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New Media From Old Hands

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No question, Bruce Guthrie is a survivor. He, like thousands of journalists world-wide, lost his job during the tumultuous last decade. Newspapers reeled as advertisers realised they could decouple from journalism and shake off costs.

Guthrie’s departure as editor of Melbourne’s *Herald Sun* was perhaps more personal. He had had disagreements with management at News Ltd and was shown the door.

He sued for breach of contract — and was awarded more than \$500,000 in damages in May 2010. He then wrote a book, *Man Bites Murdoch*. With News being the biggest player in Australia, it meant his options to reinvent himself in journalism had narrowed sharply. He’d already edited *The Age*, *The Sunday Age*, *The Weekend Australian* magazine and *WhoWeekly*. What now?

What Bruce Guthrie did next gives a fascinating insight into how journalism is changing. Smaller, dynamic websites and businesses have emerged, prepared to take on the media giants. Many of them are headed by former editors, now digital entrepreneurs. It hasn’t been easy going from editing large publications with an army of talented senior staff to running lean operations with a few old hands guiding a newsroom of newbies.

What happened to those journalists is being investigated in a study, *New Beats*, which brings together researchers from four universities in partnership with the MEAA union, the National Library and the ABC. The five-year study will give a fascinating insight into the aftermath of journalism redundancies since the

biggest wave in 2012. Lead researcher, Professor Lawrie Zion of La Trobe University, has already reported that many former journalists are earning much less than they did before leaving.

While some have struggled to find a new path, there are those who have embraced the disruption to their careers and become entrepreneurs.

This chapter explores the journey of — and some of the key lessons learned by — these innovators. Most started out with a vision of what they intended to do, but found they quickly had to change course if the hoped-for audience or clientele did not materialise.

Then there's the question of how to fund these fledgling businesses. It's an experiment with no end in sight. Former Fairfax editor Peter Fray, now a Professor of Journalism Practice at University of Technology Sydney (UTS), is working on new digital iterations after learning lots from launching the fact-checking website Politifact.

Ken Merrigan, another senior editor, says he and his co-directors (a senior art director, photographic editor, production editor and business manager also from Fairfax) have had to be 'nimble' to keep clients coming to their publishing business MediaXpress.

Another former *Age* editor, Andrew Jaspan, launched *The Conversation*, a website publishing research by academics. With no shortage of quality journalists available to improve the copy, *The Conversation* has won a far wider audience than university communities. Not just in Australia, but elsewhere, with US, UK, French and African counterparts and a Canadian offshoot to be launched soon.

Not all the entrepreneurs were senior executives. Kylie Miller, the editor of the popular TV section Green Guide when she left *The Age* in 2005, now runs a successful public relations business from her home in rural East Gippsland. To many, Miller's post-journalism life would be the most appealing. She lives on half an

acre, with chickens, dogs and a vege garden in a tiny community on Lake Victoria.

Other journalists have taken a different approach, tenaciously building ‘portfolio’ lives. Award-winning law reporter Liz Porter’s post-redundancy life is varied. Porter works one day a week as the communications adviser for a legal organisation, writes books on forensic science, has relaunched a novel as an e-book and writes regularly for a number of niche publishers.

Others, such as former senior *Age* editor Veronica Ridge, have launched their own digital startups. Ridge cleverly produced sons with digital prowess — the eldest is a software engineer while the younger is a whiz at Wordpress, social media and metrics. Ridge and the two men have built a new content management system called the Issimo platform (www.issimo.io), which uses innovative technology. The Walkley Foundation recognised the creativity in 2015, awarding *Issimo magazine* (www.issimomag.com) a digital innovation grant.

Guthrie has done better than most in terms of building a business with ongoing funding. His news website *The New Daily* (www.thenewdaily.com.au) is backed by 29 industry superannuation funds, with the largest being Australian Super and Cbus.

The idea arose when Guthrie ran into superannuation industry executive Garry Weaven, someone he had covered in his reporting days. The two men got talking about the number of talented journalists lost to the media industry. Weaven wanted to improve communication with super fund members — and their financial literacy. They discussed creating a website that might achieve this.

Guthrie suggested a few ideas. To his surprise, Weaven was prepared to back a news website. This allowed Guthrie to hire a few experienced hands who could train young journalists. In three years numbers have grown to 20 editorial and 5 commercial staff.

Guthrie rejects early claims in some media that members’ funds are being squandered on the website. It set out to pay its way

with advertising within five years. Three years on, Guthrie is pleased with progress. The board has not wavered and continues to fund it. He emphasises that the *The New Daily* is an investment for the funds, just as media is for other companies. He says the barriers to being a media proprietor have gone.

Guthrie wrote an editorial charter of independence so that his business reporters could write on superannuation and other topics without interference, but the website also publishes sponsored content.

The biggest surprise has been the success of EDM — email direct marketing. Staff are rostered on until midnight, with a New Zealand journalist starting the day at 6 am local time (4 am in Australia) to send out a curated email of top stories at 5 am. The site almost has the rhythm of an afternoon newspaper of the olden days, with most traffic between 6 am and 10 am, reaching anywhere from 40,000 to 100,000 people. The site clocked 1.4 million users in August 2016, according to Google Analytics.

Increasingly, the email will be tailored to an individual's interests, whether it be politics, sport, fashion or food. Guthrie says his team constantly trials new digital concepts: 'Ad revenue goes up and down. It's tremendously challenging and exciting.'

Access to fund databases has been useful in building the audience, says Guthrie. Members are asked if they want to subscribe, and many do at no cost. The subscriber base also includes tens of thousands of non-members who have come to the site in different ways, some through social media or search engines.

Guthrie had to become used to being at the centre of a media storm after suing Rupert Murdoch's empire (and writing a book about the experience) but says he was still surprised by the negative press given to his start-up by both Fairfax and News journalists in 2013.

The site was initially criticised because it aggregated copy from wire service AAP and the ABC. It has since doubled its staff from

11 to 25, with a commensurate increase in original stories. Its contribution to jobs has been ignored. Guthrie estimates *The New Daily* has trained about 50 young journalists in its short life.

Guthrie is still annoyed that a media commentator criticised the new website for being 'too slow to load' in its first days. There has been little media coverage since. In fact, Guthrie wonders if there is a blanket ban on mentioning the words 'New Daily', as he was quoted in one publication recently as a 'media executive' only.

The *New Daily* was ranked 26th for news websites in recent Nielsen ratings. Given those ahead of it are established players, with many foreign owned, Guthrie is pleased with this spot:

It's phenomenal growth, but who's going to tell it? The established media is not going to tell our story. The old enmities and jealousies persist. It's frustrating because we fly under the radar. But it doesn't really bother me because we have grown in spite of this.

Always one to coin a colourful analogy, Guthrie describes the legacy media as 'stuck in a primeval swamp thrashing around'. He says he and his business partner Eric Beecher thought there would be some reaction to the newcomer. 'But we were surprised by the vehemence of the attack. It was brutal.'

Peter Fray, former editor-in-chief of *The Sydney Morning Herald*, has also experienced what he describes as 'schadenfreude' from a few former colleagues. He didn't expect some to take pleasure from the demise of his PolitiFact fact-checking website, which ran out of funding after a successful stint vetting politicians' statements in the 2013 election.

Chris Mitchell, the then editor-in-chief of *The Australian* who hired Fray as deputy editor (news) two months after PolitiFact folded, was among the encouraging, saying 'good on you for giving it a crack'.

In the land of the fair go, it might seem surprising that those who dare to take on established media giants do not get more mainstream support. Former editors speculate some journalists

are feeling cynical and bruised after what happened to their own brilliant careers.

As the head of journalism at UTS, Fray is building entrepreneurial journalism into the curriculum as a unit in a new Masters program being launched in 2017. He continues to work on innovative projects, including milkpilot, a content-rating system to give readers tools to decide what on the internet is credible, accurate and trustworthy. He says the idea, which challenges Facebook's simplistic 'like' mechanism, is still on the 'dev stovetop'. Also on the stovetop is Clevr, which uses algorithms to link readers or viewers to their favourite internet authors.

Fray isn't afraid to experiment. His PolitiFact journey began when he sent a tweet to Bill Adair, the founder of PolitiFact in Washington, in late 2012, expressing an interest in setting up an Australian version. Adair was interested because of Fray's prior experience as the editor-in-chief of *The Sydney Morning Herald* and editor of *The Sunday Age*.

Fray left Fairfax Media in the 2012 round of redundancies. By March the next year he had reason to be optimistic about the prospects for his fledgling business. The innovation of its US partner, *politifact.com* had been recognised with the win of a Pulitzer Prize for National Reporting in 2009. *Politifact.com* had also won online awards for initiatives such as its Obamameter.

Fray managed to partly fund the Australian PolitiFact by partnering with the Seven Network during the 2013 Federal election. Fairfax Media also came on board in the last month of the campaign. Media monitoring company iSentia provided office space.

PolitiFact quickly won a following for its distinctive fact-checking formula, rating 227 political statements according to its 'Truth-O-Meter'. Statements were deemed to be True, Mostly True, Half True, Mostly False, False and Pants on Fire, the latter being what Fray described as 'very special examples of the political art'.

We were a new web-based method of political accountability, we were digital in iteration but very old school in intent: we wanted to keep the bastards honest. The question was, and is, how to make it pay.

The corporate backers didn't cover all the start-up costs and Fray had to contribute some of his own money to pay for the team of up to eight journalists and two researchers. He and colleague Ben Ashton tried to generate interest in the launch of other fact services such as healthFact or movieFact. The pair also tried to expand PolitiFact to other states and countries, including New Zealand, the United Kingdom and India.

'But either we had the wrong pitch or the wrong idea because polite and supportive as many people were, we failed to open wallets,' he says.

PolitiFact closed at the end of 2013. It had cost about \$350,000 to run, but Fray says it was worth it. In fact, he says it was 'heaven' to have 1.5 million unique visitors a month by September 2013.

He says he felt vindicated when the ABC and The Conversation subsequently started fact-checking services. But he admits the competition made it difficult for him to revive his service in subsequent elections. Fray is happy to describe the experience as a 'start-up failure'. He says journalists need to talk about failure, learn from each other and be willing to falter.

How does he see himself now? 'I am a journalist and academic, an editor and manager. I want to be an innovator, a risk-taker. I want to ensure that journalism survives and thrives — and makes money.'

These are aims that can sometimes keep the team at MediaXpress awake at night. Senior editor Ken Merrigan says he had no definite plans when he took a redundancy from *The Age* in late 2012. He got a call early the next year from his former colleague David Clemson, who had been running his own

company publishing advertising and special features for *The Age* and other clients.

Merrigan was keen to get involved in a venture with his friends, the former *Age* managing editor Rod Wiederman and art director Bill Farr. Both left *The Age* in early 2013, among the last of more than 75 journalists to exit the Spencer Street headquarters in a voluntary redundancy program that had been offered for a few months.

Former photographic editor Louise Graham, who had left the paper much earlier, was the fourth team member in what has become MediaXpress (www.mediaxpress.com.au), a custom multiplatform publishing, content marketing and project management company.

MediaXpress negotiated to buy Clemson out, with him staying on as a shareholder and director. Merrigan describes the complementary skills and the timing of the move to buy the business as an ‘accident’. But it made sense. Clemson had the office, computers and contract to work for Fairfax, including a link to the company’s Cyber Graphics system. ‘So we could build pages and put them directly into the paper,’ says Merrigan.

For the first year Fairfax was a big client, commissioning advertising features and special liftouts. More recently though, Merrigan says Fairfax work has ‘ebbed and flowed’.

MediaXpress still produces advertising features for *The Age* and *Sydney Morning Herald* food and travel sections, but has also diversified. It began publishing the University of Melbourne alumni magazine in 2013 and now also produces other publications for Melbourne, Victoria and Monash universities.

‘The university magazines are not affected by the real economy like newspapers are. They have a budget and believe in quality.’

The company has also gained corporate clients such as Flight Centre, the ABC, ANZ, Asialink Business, Tourism Victoria and Rolls Royce.

Merrigan says it's not difficult to find specialist writers on any topic from the 'army' of former Fairfax employees. 'That's a great resource we have tapped into, with hundreds of former staff working with us on different projects.'

But competition is growing. When MediaXpress puts in tenders to produce magazines, it can now find itself against News Ltd. Merrigan says News wouldn't traditionally have bothered. 'They are scouring for work as well and they can do deals.'

Merrigan describes now as a 'zone of uncertainty':

Media is crumbling around us. It is hard to see where it is going. But we are going with the flow. Fairfax may not have a weekday paper next year and the problem with online is it doesn't make money yet. But people who care will pay money, even when the world is awash with information, because it is short on good information.'

To tap into this, he says his company has to be 'nimble and have ideas. Otherwise you're sunk'.

Guthrie echoes Merrigan's comment about the 2012 wave of redundancies: 'They were a godsend to us. We say, "when Fairfax is firing, we're hiring".'

Veronica Ridge has also found her former colleagues to be a great help when launching her digital magazine *Issimo*, and more recently The Issimo Platform, a content management system. Ridge raised \$12,000 to start her new business through crowdfunding community Pozible. Many donors were former colleagues who wrote for *Issimo* for free initially as a gesture of goodwill and because they enjoyed writing on the arts, food, books, travel and design.

Ridge and her tech-savvy sons created the initial iPad magazine, and now the website and content management system, while juggling other jobs. It hasn't been easy, but at times it has been 'joyous', creating what was recognised by the Walkley Foundation as a 'beautiful', innovative website.

Ridge has spoken at conferences about the need for digital startups to ‘pivot fast’ when realising their initial ideas were wrong. As an iPad app initially, *Issimo magazine* was vetted by Apple to sit on its prestigious online newsstand. Sitting there alongside the likes of *Vanity Fair* brought overseas subscribers to the elegant magazine, but by the time Apple had taken its share of earnings, and fees were paid to Adobe, it was clear the iPad publication could not make money being there. That’s when the trio decided to build their own CMS on which *Issimo magazine* sits (www.issimomag.com).

Now *Issimo*, like *The New Daily*, is focusing on a loyal curated email following for its stories. It is also determinedly building a social media presence, with more than 11,500 Instagram followers gained in a year. More than 10,000 followers is the tipping point for advertisers to place ads in social media feeds.

As Ridge reinvents herself in journalism, others such as communications consultant Kylie Miller have built a successful career based on their former experience. Miller took a voluntary redundancy package from *The Age* newspaper in 2005, much earlier than many of her colleagues. It helped that she had a plan.

As the editor of the popular TV section *Green Guide*, Miller had been deluged with daily press releases. She realised she could improve on much of what she saw and so backed herself, founding Cupcake Communications from her country home in the Gippsland Lakes area four hours from Melbourne.

The benign company name and idyllic location belie what has taken place. Over 11 years, Miller has garnered an enviable list of diverse clients, including corporates such as Rio Tinto, Newcrest Mining, VicRoads and packaging company Orora. She also works for local organisations such as the Gippsland Shire Council and for Sydney and Melbourne public relations companies and advertising agencies.

Miller has found the transition to servicing the communication needs of companies relatively easy. She says she recognised that

corporates needed material 'light on spin, heavy on facts and including all their key messages'. Her first clients were Channel 9, SBS and Screen Australia, contacts made through her TV role, and the rest have come mostly through word of mouth.

A typical day can include writing newsletters, scripts or media releases, developing company 'messaging' through to drafting speeches for the chief executives of multinational companies, some based in London and the United States. Miller says she works as and when required but lately has tried to set boundaries: 'I worked like a demon last year.'

While some find it hard to be disciplined working from home, Miller says her mortgage is a motivator, plus the knowledge that she has no superannuation or sick pay:

I've never been someone to say no to a challenge. I'm very self-motivated. When I hear someone has been made redundant I say, 'back yourself, you've got marketable skills. Have the confidence to try something. And don't under-charge'.

Miller is successful, despite technical constraints: 'I very much look forward to high-speed internet, which will make it much easier and more reliable.'

Liz Porter and Miller have carved out niches as multi-taskers. In contrast, many former newspaper journalists have found a new lease of life working in the newsrooms of innovators such as Andrew Jaspán.

Jaspán says when he and property executive Antony Catalano were fired by Fairfax within a week of each other in 2008, they decided to work together. Jaspán spent a week in Byron Bay with Catalano, where the latter was sitting out his six-month 'no compete' agreement in his holiday house. The pair discussed launching a lifestyle magazine, with Jaspán as the editor supported through advertising by Catalano's many property contacts. That embryonic plan is now the successful magazine *Weekly Review*.

Around that time Jaspán had been talking to University of Melbourne vice-chancellor Glyn Davis about using the skills of journalists to make the work of academics more accessible. In a collaboration with other universities, this would work as a vehicle for knowledge but also as a sustainable business (see Andrew Jaspán's chapter in this book).

Catalano has subsequently reinvented himself, with the company that cast him off — Fairfax — now embracing him as the head of Domain, its lucrative property arm. He is now Fairfax's biggest individual shareholder and a multi-millionaire.

Does Jaspán regret not going down this path instead of founding *The Conversation* as a not-for-profit? He says no. 'I would have been a lot richer,' he says, but worries he might have got bored after a few years. 'It didn't have the intellectual challenge I was looking for.'

He says there is no danger of boredom while working in a virtual newsroom of academics, knocked into readable shape by over 100 journalists globally.

Life after mainstream media has been good to him:

I'm interested in ideas. I have no sentiment about newspapers. I don't care if they disappear tomorrow. To me it's a waste of resources. It distracts from what our craft is about because it's manufacturing and distribution. I wouldn't be happy for journalists to disappear.

As editor of *The Age*, Jaspán was often woken at 3 am to be told that there was a mechanical fault at the printing press or an industrial dispute. 'Now I focus on getting ideas out to as many people as possible.'

And he is happy with the quality of the ideas. Meanwhile, he has watched business, political, arts and other journalists become increasingly beholden to the public relations industry.

It's corrupt. They learn, 'if you behave yourself, you get stories'. Some practices are not the best.

He also dislikes the way competition has driven down professional standards, with clickbait reigning in many newsrooms. Above all, he values knowledge but notes that with paywalls many people have limited access. He aims to change this: ‘Access to good quality information should be a human right.’

Clearly, Andrew Jaspan has founded an enjoyable niche. The other innovators are also striving to create their own personalised media kingdoms — businesses that in many ways aim to replicate the best of the newsrooms they came from. For some it’s been thrilling to realise their skills are not ‘redundant’, even if they were for a moment in time.

What made them spring out of bed each day for so many years and why do they carry on? Pressed, these journalism leaders say they still experience joy at being paid to work with ideas, words and images. They say there’s nothing quite like the camaraderie forged — or the pride in the results — when working with the top creatives in the game. It’s worth putting up with stress, insecure pay and funding — even the mockery of former peers — just to have another go.