financial support. This structure also has some of the features that commercial entities seek. Indeed, in some ways the public media business model has proven more stable during the past

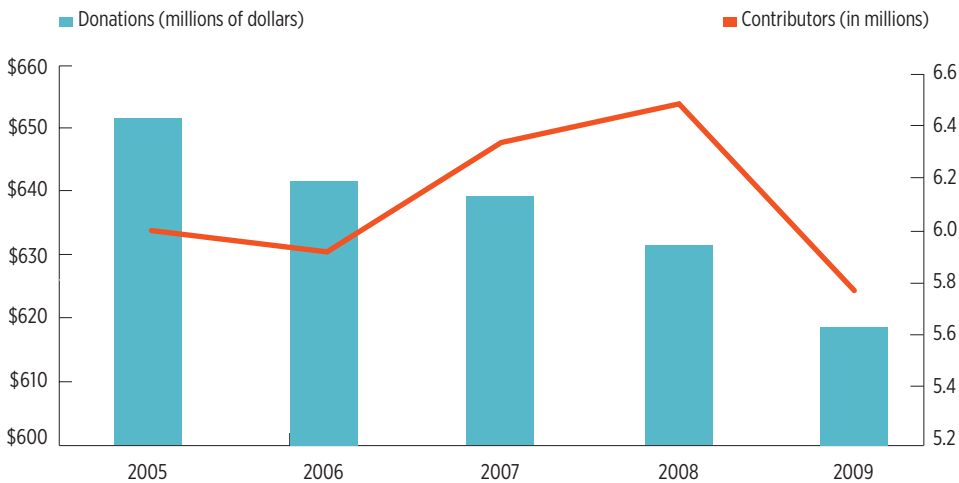
few years than existing commercial media models. For-profit entities have responded to the drop in advertising by searching for ways to draw more money from viewers, listeners, and readers. Public broadcasters have spent decades refining techniques to appeal directly to listeners and viewers for support, and they have built strong relationships in many communities. Public broadcasting also relies heavily on volunteers; a 2010 survey indicated that 46 percent of the local public broadcasting news workforce is made up of nonprofessionals.⁴⁸

But the economic recession was a blow to public broadcasting, forcing budget cuts on even the most popular programs and forestalling investment in new ones. For example, *PBS NewsHour's* budget for June 2010 through July 2011 was expected to fall by about \$200,000 from the previous fiscal year as a result of reductions in corporate underwriting.⁴⁹ From 2008 to 2009, non-federal support for public television stations declined an estimated \$260 million. Public radio and television stations estimated that their revenue declined 14 percent between 2009 and 2010.⁵⁰ During the same period, individual donations fell by \$30 million or 4.5 percent. Individual donations dropped from \$653.6 million to \$624 million from 2008 to 2009, after a steady annual growth since 2006.⁵¹ Foundation support dropped from about \$225 million in 2008 to \$204 million in 2009. And, in 2009, the stations “project[ed] a \$307 million loss in non-federal revenue through FY 2010.”⁵²

About 14 percent of public broadcasting revenue comes from the federal government through CPB, and 13.6 percent more comes from other forms of government support (including state colleges, local governments, and federal grants and contracts). For rural and small stations, the share of federal support is significantly higher than 14 percent. Stations that operate with less than \$1 million of non-federal financial support rely on CPB funding for nearly half (47.5 percent) of their revenues.⁵³ In 2009, the two-year advance federal appropriations for CPB were approximately \$400 million.⁵⁴ The advanced appropriation in 2011 (for FY 2012 and 2013) is \$445 million.⁵⁵ The size of this federal allocation puts the U.S. in stark contrast to most other developed countries, which spend significantly more per capita of taxpayer dollars on public broadcasting. (See Chapter 15, *The Evolving Nonprofit Media*.)

By law, the federal funds that pass through CPB are allocated (1) by distribution platform (radio and TV) and (2) by a formula that rigidly dictates how much money goes to stations themselves and how much is available for program producers. Almost 67 percent goes to TV and 22 percent to radio. Of the money that goes to TV, about 73 percent goes to stations for general station support, with the rest going directly to programming. The ratio of general station support to direct programming support is about the same for radio. Funding for noncommercial stations themselves (as opposed to national networks or programmers)—the lion’s share of the federal CPB appropriation—is distributed through Community Service Grants (CSG) according to formulae that consider the size of a station, the amount of non-federal dollars the station is able to raise, the extent to which the station provides sole service to a community, and other factors, including programming differentiation.⁵⁶ CSG funding can be used for programming, whether for

PUBLIC BROADCASTING SUPPORT (2005–2009)



Source: Corporation for Public Broadcasting, Public Broadcasting Membership and Donation Data, Fiscal Years 2005–2009

local productions or national programming, but it goes in equal part (at least for TV stations) to support broadcast infrastructure and ancillary station operations. It is difficult for the public to get a sense of the distribution of public broadcasting funds across the system. While CSG funds are allocated for seven categories of expenses (including “programming and production,” and “broadcasting, transmission and distribution”), and stations must report expenditures in these categories annually to CPB, CPB does not make the data public in a way that facilitates data analysis.⁵⁷

Over the years, in addition to the CPB appropriation, the federal government has provided money for basic public broadcasting infrastructure, such as transmitters, radio towers, studio space, production equipment, and satellite interconnection, which gives individual stations the ability to acquire and distribute national programming through high-power satellites. More recently, Congress appropriated additional funds to help public broadcasters transition to digital TV.

Funds appropriated to help new noncommercial stations build out their facilities (through the Public Telecommunications Facilities Program) and funds appropriated for noncommercial broadcast digital initiatives have been zeroed out.⁵⁸ In March 2011, the House of Representatives passed a bill that would have ended federal funding for NPR and for all other noncommercial radio programming, but it was not passed into law.⁵⁹

Public Broadcasting’s Mission

The broad mission of public broadcasting has been to help promote civil discussion, take creative risks, serve the underserved, and supply educational programming. In economic terms, the goal has been to serve the public with media content that is not sufficiently profitable for commercial broadcasters.⁶⁰ It has been left largely up to local public broadcasters to define what this means, with each creating its own mix of educational, music, cultural, talk, and public affairs programming.⁶¹ CPB now articulates public broadcasting objectives in terms of “the three D’s”—“diversity, digital, and dialogue”: meeting the information needs of a diverse nation, innovating in digital media and emerging technologies, and strengthening public media’s role as a resource and partner in the dialogue of local communities.⁶² Others, looking to the language of the Public Broadcasting Act and to emerging needs in the digital era, have emphasized the importance of creating content that is under-produced by the commercial market, curating content, and connecting communities with content that is of use to them.⁶³

Education and Culture: A Record of Leadership

Public television has been widely acclaimed for consistently producing high-quality educational and cultural programming—from *Sesame Street* to Ken Burns’s documentaries (e.g., *The Civil War* and *Baseball*) to *NOVA*. In many cases, public television has produced and broadcast content that never would have made it on commercial TV; in other cases, it has provided a laboratory for experimental programs that became popular on public TV and then moved to commercial networks. For example, children’s programming began on PBS with *Sesame Street* and the Children’s Television Workshop, as did the first reality TV show, *An American Family*. Science programming, serious historical documentaries, independent films, and arts programming all began on public television. Public television was also first to develop closed captioning for the hearing impaired, offering it initially in 1972 and as a regular service by 1980.⁶⁴ And public television was an early leader in the production of original high-definition digital programming, as well.

PBS has received more Emmy Awards in children’s programming than all the broadcast and cable networks combined.⁶⁵ According to a recent Nielsen study, PBS KIDS had four of the top ten programs among kids 2–5. It also had six of the top 10 shows, including five PBS KIDS shows tying for first place, among mothers aged 18–49 with children under the age of 3.⁶⁶ A study comparing 10 randomly selected PBS shows with commercial programs found that public television episodes were, on average, higher in quality in terms of their focus on cognitive-intellectual content.⁶⁷ Some of this programming emerges from PBS’s Ready to Learn initiative, funded by a grant from the Department of Education, which seeks to promote literacy and reading skills, with an emphasis on serving the needs of children of low-income families.⁶⁸

When it comes to news and public affairs, public television’s great strength has historically been national, programming—from *Frontline* to *Firing Line* with William F. Buckley to *News Hour*.

Public broadcasters also have been successful in using digital platforms and tools to serve children. More than 9 million children visit the PBS KIDS website each month.⁶⁹ It is the most popular children’s site for video, with more than 100 million video streams viewed per month.⁷⁰

Several PBS kids programs are notable for their appeal across a wide spectrum of family demographics. Programs such as *Clifford the Big Red Dog*, for example, are as watched in households with incomes of less than \$20,000 as they are in households with incomes above \$60,000 per year.⁷¹ Other programs, such as *Sesame Street*, have higher viewership among more affluent and well-educated families.⁷²

In addition to its work in children’s television, PBS provides voluminous materials directly to educators, and this is a growing focus. Eighty-five percent of its member stations offer educational content to their communities aligned to applicable education standards and 95 percent offer structured learning as part of their educational services.⁷³

PBS has received more Emmy Awards in children’s programming than all the broadcast and cable networks combined.

Public television has been one of the largest suppliers of K–12 instructional programming for schools. PBS operates the website, TeacherLine, which offers over 130 professional development courses for pre-K–12 educators and has had more than 50,000 enrollments.⁷⁴ PBS is ranked among the top three sources of online K–12 content and has been ranked by teachers as a top source of video in the classroom.⁷⁵

PBS Education is currently working on the Digital Learning Library (DLL), an initiative to create a repository of “purpose-built” digital learning objects (currently nearing 10,000 and still growing) available to teachers nationwide.⁷⁶ It strives to unlock the archives of data, photos, video, and other media held by potential partners, such as the Smithsonian Institution and the National Science Foundation, by putting them into digital forms suitable for teaching.⁷⁷

PBS also pioneered long-distance learning for adults. A study conducted over a decade ago found that more than two-thirds of America’s 3,000 colleges were using PBS adult learning services.⁷⁸ LiteracyLink offers basic education and GED preparation tools, using technology for underserved and hard-to-reach adults.

When cable television matured, there was some question as to whether new commercial, kid-oriented channels would obviate the need for public television’s children’s programming. Few make that argument now, as it has become evident that commercial outlets tend to excel at entertainment programming, while public broadcasting emphasizes educational content, content geared toward younger children, and content designed specifically to improve cognitive functioning and school performance.⁷⁹

Both public television and radio also offer significant amounts of cultural programming. *Masterpiece*, the longest-running prime-time drama program in American television; *Great Performances*, the only continuing prime-time performance showcase on American television; and the history series *American Experience* are all multiple

PBS is ranked among the top three sources of online K-12 content, and has been ranked by teachers as a top source of video in the classroom.

Emmy award–winning series. *From the Top at Carnegie Hall*, an Emmy Award–winning children’s series, showcases young musicians. Public broadcasting has historically enjoyed high levels of support among rural state lawmakers, in part because PBS has offered music and other cultural programming that is otherwise unavailable in more remote regions of the country.⁸⁰

PBS has tried to attract broader audiences by featuring more contemporary programming. *Austin City Limits*, for example, features music legends and innovators across all genres and is now the longest-running music series in American television history.⁸¹ It is also the only TV program to receive the nation’s highest award for artistic excellence: the National Medal of Arts.⁸² Despite its efforts, PBS has been fairly criticized for failing to broaden its appeal further and showcase an even wider range of cultural expression.⁸³

Public radio has not played as prominent a role as has public TV in producing educational and children’s content. However, its cultural programming is probably more diverse, in part because there is beneficial competition among different national public radio networks, unlike in TV. In addition to NPR, there is Public Radio International (PRI), which distributes the enormously popular *This American Life* and *A Prairie Home Companion*, and American

The latest economic crisis in some cases has made a bad situation worse. WLVT–PBS 39 in Lehigh Valley, Pennsylvania has won an Emmy for its news and public affairs programming, but recently had to drop its documentary team, cut its production budget 70 percent, and cancel two of three shows which focused squarely on local news and public affairs.

Public Media, which produces the syndicated program *Being* (formerly called *Speaking of Faith*) for 230 stations on a wide range of spiritual issues. Overall, these outlets, plus Pacifica and a variety of local stations and independent distributors, contribute to the diversity of programming available on public radio.⁸⁴

Music accounts for about one-third of all public radio listening and 8 percent of public radio formats.⁸⁵ More than 100 stations have full-time music formats.⁸⁶ Public radio has helped spur efforts to preserve and enhance important American musical genres such as bluegrass and Celtic music.⁸⁷ Public radio provides most of today's classical and jazz music programming, as well.⁸⁸ The two largest NPR members are classical music stations. *From the Top*, a showcase for exceptional young musicians, has over 700,000 weekly listeners via nearly 250 stations.⁸⁹

News and Public Affairs

Public broadcasting advocates have long argued that noncommercial media should strengthen democracy by promoting participation in the public sphere.⁹⁰ The Carnegie Commission report stated:

“Public Television can extend our knowledge and understanding of contemporary affairs. Its programming of the news should grow to encompass both facts and meaning, both information and interpretation. It should be historian, in addition to being daily journalist. Its programs should call upon the intellectual resources of the nation to give perspective and depth to interpretation of the news, in addition to coverage of news day by day.”⁹¹

A 1993 report by the Century Foundation asserted that public television should “enlarge the horizons of the American people and inform them of the issues—past, present, and future—that affect their society.”⁹² In more recent years, numerous media commentators have called on public media to play a more prominent role in providing news and information.

To accurately assess public broadcasting's performance in these areas, we distinguish between public TV and radio, and between national and local activity below.

Public Television

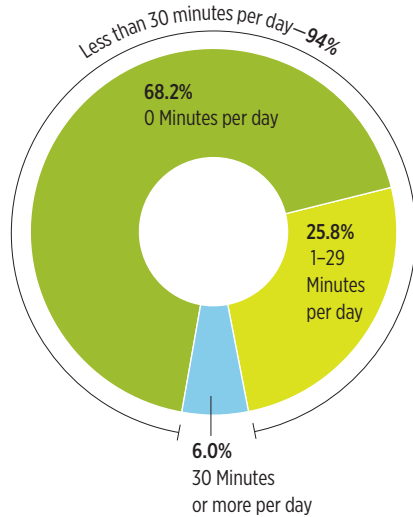
When it comes to news and public affairs, public television's great strength historically has been national programming. A recent public survey rated PBS news and public affairs programming as the most fair and unbiased, surpassing NBC, ABC, Fox, and MSNBC in the public's trust.⁹³ This programming has often filled a gap in the news and information business by providing more in-depth coverage of significant issues than commercial networks do. *PBS NewsHour*, for example, dedicated about two times more coverage to international news in 2009 than did average commercial broadcast networks and more than twice the airtime on the health care debate of 2009.⁹⁴

PBS also airs some of the best journalistic documentaries on TV. *Frontline* has been “one of the most honored series in television history,”⁹⁵ repeatedly receiving the rarely awarded Gold Baton from the Alfred I. duPont-Columbia University Awards for Excellence in Broadcast Journalism. The *American Experience* series runs documentaries that focus on events and figures of the recent past, providing, for example, biographies of U.S. presidents and histories of epochal events in American life. Other national public affairs shows over the years have included *Washington Week in Review*, *Bill Moyers Journal*, William F. Buckley Jr.'s *Firing Line*, and *Nightly Business Report*.

But public television has placed a much smaller emphasis on *local* news. A 2011 FCC study of data from Tribune Media Services found that 68 percent of noncommercial TV stations provided no local news in the course of three weeks, and 94 percent provided 30 minutes or less per day.⁹⁶

In another study, researchers who examined 170 PBS-affiliated stations listed on PBS.org found that only 14 of them—about 8 percent—produced a local newscast five or more nights per week.⁹⁸ Local commercial TV news has

PERCENTAGE OF NONCOMMERCIAL STATIONS AIRING LOCAL NEWS (MINUTES PER DAY)



Source: FCC analysis of Tribune Media Services Data⁹⁷

often been criticized for its insufficient coverage of serious issues—but the unfortunate reality is that local public TV has produced even less.

In a 2004 survey of public TV stations conducted by the General Accounting Office, “79 percent of the licensees responding...indicated that the amount of local programming they [were] currently produc[ing] was] not sufficient to meet local community needs.” A majority of responding licensees said that it was because they lacked adequate funds, and several said that “they have had to ignore local issues and turn away programming opportunities” for lack of funding.⁹⁹

The recent cutbacks in newspapers and local TV have only heightened appeals, both within and outside of public broadcasting, for public television and public radio to become more active locally. Serving needs for local information is particularly important for public broadcasters because, according to respondents

in a PBS survey, “public television stations are rapidly becoming the only locally owned and operated television broadcast medium.”¹⁰⁰

William Baker, president emeritus of WNET, has argued that creating serious local news programming in the public interest “would be a powerful new way for public broadcasters to fulfill their ongoing commitment to public service.”¹⁰¹ Others put it more bluntly: “There’s a crying need for serious reporting at the local level,” says Jim Lehrer, anchor of *PBS NewsHour*. “Public media has a responsibility to meet that need.”¹⁰²

Many PBS stations are experimenting with new models. CPB has recently created Local Journalism Centers, drawing together local public TV and radio to do original reporting.¹⁰³ Some local public television stations are creating hyperlocal websites for neighborhoods in their markets.¹⁰⁴ Jim Lehrer is traveling the country trying to convince local stations to team up with newspapers to provide local newscasts. He noted that KLRN is working with the *San Antonio Express* to create a local news show.¹⁰⁵ In some cases, stations have attempted to use national content to spur local engagement. For example, the PBS documentary *Not in Our Town*, which told the story of how a small Montana town successfully responded to an increase in local hate crimes, launched community efforts to respond to hate crimes across the country.¹⁰⁶ In *Facing the Mortgage Crisis*, St. Louis public station KETC provided an online social network and information on housing, health care, financial counseling, and emergency services for residents impacted by the financial crisis.¹⁰⁷ The station then created a locally adaptable model that is now being used by public stations in “32 of the hardest-hit [financial] markets [in] the country.”¹⁰⁸ As part of its efforts to link with other noncommercial media entities, the station is also providing office space for a local nonprofit website, the Beacon.¹⁰⁹

Some have focused on lower-cost public affairs shows. In St. Louis, Amy Shaw is vice president of Education and Community Engagement at KETC, now called “the Nine Network,” which includes four public broadcasting channels (some digital) in the St. Louis area. One of its programs, *Donnybrook*, is a live in-studio forum in which media pundits get together to talk about community issues and events of the week. In addition, the network produces a weekly public affairs show, *Jeff City Journal*, which is broadcast statewide and discusses issues facing the state legislature. The station has also done a series on immigration and the regional economy. Shaw says, “We are evangelizing to get local public stations all over the country to connect more closely with the community... and find a way to create local programming around the issues.”¹¹⁰

There are significant financial obstacles standing in the way of more local public TV news and information programming. The director of Television Programming Projects for PBS, Lynda Clarke, says that producing local news is too expensive:

“Doing production, even a small production at a public television station requires space, it requires lighting, and technical equipment and people... especially nowadays when people are accustomed to a certain level of quality on the air. You end up not wanting to duplicate what is on the commercial airwaves if it is already there and... it is very expensive.”¹¹¹

In some cases, the recent economic crisis has made a bad situation worse. The experience of PBS 39/WLVT in Lehigh Valley, Pennsylvania, an Emmy award winner for news, is illustrative. The station recently lost \$1 million in state funding. Amy Burkett, vice president of production at WLVT, reports that while local commercial television news was doing a high volume of crime stories, her news team was covering economic development and the enormous amount of unemployment in the region—giving community issues five to 30 minutes of airtime each night on a news and public affairs show called *Tempo InDepth*. According to Burkett, WLVT also aired local documentaries that showcased community issues and helped educate viewers on how to find jobs and create new businesses. Due to the loss of funding, the station has had to drop its documentary team, cut its production budget 70 percent, and cancel two of three shows that focused squarely on local news and public affairs. Burkett’s remaining staff of four is seeking new reporting models. The station is attempting to partner with 10 colleges and universities in its viewing area, offering video production classes and to run some of the student work on air.¹¹²

After a 15-year run, *Life and Times*, a nightly news and public affairs program in Los Angeles, went off the air in 2007 for lack of resources. For years, *Life and Times* had been dispatching reporters into the field to cover topics of interest to the local community that get little or no attention from the commercial nightly news programs in the L.A. market—including immigration, county commissioners, and the troubled school system. The show was expensive to produce, and over the years had gradually cut back on costly field production.¹¹³

Most local PBS and public radio stations do not have the money to provide more local reporting, and doubt their capacity to raise the money, for what has typically been high-cost programming. “The economics of doing local are beyond most local TV stations,” says Laura Walker, head of WNYC, a major New York City public radio station.¹¹⁴ Local broadcasters that have tried to launch a locally produced half-hour broadcast have struggled, primarily because of an inability to attract underwriters.¹¹⁵ Particularly in the markets that already have several commercial local news-casts, it may be difficult for public stations to allocate scarce resources to producing competing local news—at least in its traditional format.¹¹⁶

Generally speaking, for news and for other programming, stations have not thus far found it economical to produce high-cost content that cannot be syndicated nationally and therefore generate revenue across a larger audience base. The programming that does go national is produced by a small group of stations. In 2008, the top three content producers—New York’s WNET, Boston’s WGBH, and Los Angeles’ KCET—generated about 60 percent of all public television programming.¹¹⁷

The economics of local programming production may change as new models for sourcing content are developed. One Los Angeles public TV station, KCET, is currently experimenting with new models, having withdrawn from the PBS network in October 2010 to escape the financial burden of member dues. It plans to replace PBS favorites like *NOVA* and *Sesame Street* with locally produced programming.¹¹⁸

Public Radio

Public radio’s approach to local news and information has been somewhat different.

Unlike PBS, which is prohibited from producing its own programs, NPR produces more than 100 hours of original programming each week—including popular news and information programs such as *All Things Considered*, *Morning Edition*, and *Talk of the Nation*. American Public Media produces *Marketplace*. NPR’s listenership has grown steadily, with 27.2 million weekly listeners in 2010.¹¹⁹ The reach of its three top shows grew from 19.9 million in the fall of 2000 to more than 28.8 million in the fall of 2009.¹²⁰ In many communities, NPR has become one of the most listened to news sources on radio.¹²¹ News consumption accounts for four of every 10 hours of public radio listening, with the all-news format being the most-listened-to of public radio formats.¹²² About 185 stations are dedicated full time to news, and another 480 stations feature news as part of a mixed format.¹²³ With 17 international bureaus, NPR now has more overseas correspondents than NBC, CBS, Fox, or MSNBC. Its total editorial staff, including digital edi-

94% of public TV stations offer 30 minutes or less of local news.

tors and traditional on-air reporters, grew 8 percent in 2010, to 335 people.¹²⁴ Overall, public radio deploys more than 1,400 reporters, editors, and producers in 21 domestic and 17 foreign bureaus.¹²⁵

The investment NPR has made in establishing itself in the digital world seems to be paying off in terms of audience penetration.¹²⁶ Its iPhone applications were downloaded 2.5 million times from 2008 to May 7, 2010, making them among the most popular news applications.¹²⁷ According to its internal measures, NPR.org averaged 15.7 million unique visitors across all digital platforms in 2010, up more than 5 million from 2009, putting it on par with CBS News, according to Nielsen figures.¹²⁸

In an attempt to deepen its newsgathering capacity, NPR recently created an investigative team that would work with beat and field reporters.¹²⁹ It has launched partnerships with independent nonprofit reporting outfits, as well, including one with the Center for Public Integrity to produce a multipart series on the problem of sexual assault on college campuses, and another with the Center for Investigative Reporting to examine law enforcement's use of confidential informants.¹³⁰ This year, NPR produced *Going Radical*, a multipart investigative series that documented the life, background, and radicalization of Christmas Day bomber Umar Farouk Abdulmatallab.¹³¹

Public radio stations often have well-staffed newsrooms in the major radio markets, but skeletal crews in the medium and small markets.¹³² From 2004 to 2009, the number of stations that carried local and regional news or talk programming increased from 595 to 681, with hours aired each week increasing from 5,182 to 5,693.¹³³ In all, one-third of total public radio programming is locally produced.¹³⁴ Similarly, 74 percent of stations now produce segments that air as part of the national newscasts of *Morning Edition* and *All Things Considered*.¹³⁵

The Station Resource Group is an alliance of public media organizations that operate public radio stations across America, many of which have built substantial local news operations.¹³⁶ Its co-chief executive, Tom Thomas, describes the local public radio landscape:

“About a half a dozen stations are at the apex of the pyramid and most are in the largest metropolitan areas that have successful, well-established, high-impact local news operations and are ambitious to make them bigger and stronger. Below those stations, there are probably another 15 to 20 public radio operations [whose] local newsrooms might be on the order of seven to 15 reporters and editors and producers, and they are in the next tier down in market size. They are in places like St. Louis or are part of regional services like Vermont Public Radio or Wisconsin Public Radio or New Hampshire Public Radio.”¹³⁷

Beyond those leaders, Thomas says there is a more significant drop-off in local newsgathering capacity. Most stations in the medium and small markets have little or no staff to produce local radio news and public affairs programming, even though there are often no commercial stations doing local news either.

In the larger markets and with some of the bigger state public radio services—local news and public affairs programming initiatives have been around for a while. WBEZ, Chicago Public Radio, produces *Eight Forty-Eight*, a one-hour weekday program with a distinctive focus on local news, views, people, and culture.¹³⁸ Wyoming Public Radio's *Open Spaces* is a weekly news magazine that provides in-depth coverage of issues affecting Wyoming residents. Other examples include: *Charlotte Talks* on WFAE in Charlotte, North Carolina; WNYC's Peabody Award-winning daily program, *The Brian Lehrer Show*; and Minnesota Public Radio's *The UBS Forum*, which hosts community discussions and public debates.¹³⁹

Although large numbers of public radio stations are involved in some kind of local news and public affairs programming, for most, these news efforts have been small-scale operations. Fewer than 15 percent of local radio stations have four or more reporters; only 4 percent have three or more editors. One-third of stations have no full-time reporters; 22 percent have one; 30 percent have two to three.¹⁴⁰ Only 25 percent of stations have any full-time producers.¹⁴¹ As a result, many produce little enterprise journalism. In Colorado, for example, the single public radio station devoted to news airs 22 hours of national programming every weekday, but only two hours of state-specific news programs.¹⁴²

At the other end of the spectrum is Minnesota Public Radio (MPR), based in St. Paul and owned by American Public Media Group. MPR operates 41 radio stations in Minnesota and surrounding states and has a regional news staff of about 90. American Public Media also operates KPCC, Southern California Public Radio, in Los Angeles, with a news staff of 42 and an \$8.5 million news and public affairs programming budget.¹⁴³

In *Facing the Mortgage Crisis*, St. Louis public station KETC provided information on housing, health care, financial counseling, and emergency services for residents impacted by the financial crisis.

Because public radio can produce news at less cost than TV, public radio leadership in recent years has made a major push to bolster local news. With the help of several CPB grants, NPR has intensified its efforts to help local stations improve their coverage on air and online. In October 2009, NPR launched Project Argo to expand the reporting capacity of public radio stations on environmental policy, rural economic diversification, public health, and other issues that tend to get overlooked or under-addressed by commercial media.¹⁴⁴ Project Argo offers support to stations that are developing expertise on specialized subjects, relevant to their regions, and it equips them with resources to develop in-depth original reporting and share online content.¹⁴⁵ For instance, KPLU in Seattle focuses on the global health industry, while WGBH in Boston focuses on global warming. KQED in San Francisco specializes in technology in education, while WXPB in Philadelphia focuses on local music.¹⁴⁶ The intent is to produce content that is web-friendly first, and then to integrate it as appropriate into the broadcast.

Public broadcasting news initiatives have attracted some foundation support. The Knight Foundation awarded New York City's WNYC a \$2 million grant in 2008 to create *The Takeaway*, a morning news program, produced in partnership with WGBH in Boston, the BBC World Service, and the *New York Times*, and designed to provide an alternative to NPR's *Morning Edition*. Knight also gave NPR \$1.5 million in 2007 to train 600 staff in the use of digital media technology.¹⁴⁷ And in October 2010, NPR announced that it had received a \$1.8 million grant from the Open Society Foundation that will, if NPR is able to raise enough additional funds, place at least 100 journalists at NPR member radio stations in all 50 state capitols to increase coverage of state government.¹⁴⁸ Several of the largest stations in major cities have made a move to increase their journalistic footprint dramatically. In October 2010, leaders of several large public radio stations—led by American Public Radio founder, Bill Kling—announced a \$100 million fundraising target that would allow them to triple the news staffs in New York, Chicago, Los Angeles, and Minnesota.¹⁴⁹ As part of that effort, Laura Walker of WNYC says she hopes to raise money to field 100 reporters, which would transform the station into a major journalistic presence in New York. She says this is only likely to happen with foundation or government support. "I'm not sure we can sustain the journalism from listener-supported radio," she explains. "It doesn't pay. People value it but don't value it at the level it costs."¹⁵⁰ So far, the \$100 million campaign has not gotten much traction with foundations.

As public radio seeks to expand its news operations, it faces criticism for its audience composition. Some say that public radio appeals too narrowly to the affluent, white, and well educated, and this criticism has some empirical support. According to the Pew Project on Excellence in Journalism, the median household income of an NPR listener in 2010 was \$86,114, compared with the national median of \$55,462; 40 percent of NPR listeners have a household income of more than \$100,000, compared with 22 percent of the general population.¹⁵¹ Educationally, 69 percent of NPR listeners have a college degree or higher, compared with only 26 percent of the general population.¹⁵²

Collaboration

Whatever the strengths (and weaknesses) of public broadcasting's news efforts, it has become increasingly clear that the nonprofit news sector will not thrive without a significant increase in cost-efficient collaborations among public broadcasting outlets, and between public broadcasters and other nonprofit entities.

CPB has taken steps to encourage multimedia collaboration among public radio and TV stations. In 2010 it launched seven Local Journalism Centers (LJCs),¹⁵³ each run jointly by television and radio stations that hire reporters, editors, and community outreach managers to report on topics of regional interest in their area and then distribute the content over multiple platforms, including TV, radio, mobile, and Internet.¹⁵⁴ The LJCs are (or will be) operating in the Southwest, the Upper Midwest, the Plains, Upstate New York, Central Florida, the Northwest, and the South.¹⁵⁵ The Southwest center will focus on border and immigration issues, while the Midwest center will focus on agribusiness. WVIZ in Michigan, together with Michigan Radio and Chicago Public Radio, has already staffed its first project, Chang-

ing Gears: Remaking the Manufacturing Belt. And the Healthy State Collaborative Local Journalism Center, a partnership of several Florida public media stations, is operating with a dedicated staff of six focusing on issues of importance to the state's large population of older residents.¹⁵⁶ The center recently launched a website to promote its mission of “super serv[ing] the residents of [the] region with an intense journalistic commitment to the unifying topic of health care.”¹⁵⁷

CPB also is co-sponsoring NewsWorks.org, a website produced by the Philadelphia PBS- and NPR-affiliate, WHYY, that emphasizes hyperlocal reporting and teams community members with station editors to produce content for multiple platforms (TV, radio, Internet, and mobile). Focusing on seven distinct neighborhoods, the website also features a discussion forum, where community members can “exchange ideas around the clock.”¹⁵⁸

In St. Louis, a nonprofit online newspaper, the *St. Louis Beacon*, has partnered with local PBS-affiliate KETC on local reporting and “public awareness projects.” *KQED News* in San Francisco dramatically expanded its news coverage with a website that combines content from KQED Public Radio, KQED Public Television, and KQEDNews.org. These synergies have helped KQED to increase the local newscasts it broadcasts from six to 16.¹⁵⁹ KQED represents one of more than 50 media outlets (online, broadcast, and print) that carry reports from the nonprofit investigative website California Watch for a fee, and the station has ongoing partnerships with at least 25 other news outlets, as well.¹⁶⁰ Other stations have teamed up with local libraries, universities, journalism schools, and other nonprofits to act as “anchor institutions” within their community’s media ecosystem.¹⁶¹

News consumption accounts for 4 of every 10 hours of public radio listening, with the all-news format the most-listened-to of public radio formats.

New technology platforms have been instrumental in facilitating collaboration. A watershed moment came in July 2008, when NPR released an open API (Application Programming Interface)¹⁶² that allows different public media entities and third parties to share, remix, and distribute public media content.¹⁶³ Individual stations can use this API easily to post NPR stories, audio segments, and photos on their websites. NPR reports that the API served some 1.1 billion stories in one month alone,

and in the first half of 2010 nearly five billion NPR stories were distributed to a host of different websites.¹⁶⁴

However, collaboration can be expensive and time-consuming, at least in the short term.¹⁶⁵ Stations do their own fundraising and jealously guard their membership relations. CPB has made some efforts to incentivize collaboration among public broadcasting stations, in part by establishing new networks, as discussed above. However, the funding formulas that it administers do not compel collaboration. Indeed, because funding is so significantly station-based, grantees may be encouraged to maintain duplicative operations within a community “(to be discussed in Chapter 15, The Evolving Nonprofit Media).

Political Pressure and Local News

Even if public broadcasters *can* do more local journalism, there are some who argue that they should not. There are two conflicting concerns: that public media will be too dependent on government and, conversely, that they will be too independent. If public media entities were to offer more accountability journalism, for instance, would they be able to withstand political pressure from those who disagree with the content? Could politicians use the leverage of tax dollars to manipulate coverage? Opponents, such as writer Adam Theirer, argue that significantly expanding government funding for newsgathering would “dampen the incentive for aggressive reporting on government activities or abuse, and invite political meddling in the news that is ultimately... disseminated to the public.”¹⁶⁶

The first thing to note is that federal government contributions usually make up only a small percentage of station revenue, at least for stations in larger markets. At KPCC in Los Angeles, for instance, 45 percent of revenue comes from individual contributions, 40 percent from corporate underwriting—overwhelmingly from local hospitals, universities, museums, and arts institutions—and just 7 percent comes from the federal government.¹⁶⁷ That is not to say that the federal contribution is unimportant. It often provides critical funding for operations—basic transmission and administrative costs—that members and foundations are less interested in funding. It also provides seed money to launch programs that stations later sustain through outside sources.¹⁶⁸

With respect to federal influence, the funding structure was designed to keep legislators and the White House from influencing public broadcasting programming choices. CPB, as a relatively passive pass-through for fed-

eral dollars, should serve as a firewall between the funders and the funded. This structure has been tested with respect to particular programming choices. In 1980, the Carter administration reportedly tried to pressure PBS to cancel the airing of *Death of a Princess*, a drama-documentary “about a Saudi princess executed for an affair with a commoner.”¹⁶⁹ Pressure also came from Mobil Oil, “a major PBS underwriter.” PBS president, Larry Grossman, refused to cancel the program, but many PBS affiliates became unwilling to air it, anyway.¹⁷⁰ In 2002, PBS promised to keep an HIV-positive Muppet off *Sesame Street* after congressional conservatives wrote to PBS to remind the network of its financial dependence on federal dollars. In 2005, PBS pulled an episode of *Postcards from Buster* that included a family with two moms after the Bush administration called for PBS to return federal funds dedicated to the show.¹⁷¹ On balance, however, the public broadcasting system structure—and the CPB firewall—has been relatively effective in protecting programmers from program-specific political intervention. Although these examples are worrisome, they are small in number.

But political pressure also can impact programming and content in ways that are not easy to detect. Broadcasters may skew coverage or avoid controversy to forestall political criticism. A condition of CPB funding is that public stations must demonstrate “objectivity and balance” in their coverage of controversial matters¹⁷²—and it is up to CPB to ensure that this is done. This stipulation has led public broadcasters to strive for a disciplined nonpartisanship, a role that increasingly distinguishes them from the many other media entities that have grown more partisan. On the other hand, some argue that the drive for balance has made public broadcasters more tentative when it comes to tackling controversial issues. NPR news programs like *All Things Considered*, for example, have been criticized for being too cautious and unwilling to challenge the conventions of mainstream journalism.¹⁷³ Moreover, “objectivity and balance” are inherently subjective terms, open to a variety of interpretations depending on who is managing the organizations at any given moment.¹⁷⁴

Whatever the strengths and weaknesses of the CPB firewall, there is also a question as to whether it will be adequate should local stations begin to do more aggressive journalism. In addition, the dynamics of political and corporate pressure might be different on the local level. For instance, UNC-TV, licensed to the University of North Carolina, recently was forced by the North Carolina General Assembly to turn over the notes and video footage from one of its reporters on a story that cast the corporation Alcoa in a negative light. Internal emails show that station management wanted to fight the lawmakers’ request and protect the reporters and sources, but the decision was up to University of North Carolina.¹⁷⁵

Then there is the other criticism: that public media journalists already are *too* independent of public mores and taxpayer inclinations. Conservative groups have argued that public radio programming espouses a liberal agenda and does not serve the interests of the public at large.¹⁷⁶ NPR’s autumn 2010 firing of Juan Williams reinvigorated the accusations of liberal bias. In the aftermath of that event, FOX News Channel’s Bill O’Reilly said:

“The news-based programming on PBS and NPR is heavily tilted to the left. In fact, as far as their news analysts are concerned, there are 18 liberal-leaning individuals on the air and one moderate, David Brooks. There are no conservative voices heard in the national public broadcasting precincts.”¹⁷⁷

Others have argued that this criticism of NPR is out of date. *New York Times* columnist and *PBS NewsHour* commentator, David Brooks, says:

“The damaging thing to me is NPR has really worked hard over the past 10, 20 years to become a straight-down-the-middle network. I’m not sure they were decades ago. But now they really are.”¹⁷⁸

Is it possible for public media to be—or be viewed as—a neutral ground? Steve Coll, president of the New America Foundation, wrote:

“In this time of niche publications and cable networks that thrive on ideological anger, we should be seeking to strengthen NPR’s role as a convener of the public square, a demagogue-free zone where all political and social groups—including conservatives and others opposed to federal funding of public media—should be welcome on equal terms.”¹⁷⁹

Randolph May of the conservative Free State Foundation thinks public media, by its nature, cannot play this role:

“[G]overnment’s involvement tends to exacerbate public tensions in a way that makes civil discourse more difficult. This is because government content decisions are seen by many as tilting the public policy playing field in a way inconsistent with their beliefs.”¹⁸⁰

Impact of the Internet and Digital Technology

When it comes to Internet realities, commercial and noncommercial broadcasters face similar challenges. Both compete for mindshare with the myriad other choices Americans have. And both are impacted when viewers switch from watching a program on TV to consuming content online. The blow to the commercial broadcaster may be worse, however, because advertising rates online are much lower than those on broadcast TV. While noncommercial programmers must contend with the same circumstances regarding corporate underwriters, they also have the ability to solicit audience donations on either medium.

Like commercial media, public broadcasting has had to adapt to the changing landscape. Although to date, only 3 percent of public broadcasting news professionals work exclusively online, public broadcasters in general have tried to expand their audience by offering increasing amounts of web content.¹⁸¹ PBS’s *Frontline* streams its programs online in their entirety, with links to relevant resources.¹⁸² The PBS KIDS’ website offers full-length episodes and educational games.¹⁸³ *PBS NewsHour* produces regular online webcasts, for which the audience more than doubled from 2008 to 2010, reaching 1.4 million unique monthly views in 2010.¹⁸⁴ PBS also places its content on Hulu, YouTube, digital multicast channels, mobile smart phones, and social-networking sites.¹⁸⁵

PBS recently launched free iPad and iPhone applications, which quickly became the number one downloaded applications.¹⁸⁶ Public radio podcasts are downloaded by the millions each month; one program, WBUR’s *On Point*, is downloaded as many as 500,000 times weekly.¹⁸⁷ Nashville Public Television’s *Next Door Neighbors* uses an online interactive immigration data map to raise awareness of cultures that would otherwise be unfamiliar to local residents.¹⁸⁸ Its programming on Nashville’s Kurdish community has reportedly gone viral in Kurdistan. Public TV in Atlanta created LENS on Atlanta, an Internet destination with tools that allow users to create and share content, engage in online dialogue, and even connect with local government leaders.¹⁸⁹ KPBS in San Diego made early use of Twitter to alert community members about forest fires that affected the region in 2007.¹⁹⁰

Several PBS stations have made creative use of their digital multicast channels.¹⁹¹ The Orlando station uses a multicast signal to carry The Florida Channel, a public affairs television network covering legislative and judicial proceedings in the state, as well as meetings of the governor, his cabinet, and other local electoral and public affairs programming. The South Carolina Channel, also carried on a multicast channel, provides coverage of the State House of Representatives, local sports, and other local programming. The Minneapolis station carries The Minnesota Channel, broadcasting programming created by and for Minnesota and neighboring audiences.¹⁹² Public radio stations across the country are also doubling and tripling their offerings by using digital subchannels to broadcast local community events, town hall meetings, hearings, and legislative floor sessions, in addition to using these new streams to display song information, weather, traffic updates, and local news.¹⁹³

The development of smartphone applications has also been a tremendous success for NPR and Public Radio Exchange (PRX), a nonprofit that distributes independently produced noncommercial radio programs and facilitates content exchanges among consumers, producers, and public radio stations. The Public Radio Player—a free application developed by PRX for the iPhone—has been downloaded 2.5 million times since 2008.¹⁹⁴ After the release of the iPhone, iPad, and Android apps, mobile traffic rose from 5 percent to at least 27 percent of NPR’s total digital traffic.¹⁹⁵

Public media companies are also trying to leverage their reputations and brands in the social-media space in various ways. Public Insight Journalism, a project pioneered by American Public Media (APM) and funded by the Knight Foundation, brings together a network of nearly 100,000 sources, who contribute information to a database of

Overall, public radio deploys more than 1400 reporters, editors, and producers in 21 domestic and 17 foreign bureaus.

topics and stories in order to guide journalists and connect them with resources. This “curated crowdsourcing” is being used for national programs such as *Marketplace* and *On Being*, and by radio stations in major markets, such as New York City and Los Angeles, as well as in smaller markets, like Charlotte, North Carolina, and St. Louis, Missouri.¹⁹⁶

The Problem of Streaming Costs and Digital Distribution

Public broadcasters have a significant problem in the digital world that commercial broadcasters do not face. Since many commercial broadcasters put ads on their archived clips, they make money each time a video or audio clip is played online. The sponsorship deals of public stations are not tied to viewership in the same way, so each time someone watches a video clip on a public TV website it adds to the station’s broadband streaming costs—without bringing in additional revenue. The more popular the clip, the less financially beneficial it is to the public station. For all the justified excitement about the Internet as a means of conveying video and building audience, for public media the Internet has thus far been a more expensive way to transmit content on a per capita basis than broadcast has been. Bill Kling of APM puts it this way:

“[W]e can reach 14 million people in Los Angeles with a transmitter that runs on 600 watts of power. If we tried to reach 14 million people with broadband...we’d be bankrupt. We spend now \$500,000 a year in our company alone on broadband spectrum in order to serve the audiences and I don’t think everybody realizes that every time you download podcast or stream audio...it’s a collect call to us.”¹⁹⁷

He estimates that in Los Angeles, it costs the local public radio station \$3,000 per year for the electricity to run its radio transmitter but almost \$300,000 to stream audio over the Internet.¹⁹⁸ The alternative music public radio station in Philadelphia, WXPB, spends about 2 cents per unique listener each year for ordinary radio transmission.¹⁹⁹ But to stream to its online audience of approximately 45,000, WXPB spends about \$9,000 annually on bandwidth costs—amounting to \$2 per user.²⁰⁰

The costs of streaming are significantly higher when video is involved. In May 2010, PBS streamed approximately 1.3 million hours of video to users, running up a tab of roughly \$20,000 for that month alone. This is all in addition, of course, to the broadcast costs.²⁰¹ PBS projects that number of hours streamed will increase by 17 to 25 percent each year over the next 10 years.²⁰²

Another factor likely to drive up costs is consumer demand for better quality. PBS currently delivers its online video at transmission speeds well below those of industry leaders like Netflix and Hulu. As access to high-speed broadband continues to grow, PBS anticipates that it will need to put additional resources toward enhancing its streaming quality.²⁰³

All of these costs are expected to skyrocket as demand grows. PBS considered three different scenarios to try to gauge just how much content delivery costs might rise over the next 10 years: Using a conservative growth model, in which usage and quality increase while streaming prices drop, annual costs could reach \$14 million. Imagining a more moderate situation, in which prices do not drop as quickly as usage increases, the estimate was \$27 million. And, assuming a 50 percent jump in online video usage, as some industry analysts have predicted, annual costs could reach in excess of \$100 million. In other words, PBS could be looking at an eight-fold to 60-fold increase in content delivery costs between now and 2020.²⁰⁴

PBS emphasizes the speculative nature of these projections, noting that new business deals and technological advances could impact costs dramatically. As the volume of streams grows, the cost-per-stream declines. But clearly, at this point, the potential cost burden of online streaming is cause for concern.

What is more, these models assume that broadband providers will not begin charging some content providers more than others (sometimes referred to as “paid prioritization”). But, as demand for high-bandwidth content (such as video or even 3-D video) increases, providers of broadband capacity may turn to content providers as well as to consumers to pay for the “pipes,” or transmission capacity, required to serve up the content.²⁰⁵ As more and more content moves to broadband, content providers could face additional access costs, as well. These concerns have led some public broadcasters to call for policy interventions that assist noncommercial providers in establishing ownership of their own broadband infrastructure and accessing third-party broadband infrastructure at low cost.²⁰⁶

Streaming poses yet another business model challenge, in that it potentially shifts viewer allegiance from local stations to national public media brands. In the old system, the only way consumers could listen to NPR or watch PBS was through a local public TV or radio station, which would then attempt to garner revenue by asking them to donate. Now, people can go straight to NPR.org and PBS.org and listen to national content without developing a relationship with the local station. National and local public broadcasting leaders have worked out ways of splitting the revenue but that tension will likely not disappear.

Membership Support

The mechanics of collecting member contributions has grown more complex. If collaborations with other nonprofit organizations or among public media broadcasters are to thrive, public media organizations will need to be able to distribute funds to multiple partners. The news collaboration between a nonprofit digital media entity, the local public radio station, and a journalism school will flourish only if the membership donation to one can be channeled to others in the partnership. Some public media officials believe membership contributions would grow if Apple were to allow one-click donations, using the iTunes store, within iPad and iPhone applications.²⁰⁷

Other Challenges Facing Public Broadcasting

Inflexible or Inappropriate Government Funding Streams

In Chapter 31, *Nonprofit Media*, we explore the Corporation for Public Broadcasting (CPB) funding system in more detail, but here are key points relevant to this discussion: 1) by law, about 67 percent of the total annual appropriation to CPB is earmarked for TV infrastructure and programming, and about 22 percent is earmarked for radio—an allocation that made sense before the Internet but now is overly rigid and restrictive; 2) most of this funding is allocated according to a formula, with CPB having little ability or inclination to tie funding to quality standards or to policy goals (such as increasing local programming); 3) CPB can direct only a relatively small amount of its budget to digital innovation. Most of the innovative digital projects funded by CPB to date were supported by a temporary allocation of between \$30 million and \$40 million dollars that was earmarked for the conversion of stations to digital broadcasting, as well as for content and services associated with the conversion.²⁰⁸ This funding stream has now ended.

Intra-Broadcast Collaboration

Fifteen markets in the U.S. are considered “multi-provider” markets by CPB, meaning that most of the market is served by more than one CPB-eligible public television station.²⁰⁹ This creates inefficiencies. First, stations typically fail to collaborate optimally on the use of spectrum capacity, infrastructure, and administrative functions, the result of which is duplicated effort and wasted resources. Second, these stations often provide redundant services, failing to give the public sufficient value for the amount of spectrum and resources allocated to them. According to CPB data collected from stations, the cost of merely broadcasting content (that is, getting it from the satellite out to the broadcast consumer) can be as high as that of producing content. Public TV stations spend between \$2.9 million and \$27.3 million each on the broadcast delivery of content annually.²¹⁰ If they could consolidate broadcast distribution onto shared channels, share master control and other functionality, and take other steps to economize on distribution and back office functions, they would free up resources for content production.

For example, Boston’s WGBH acquired WGBY of Springfield, Massachusetts, as a sister station, and the paired PBS stations were able to invest more in content with what they saved on broadcast operations.

The national nonprofit, Public Radio Capital (PRC), provides capital to public broadcasters seeking to operate additional stations so that they can spread content investments and operational expenses over more platforms. PRC helped Denver’s Colorado Public Radio purchase a second noncommercial FM station in 2008, resulting in a revenue boost for the station and additional service to the public (news on one channel and classical music on the other).²¹¹

One of the benefits of station consolidation and joint operation is better management. Direct governance, meaning direct oversight of media operations by a nonprofit board, plays a critical role in establishing more efficient,

Some have criticized public radio for appealing too narrowly to the affluent, white, and well-educated.

well-run station operations (governance issues are discussed in the next section). After responsibility for the operations of Los Angeles station KPCC shifted from a university to a high-powered community board that directly oversaw station operations, the station morphed from a failing station with a \$1 million budget and a \$135,000 annual deficit into one with \$16 million in revenue, a balanced budget, and the largest news audience of any public media company in Los Angeles.²¹²

From 2004 to 2009, the number of stations carrying local news or talk programming rose from 595 to 681.

With the current national need to ensure that spectrum is put to the best use—especially by providing universal high-speed Internet—tolerance for inefficient use of spectrum will decrease. For many years, CPB has tried to get multi-provider markets to consolidate as many operations as possible and to differentiate programming as much as possible. It has offered financial incentives for stations to combine master control operations, which amount to \$11,000 to \$72,000 in monthly

expenses.²¹³ To date, these efforts have not been terribly successful. CPB set up an incentive fund in 2010 to encourage more collaboration among stations in and between markets.²¹⁴

Collaborations often are more difficult than it might seem. In some cases there is uncertainty about what is legally permissible for stations with regard to joint operation.²¹⁵ Different licensees may have incompatible goals and management structures. In some cases, stations competing with each other for membership dollars are wary about sharing information and resources. Finally, unlike in the private sphere—where there is a pool of investors to finance roll ups—the public media world has less capital to finance such mergers.²¹⁶

Institutional Licensees

Twenty-three percent of all public TV licenses and 31 percent of all radio licenses are held by colleges and universities.²¹⁷ The percentages are larger for CPB grantees, with 33 percent of all television grants and 48 percent of radio station grants in the hands of colleges or universities.²¹⁸ In the early days of public radio and TV, universities played a crucial role in providing educational programming. But there is debate today in public media circles about whether so many stations should be operated by universities.

The Public Broadcasting Act requires community licensees—that is, private nonprofit licensees—to have community advisory boards to ensure high quality and responsiveness to communities. However, the 1,053 university-owned NCE (noncommercial educational) licensees are exempt from this requirement, as are government licensees. Perhaps more important, community licensees are typically governed by boards whose only responsibility is the station's operation. By contrast, university and government licensees are governed by institutions that typically have many other responsibilities and are concerned with outcomes that go beyond (and may be at odds with) the public's interest in information.²¹⁹

Some argue that when a station lacks a governing board that is directly and exclusively responsible for the performance of the station, performance is suboptimal.²²⁰ Oversight of the station's operations may fall to the university's board of regents or board of trustees, which may have little interest in the station's performance, little expertise in media matters, and little desire to exercise authority over station management.²²¹

Despite these issues, some of the most respected public TV stations in the country are owned by universities. Public Radio News Directors award winners in 2010 included WAMU, run by American University; WKYU, run by Western Kentucky University; and WGCU, run by Florida Gulf Coast University.²²²

The need for good governance extends, of course, beyond stations licensed to universities.²²³ According to Terry Clifford, co-chief executive of Station Resources Group, “Good governance is a combination of... strong leadership at the top, vision, mission, strategy, a financial model that supports that core mission, and a sense of responsibility, accountability, and transparency to the community.”²²⁴ Some “advisory boards” are merely ceremonial. “They come together and talk about things they care about relative to programming content—and then they leave,” Clifford says, contrasting this to “governing boards,” which have the power to hire and fire, “decide how much financial risk they can take, open doors, raise money, approve, and contribute to strategy.”

At least one public broadcast organization, American Public Media, has recommended that, “as a condition of holding an FCC broadcast license, all noncommercial stations or networks that have a combined population under

Steve Coll: “In this time of niche publications and cable networks that thrive on ideological anger, we should be seeking to strengthen NPR’s role as a convener of the public square.”

signal of more than 500,000 people be required to have a Direct or Independent Board of Directors.”²²⁵ While not disagreeing with the principle that direct governance could improve station functions, another public broadcaster notes that power over a station will always be wielded by the entity that holds the license.²²⁶

Diversity

Serving diverse audiences is a core mission of public broadcasting. CPB currently provides financial programming support to at least 75 stations that are minority owned.²²⁷ CPB also funds the National Minority Consortia, which consist of the Center for Asian American Media, National Black Programming Consortium, Native American Public Telecommunications, Native Public Media, Pacific Islanders in Communications, and Latino Public Broadcasting.²²⁸ The Consortia fund, produce, and distribute radio and television programming about their ethnic communities, and they “award grants for program production, training, exhibition, and outreach activities.”²²⁹

Nevertheless, public television and radio have faced sharp criticism for failing to provide programming that more accurately reflects the populations of the communities their stations serve.²³⁰ Station Resource Group’s Grow the Audience project reports that many people of color do not believe that current public radio content adequately addresses their daily concerns. African-Americans are about 80 percent, and Hispanics only 42 percent, as likely to listen to public radio as the population as a whole.²³¹ Only 5 percent of NPR’s audience is African-American (compared with 12.2 percent of African-Americans in the overall U.S. population).²³² The latest 2010 data shows that NPR listeners are, on average, older, more affluent, more likely to be male, and more likely to describe themselves as “middle of the road” politically—though those who describe themselves as liberal are slightly more liberal than the general U.S. population.²³³

PBS, on the other hand, reports that its audience demographics increasingly align with the U.S. population. It says that the nearly 115 million people who watch their local PBS stations reflect “the overall U.S. population with respect to race/ethnicity, education and income.”²³⁴ Specifically, as of 2008, 11.8 percent of its audience was African-American (compared to 12.1 percent in the overall population). Similarly, 10.9 percent of its audience identified as Hispanic (compared to 10.8 percent in U.S.).²³⁵ The demographics of PBS’s online audience are also quite diverse. Both PBS.org and PBSKids.org report that African-Americans, Asians, and Hispanics make up a larger share of their audiences than of the general population.²³⁶ Excluding PBSKids.org visitors, the average visitor to PBS.org is 35 years old, 10 years younger than the national average.²³⁷

Public broadcasting stations have struggled to employ sufficient numbers of minority staffers and managers. By 2010, the number of minority public broadcast news professionals overall was at 20 percent,²³⁸ while the total minority population in the United States was approximately 28 percent.²³⁹ In comments to the FCC, the National Federation of Community Broadcasters, which is an alliance of stations, producers, and others committed to community broadcasting, encouraged the Commission to collect race and gender data about public broadcasting governing boards to facilitate policies to promote diversity in broadcasting.²⁴⁰ They also recommended that the Commission collect data about local news and cultural programming production by noncommercial radio stations and other outlets in order to better assess the connection between programming and the resources needed to support those efforts.²⁴¹ Commenters argued that understanding whether minority groups are being well served is consistent with the law creating public TV and radio, which included among its goals addressing “the needs of unserved and underserved audiences, particularly children and minorities.”²⁴²

Measurement Gaps

Public broadcasting has always had trouble measuring its value. Commercial ratings do not work for public media companies because they are supposed to be providing an alternative to commercial fare—an alternative that does not

“Government’s involvement tends to exacerbate public tensions in a way that makes civil discourse more difficult,” says Randolph May of the conservative Free State Foundation.

necessarily draw large audiences. Public media entities emphasize factors such as the ability of programming to meaningfully engage citizens in civic and public life, but achievement of those goals are hard to quantify.²⁴³ Ellen P. Goodman, a law professor at Rutgers-Camden and Distinguished Visiting Scholar at the FCC, summarizes the dilemma:

“At the same time that public broadcasting is supposed to supplement the market, it is also expected to reflect existing audience preferences for particular kinds of media products—the very task at which the market excels. If public broadcasting invests too heavily in programming that is not widely consumed, some deem it irrelevant.”²⁴⁴

Members of the public service media community hunger for a more appropriate analysis of the influence, engagement, reach, and effectiveness of public media activities.²⁴⁵ Researchers at the American University Center for Social Media are working to develop common standards to assess social returns on media investments, much as has been done in the business world with “triple bottom line” standards for socially responsible businesses.²⁴⁶ NPR, in an attempt to assess the real impact of its programming, has found that two out of three NPR listeners typically do further research after listening to a story and nearly 25 percent have become involved with a local or national political issue.²⁴⁷ KETC in St. Louis has tried to define and measure the impact of its series *Facing the Mortgage Crisis* in terms of whether its work causes people to “take action” about a problem or discuss it with others.²⁴⁸

Better, or at least more widely shared, metrics for measuring the value of public service media would make it easier to demand certain performance levels.

Should “Public Broadcasting” Become “Public Media”?

As media have converged across multiple platforms, public broadcasting leaders have had to wrestle with what it means to be “public media” or “public service media” that makes use of a full range of platforms, as opposed to “public broadcasting,” based on traditional TV or radio.

Of course, public broadcasters are increasingly reaching their audiences through non-broadcast means, especially Internet and mobile, and as they enter new production and distribution modalities, they find that they share the field with other nonprofits. There has been a proliferation of content creators that do not have public broadcasting licenses but closely resemble public broadcasters in mission and spirit. Yet they do not receive funds from CPB, which almost exclusively funds traditional broadcast licensees. For instance, there are an estimated 5,000 PEG stations (public, educational, and governmental access channels; see Chapter 7, Public Access Channels) that operate on a local level to provide highly localized content.²⁴⁹ None of them gets CPB money. There are 23 states in which cable TV operators air state equivalents of C-SPAN (i.e., state public affairs networks or SPANs; see Chapter 8, C-SPAN and State Public Affairs Networks), covering state government activities²⁵⁰—but the National Association of Public Affairs Networks has identified only four such networks (in Alaska, Florida, Ohio, and South Carolina) that are affiliated with a public broadcaster²⁵¹ and none that directly receives CPB funding.²⁵²

Most important, the newly created nonprofit websites provide local news and journalism outside the boundaries of the traditional public broadcasting system. As noted in Chapter 12, Nonprofit Websites, these websites are testing innovative approaches to local funding but have struggled mightily to develop sustainable business models.

Five of the top ten audio podcasts on iTunes were from public radio.

Some have suggested reconstituting the Corporation for Public Broadcasting (CPB) as the Corporation for Public Media or the Corporation for Public Service Media to reflect today’s wider range of nonprofit content.²⁵³ Former CPB board chairman Ernie Wilson argues that what should define “public service media” is not platform or funding model, but the “embrace [of] our evergreen mission of seeking out and providing information in the public interest.”²⁵⁴