

Welcome to this week's presentation and conversation
hosted by the
Canadian Association for the Club of Rome,
a Club dedicated to intelligent debate and action on global issues.

Will knowing who runs and funds our media rebuild trust?

Our speaker today is Heidi Radford Legg, who now lives in Boston, MA, USA. She has a Graduate degree in Journalism (Concordia U) & a Bachelor of Communications (Mount Saint Vincent U). She founded < TheEditorial.com >. She has recently been a Future-of-Media fellow at the Institute of Quantitative Social Science (Harvard), where she indexed the entire US & Canadian media system. She has solutions to improve transparency & trust in news. Her index work was published in mainstream media. Heidi wrote sweeping white papers on disinformation, & on local news sources. She also published numerous OpEds on local news models. Heidi focuses on increased transparency into who funds our newsrooms. Internet platforms spend large amounts on our newsrooms through secretive NDAs, & the Canadian Periodical Fund has begun to send massive funds to new digital players. There are great challenges in the Canadian landscape for funding in newsrooms, & the emergence of nonprofit news through the new Qualified Canadian Journalism Organization. It is more important than ever that western democracies think about how to ensure journalism survives as a pillar in our democracies.

The presentation will be followed by a conversation, questions, and observations from the participants.

CACOR acknowledges that we all benefit from sharing the traditional territories of local Indigenous peoples (First Nations, Métis, and Inuit in Canada) and their descendants.



Website: canadiancor.com
Twitter: [@cacor1968](https://twitter.com/cacor1968)
YouTube: [Canadian Association
for the Club of Rome](https://www.youtube.com/CanadianAssociationfortheClubofRome)

Once upon a time...trusted seasoned journalists brought us TV/radio news, most people paid a few dollars on the street corner for their local newspaper AND most read it. Governance revolved around mostly shared facts and people had a high trust in journalism.

*And it worked,
right?*

Heidi Radford Legg
@heidilegg Harvard IQSS
Research Fellow, Future of Media

Born in Moncton, NB
Mount Saint Vincent University
Dalhousie University
Concordia University
(BPR and Graduate Journalism)

Twenty plus years in the US.
Passionate about **Democracy** in
the two greatest nations in the
world.

Today, is different: We make the vast majority of our decisions based on information from friends, family and those with whom we share values...often through social media. Let's call it our **social trust network**.

Awash in a deluge of information, we are often unaware of the sources or funders of the content and news we consume.

Three Takeaways Today:

1. A **deeper understanding** of the landscape
2. Figure out **how we pay for journalism**
3. **Shine a light on the funding of Canadian media** in hopes of improved media/tech governance worldwide

Here is what is happening in the US:

- Over 44% of those 18-40 find their political news on social media.
- Only 20% of Americans in 2020 paid for digital news.
- Most people who pay for news earn over \$150,000.
- There is a real COST to being INFORMED.
- Fewer than half of Americans trust traditional media.
- Today 58% of Republicans no longer trust CNN.
- 39% of Republicans no longer trust The WashPost.



58% think that "most news organizations are more concerned with supporting an ideology or political position than with informing the public." - Axios

**We are living in a time of
alternate realities.**

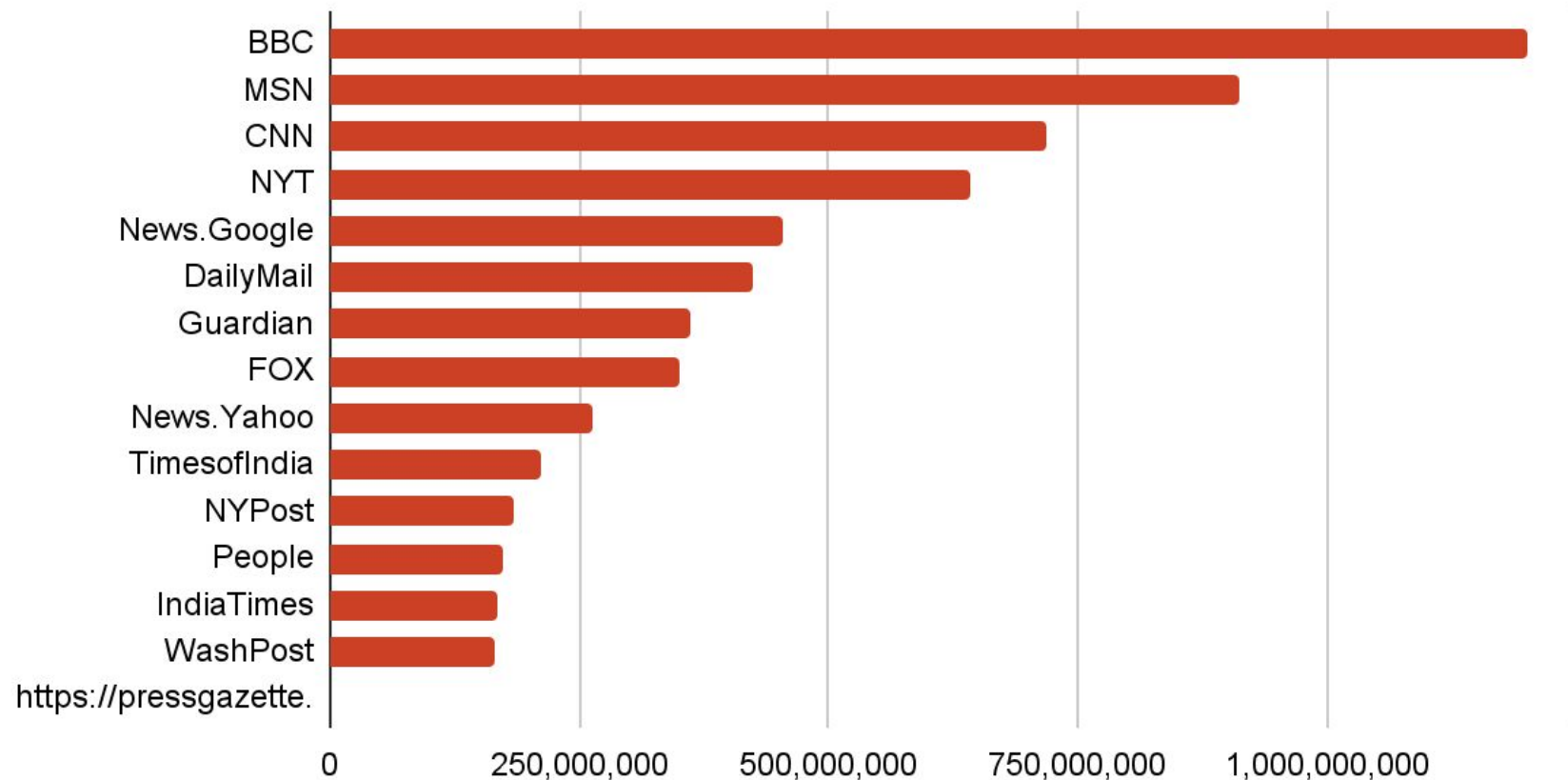
A person with a large red backpack is walking across a suspension bridge that spans a deep valley filled with dense, lush green forest. The bridge is made of metal cables and a mesh floor. In the background, there are rolling mountains under a hazy sky. The overall scene is serene and adventurous.



So where are people going for news?
Is anyone winning?

Most Visited English News Globally in Jan 2023

By Press Gazette

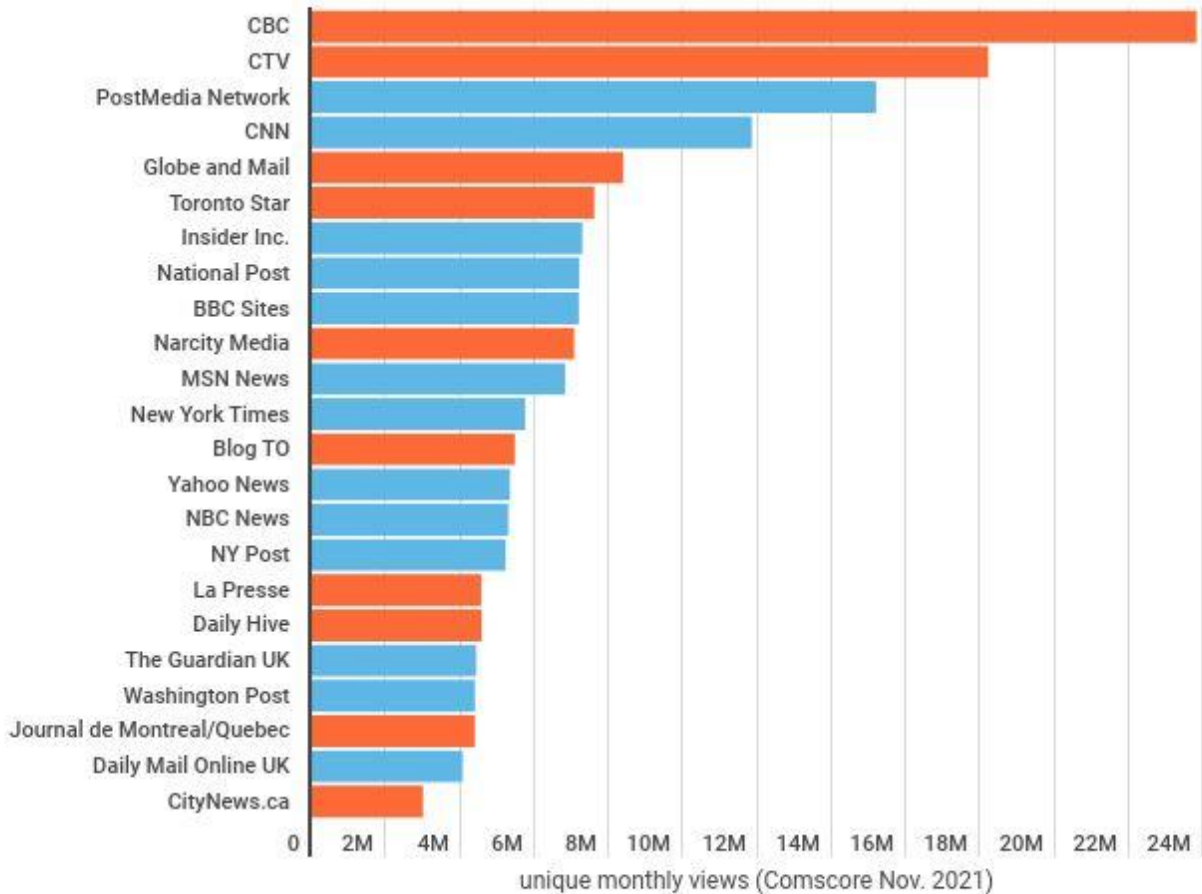


<https://pressgazette.com>

Where Canadians Consume News

Nov. 2021

Red is **Canadian** owned
Blue is **foreign** owned





January 2023:

- 1.2 Billion people visited BBC.com
- 56 Million people visited CBC.ca
- 48 Million people visited CTV.ca

Not bad, right? EXCEPT...

One clip gets 57 million views.

Google

tucker carlson



Q All News Videos Images Shopping More Tools

About 30,300,000 results (0.26 seconds)

twitter.com > tuckercarlson

[Tucker Carlson \(@TuckerCarlson\) / Twitter](#)



The results of our investigation will air Monday and Tuesday night at 8pm ET on the **Fox News** Channel. 5,407. 7,335. 30.2K. **Tucke...**

Twitter · Jan 20, 1970

www.youtube.com > watch

[Tucker: Here's who you should be afraid of - YouTube](#)



Tucker makes the case that there is a war against Christians happening in America on **'Tucker Carlson Tonight**.

YouTube · Fox News · 2 days ago

www.youtube.com > watch

[Tucker: John Fetterman is not well - YouTube](#)



Today Google and Facebook take most of the spoils in a nearly \$400B US digital ad industry.

Forbes reports the global digital ad industry in 2024 will hit \$800B.

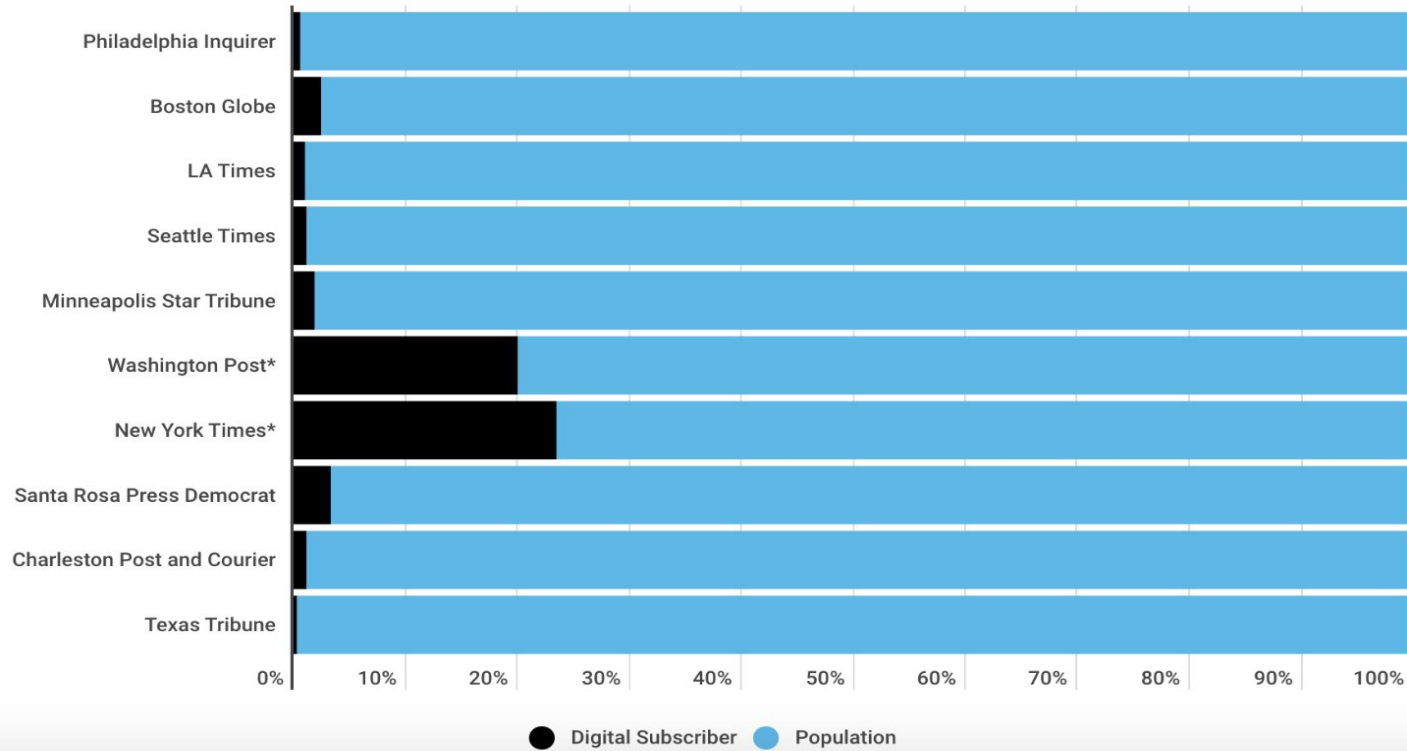


For 15 years, platforms scoffed, “it’s not our fault we won all the ad dollars. Modernize and BTW news should focus on **Subscription.**”

Here is how that is working out:

Will Digital Subscribers Show Up?

Digital News Subscribers by City: This graph shows that digital has huge market potential if people are willing to pay for local news (July 2019)



Blue is the city population.

Black is % who are paid subscribers.



So what happens when journalism has no independent revenue model other than rich owners and political donors?



**It leaves journalism at
high risk of deep
influence.**



I wondered how to solve this:

Would knowing who **funds**,
donates or has the **majority**
voting shares in news orgs
solve the trust problem?

So, I started to dig.

Using an age old truism in
journalism...Follow the money




We created four Media Ownership Indexes:

1. **US Mainstream Media** (176 news orgs)
2. **Nonprofit Digital News and Donors**
(240 and counting)
3. **Six Owners of US Daily Newspaper Chains**
4. **Canadian Mainstream Media** (125)

Our Index on **Emerging US Digital News Nonprofits (240 digital news orgs)** shows partisan funding by foundations and tech companies funding news topics that have partisan political values. This further creates distrust in news.

Canada needs to get ahead of this before it takes off.



US and Canadian newsrooms have become prey for political funding.

Which is why Bill C-18 matters.


Independent revenue will ensure journalism prevails to uphold democracy thus free markets.



Shrouded in Secrecy

Facebook and Google **already** fund news under NDA. Semafor's Ben Smith (formerly NYT) reported recently Meta (Facebook) paid:

- The NYTimes \$21m annually
- The Wall Street Journal \$18.5m annually
- The Washington Post \$14m annually



In Canada, we can't know those figures. NDAs preclude newsrooms from revealing amounts from Google Showcase News and Facebook.

How much do the Canadian Government, Google and Facebook spend on newsrooms? How do we hold these powers to account if they are the majority of funding?

Fox Guarding the Hen House Never Ends Well





Open it up!

Secrecy is antithetical to journalism. Platform funding NDAs, government favorites, a lack of ownership transparency – we are unable to measure who has major influence in the news ecosystem. That matters.

Bill C-18 opens this up.




My CASSANDRA Moment (pre Apollo curse)

Here is what struck me
while researching
Canadian media

**Let's start with the
Canadian Periodical
Index Fund. Weird.**

WAIT, WHAT?


- Maclean's Magazine, Toronto Life owned by the Gagliano family get over \$1.5million a year.
 - Moses Znaimer's Zoomer Media over \$1million.
 - Epoch Times funded by Falun Gong paid \$400K.
 - New climate blog The Narwhal paid over \$250K.
 - Will the recipients and funding change when conservatives are in power?
 - Does this mean these are state sponsored media?
-




Then we have Bill C-97: Qualified
Canadian Journalism Organizations
(QCJO) funding to support to
Canadian journalism organizations
producing original news content.

But We Can't Tell You Who or How Much
only that there are 157 of them.

Wait, What? Why?



US Media was easier to research. No government funding except Center for Public Broadcasting: NPR and PBS.

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- A competitive press
 - NYT dishes on WSJ dishes on Washpost, etc...
 - Many are public companies, offer public data.
 - Intel was rare in Canada and hard to find.
 - Bingo! Post Media stated in their annual report they were predicted to receive \$10M as a QCJO under Bill C97. Rare in Canada to find.
 - Canadaland was also transparent.
 - CBC numbers were findable but not that easy.


Worth Noting.

Public Broadcasting investment:

- Canada spends about \$33
- Japan \$40
- UK \$100
- Norway \$176
- US \$1.50/capita (problematic not only because paltry \$\$ but because donors make up rest of funding). [Wired](#)

Now let's talk about RJOS

(registered journalism
organization status)



RJO Status allows news orgs to take in donations – unlimited foreign donations and then report it in fine print, A YEAR LATER, using foundation names you have to dig to figure out. Not working in US. Won't work here.

██████████
Canada's first RJO?


The Narwhal: Climate News.

Guessing Conservatives don't trust that news. We must get away from activist news. Have a climate beat in newsroom. Have newsroom beats vs. stand alones.



Why do Google/Facebook push nonprofit news?

- Topic- based news orgs help platforms target our values to sell ads against.
- Platforms gain from a splintered news ecosystem with many digital nonprofit news players. See US (240+ emerged in past 7 years)
- Feeds creator economy that the love for free third party content.
- Reduces competition for ad dollars with traditional media by diluting them as required.



Understand risk from a national security point as foreign funding arrives for targeted nonprofit news inside a country.

Remember:
One clip gets
57 million
views. Even
small news
outlets can
gain massive
reach on
social.

A screenshot of a Google search for "tucker carlson". The search bar shows the query and the Google logo. Below the search bar, there are navigation tabs for "All", "News", "Videos", "Images", "Shopping", and "More". The "Videos" tab is selected. The search results show "About 30,300,000 results (0.26 seconds)". The first result is from "twitter.com" for "tuckercarlson", titled "Tucker Carlson (@TuckerCarlson) / Twitter". It features a video thumbnail with a play button and a timestamp of "9:57". The description says: "The results of our investigation will air Monday and Tuesday night at 8pm ET on the **Fox News** Channel. 5,407. 7,335. 30.2K. **Tucke...**" and "Twitter · Jan 20, 1970". The second result is from "www.youtube.com" titled "Tucker: Here's who you should be afraid of - YouTube". It features a video thumbnail with a play button and a timestamp of "13:25". The description says: "Tucker makes the case that there is a war against Christians happening in America on **Tucker Carlson** Tonight." and "YouTube · Fox News · 2 days ago". The third result is also from "www.youtube.com" titled "Tucker: John Fetterman is not well - YouTube".




The perfect storm:

How does Canada ensure better governance in media as the **population grows exponentially, digital media proliferates, and foreign funding** risks swaying elections?




**I have
questions...**


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- Who Funds Rebel Media?
 - Who Funds Post Millennial?
 - How are Kennedy's Glacier Media and Elgin's Village Media and Sam Grippo's Madison Ventures and Radler's Continental working together? Data backend? Simple efficiencies? Other?




Let's talk about **new private news companies?**

- Who funds **True North?**
- Whose funding is behind **The Logic?**
- Look at directors and charity funds. I found it wanting.
- Who were the original 11 shareholders in **Canadian National Observer (CNO)**? As private companies, they don't have to tell us.
- Brother of CNO founder ran TIDES Foundation, a MAJOR funding force for social change initiatives in US.

- 
- **CNO** had big US Press and was being touted early by Nieman Labs and others in US.
 - The lead reporter is grandmother to Elon Musk's kid.
 - The first big prize winning story was on the Irvings. Is there a conflict of interest when a newsroom funded by Liberal government then writes a big investigative prize winning piece on Irvings, even if a good piece?
 - How does this not divide/drive mistrust?

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- Are **political consultants** (paid heavily to consult for government) **reliable journalism**? Ah, no.
 - Why did Ian Bremmer get the big Trudeau interview after blackface? The biggest liberal consultant now has US-based **Gzero** “news” site hiring Canadian journalists? Really?
 - **Hub Canada**: Would love to know more given Sean Speer and David Frum involved. Donner Canada, Dominion Institute and others.

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- Who are the major investors in US Chatham Asset Management (own **Post Media**)?
 - Are any Canadians bidding to buy the Montreal Gazette or Financial Post or Ottawa Citizen – fabled titles as we see in the US that do well?
 - What is **Politico** owned by Axel Springer doing in Canada? What's going on there? Its b2b model is stenographers in committees.

I believe the way out of this is **transparency**. We need people to ask “who funds what I consume” and governance to ensure that info is EASILY available.

Canada is leading for the world with Bill C-18, empowering trusted newsrooms with independent funding from the ad spoils their news drives. With **transparently funded** newsrooms, we will rebuild TRUST.

Heidi Legg, Research Fellow
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