

Entrepreneurship in the New Media

How the media world – from news to entertainment to advocacy – is being upended by the digital revolution, and how entrepreneurs are stepping up to create new models.

This course will examine the rapid changes affecting the news media, and other medial businesses. It will examine the ways in which new forms of news are changing what we know as a society, and will also help prepare aspiring journalists to be successful entrepreneurs in a world in which the sole-proprietorship, not the Fortune 500 giant, may emerge as the dominant business structure. The course will trace the causes and arc of these changes; examine case studies of new-media businesses and non-profits; bring in guest speakers who exemplify these changes; and provide a primer on the various skills needed to be successful as a journalism entrepreneur.

The class will also examine the way new business models are changing the work that journalists do, the kind of news and information they disseminate, and the messages that news consumers are receiving.

The basic framework of the course will be case studies of new-media business models and the various themes and trends these models represent. Often, we will have the operators of these sites meet with the class. This survey of the most recent models adopted by entrepreneurs will give students a strong background in the current new-media environment, and help prepare them for beginning their own journalism entrepreneurship.

The course will build toward students' creation of a feasibility plan for a new-media business – one that they might actually implement after graduation, or one that they might aspire to. The business plan might be a non-profit, a for-profit or a hybrid. Students will also keep class blogs tracking developments in the world of entrepreneurial journalism.

Instructors

Geoffrey Cowan and David Westphal.

Course Objectives

At the end of the semester, students in the course will know:

1. How and why the economic model of mainstream media like newspapers and broadcast has declined, and how that decline has yielded an era of destruction, innovation and experimentation.
2. What it takes to be a successful new-media entrepreneur.
3. The range of new-media models being developed by entrepreneurs – from nonprofits to for-profits, from citizen journalism to social media.
4. How the digital revolution is also upending the film, music, TV and book business, and how new models are developing in these fields as well.
5. What it takes to prepare a new-media feasibility plan.

Required texts

Jarvis, Jeff, *What Would Google Do?* Harper, 2009.

O'Malia, Thomas, and Whistler, Margaret M., *The Entrepreneurial Journey*, Southwestern Publishing, 2008 (selected chapters).

Waldman, Steve, *The Information Needs of Communities*, Report to the FCC, May 2011.

Isaacson, Walter, *Steve Jobs*, Simon & Schuster, 2012.

Class assignments

1. Students are expected to come to class having completed the readings and then are expected to participate actively in class discussions.
2. Students must keep a class blog in which they write (at least once a week) about developments in entrepreneurial journalism, about class discussions and readings, and about their class projects.
3. Students must complete a 20-page paper that describes a feasibility plan for a hypothetical new-media startup. Plan will be for a startup students might create after graduation, or one they might aspire to someday. Model could be for-profit, non-profit or hybrid.
4. Students will make a 5-7 minute class presentation on a digital site or service they use. Focus will be on the site's business model and results.
5. Students will be responsible for one 15-to 20-minute oral presentation describing their feasibility plan.

6. Students will participate in a small-group research project in which they profile a media business from an earlier time. They will then project how this business might be able to overhaul itself for success in the digital world.
7. Students will make a 6-8-minute presentation on a new-media business deal. How did it occur? What were its fundamentals? Did it work?
8. Students must meet with one of the class instructors for at least one office-hours meeting.

Grading:

Final exam paper and related presentation: 40%

Blogs: 15%

Class presentation on digital service or site: 5%

Class presentation on new-media business deal: 10%

Group presentation on “Then and now” 15%

Class participation: 15%

The course measures an “A” as 94% or higher, an “A- ” as 90-93%, a “B+” as 87-89%, a “B” as 84-86%, and so on.

Schedule of Classes

(Note: Many of the readings for this class will be time sensitive, due to the nature of the course. Check Blackboard for additional readings.)

Week 1

Speaker: Russ Stanton of KPCC. Course and class introduction. The digital revolution turns the media industry upside down. The role of entrepreneur takes center stage as the revolution plays out. The transition of journalist from institutional team player to entrepreneurial soloist. Students will introduce themselves, talk about their class hopes and also describe their media and digital habits and interests.

Week 2

A classic case of disruption. The high-margin news media business is thrown for a loop, and its near-monopoly power has fallen apart. How has this happened? How is it responding? This class will also look at how the digital revolution has changed politics and campaigning. (The national political conventions will be occurring at this time.)

Waldman, Steve, *The Information Needs of Communities*, Report to the FCC, Executive Summary and Chapters 1, 2, 4, 20, 21, 25, 35. May 2011.

Rosenstiel, Tom, and Mitchell, Amy, *The State of the News Media 2012*, Pew Research Center, 2012.

Edmonds, Rick, *Gannett Layoffs Are a Leading Indicator of a Permanently Shrinking Newspaper Business*, Poynter Institute, June 2011.

Mutter, Alan, *Newspaper Digital Ad Share Hits All-Time Low*, Reflections of a Newsosaur, April 2012.

Carr, David, *New Orleans Newspaper Scales Back in Sign of Print Upheaval*, New York Times, May 24, 2012.

Shear, Michael, *Campaigns Partner With Social Media Companies*, New York Times, April 18, 2012.

Vargas, Jose Antonio, *Obama Raised a Half Billion Online*, Washington

Week 3

What does it take to be an entrepreneur in the media business in 2011? How are journalists faring in becoming more entrepreneurial? First batch of presentations profiling digital products we use and their business models.

O'Malia, Thomas, and Whistler, Margaret M., *The Entrepreneurial Journey*, Southwestern Publishing, 2008. (Chapters 1-3).

Jarvis, Jeff, *What Would Google Do?* Harper, 2009.

Week 4

Television rolls on. The digital revolution has swamped the newspaper and magazine business, but television's outlook seems stronger. Why? Will it last? Second batch of digital products presentations.

Waldman, Steve, *The Information Needs of Communities*, Report to the FCC, Executive Summary and Chapters 3, 26, 27, 28. May 2011.

Cole, Jeff, *Digital Future Study*, Center for the Digital Future, June 2011.

TV News Staffing Soars, Radio, TV News Directors Association, July 12, 2012.

Week 5

Can community news make a living in the digital world? Case studies of the community news Web site. Third batch of digital products presentations.

Klein, Jeffrey, and Vasquez, Maria J., *Online Community News: A Case Study in Long Beach, California*, USC, 2011.

Klein, Jeffrey, *Fifteen Ways to Generate Revenue for a Community News Web Site*, USC, 2011.

Ellis, Paula, *New Site Engages Citizens in Making New York City More Livable*, Knight Foundation, July 2011.

Higginbotham, Keith, *Press-Telegram Newsroom Staff Slashed*, Long Beach Business Journal, June 2011.

Schaffer, Jan, *New Voices: What Works*, JLab, American University, October 2010.

Gillette, Felix, *AOL's Patch: Big Losses on Hyperlocal News*. Business Week, March 2012.

Week 6

The social media revolution. Did Mark Zuckerberg invent the quintessential and durable media business model? How social is revolutionizing the media business. First round of "Then and Now" presentations.

Social Media and Games Dominate Activity, NielsenWire, Aug. 2, 2010.

Cole, Jeff, *2010 Digital Future Project*, USC Center for the Digital Future, Summer 2010.

The People Formerly Known as the Audience, The Economist, July 2011.

Elowitz, Ben, *The Web is Shrinking. Now What?* All Things Digital, June 2011.

Johnson, Steven, *Can Anything Take Down the Facebook Juggernaut*, Wired, May 16, 2012.

Week 7

Starting with the basics: How to identify a market problem that needs solving. How to build an audience. How to assemble the building blocks of a business plan. Second round of "Then and Now" presentations.

O'Malia, Thomas, and Whistler, Margaret M., *The Entrepreneurial Journey*, Southwestern Publishing, 2008. (Chapters 3-6).

Picard, Robert G., *Journalism, Value Creation and the Future of News Organizations*, Shorenstein Center on the Press, Politics and Public Policy, 2006. <http://tinyurl.com/bzvc4g>

Scocco, Daniel, *How to Find Advertisers for Your Website*, DailyBlogTips,

Week 8

Failure: An important and inevitable part of entrepreneurship. Steve Jobs' story is a great example of how abject failure and spectacular success are intimate friends. First of presentations analyzing media deals.

Isaacson, Walter, *Steve Jobs*, Simon & Schuster, 2012.

Bercovici, Jeff, *The Lessons for Facebook and Reddit in Google's Demise*, Forbes, July 13, 2012.

Week 9

Mobile grabs the spotlight. Will it also grab the revenue? The iPhone, the iPad, the Android move to center stage. The mobile revolution may just be getting started.

Second group of presentations analyzing media deals.

Waldman, Steve, *The Information Needs of Communities*, Report to the FCC, Executive Summary and Chapters 5, 29. May 2011.

Sonderman Jeff, *How People Use Smartphones and Tablets...*, Poynter Institute, July 2011.

Schonfeld, Erick, *Mobile Advertising Is Shaping Up to be All Search*, Tech Crunch,

Week 10

Feasibility Plan Workshop. Advanced discussion of the essential ingredients of a feasibility plan. Students will provide an early discussion of their projects and identify problems and challenges.

Week 10

New practices, models and ethics of journalism. The rise of citizen journalism and advocacy journalism.

Third group of presentations analyzing media deals.

Rosen, Jay, *Progress in Pro-Am Journalism*, PressThink Blog, June 2011.

Rosen, Jay, *The View from Nowhere*, PressThink Blog, November 2010.

Seeyle, Katharine, *Citizen Journalism Project Gains a Voice in the Campaign*, The New York Times, 2008. <http://tinyurl.com/bdwugm>

Perez-Pena, Richard, *News Sites Rethink Anonymous Online Comments*, New York Times, April 11, 2010

Week 11

The non-profit emerges as an alternative. A look at the California HealthCare Foundation Center for Health Reporting. Group presentation on future revenue options for the Center for Health Reporting.

Lewis, Charles, *The Growing Importance of Nonprofit Journalism*, Shorenstein Center, 2007. <http://tinyurl.com/cqfpkq>

Westphal, David, *A Start-up Treads Where Big Media Retreat*, Online Journalism Review, 2009. <http://tinyurl.com/bs6e3u>

Waldman, Steve, *The Information Needs of Communities*, Report to the FCC, Executive Summary and Chapters 6-19, 22, 23, 30-32. May 2011.

Depp, Michael, *Innovation Key to Funding Nonprofit News*, NewsNet Check, July 2011.

Week 12

The digital revolution cuts a wide swath. The impact on other media, such as film, TV, music and books.

Is This the Future of Movies? Frontline, undated.

Ten Bold Predictions for Book Publishing in 2012, Digital Book World, December 2011.

Davidson, Adam, *How Does the Film Industry Actually Make Money*, New York Times, June 26, 2012

Pfanner, Eric, *Music Industry Braces for the Unthinkable*, New York Times, Jan. 23, 2011.

Week 13

The sprawling world of startups. The number of new-media startups has become overwhelming. New operations big and small are springing up every week. What's working? What's not? Is there a future for news?

Shirky, Clay, *Why We Need the New News Environment to be Chaotic*," Shirky blog, June 2011.

State of the Blogosphere 2010, Technorati, October 2010.

Capturing Media Growth Dollars: The Redefiners, Activate, Undated.

Week 13

Old media that still works. Community newspapers, radio, ethnic media are faring better in the digital revolution? Why? Will it last?

Morgan, Dave, *Why Small-Town, Local Newspapers Will Outlast Many Webservices*, MediaPost Publications, July 2011.

McMahan, Ty, *Hearst Embraces Startups in Shift from Old Media to New*, Wall Street Journal, July 2011.

A Little Local Difficulty, The Economist, July 2011.

Wang, Jun, *Shrinking Newsrooms Cause Ethnic Media to Scramble*, New America Media, 2008. <http://tinyurl.com/cz6mmc>

Week 14

Presentation of feasibility studies of new-media startups

Week 15

Presentation of feasibility studies of new-media startups

Final (Dec. 18)

Papers due for feasibility study of new-media startup.

Disabilities Services:

“Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m. – 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.”

Academic Integrity:

The Annenberg School for Communication is committed to upholding the University’s Academic Integrity code as detailed in the campus guide. It is the policy of the School of Communication to report all violations of the code. Any serious violations or pattern of violations of the Academic Integrity Code will result in the student’s expulsion from the school