Business Day

The New Hork Times

Journalism, Independent And Not

AST week, I read an interesting article about how smart hardware can allow users to browse anonymously and thus foil snooping from governments. I found it on what looked like a nifty new technology site called SugarString.

Oddly enough, while the article mentioned the need for privacy for folks like Chinese dissidents, it didn't address the fact that Americans might want the same kind of protection.

There's a reason for that, although not a

DAVID CARR THE MEDIA

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very savory one. At the bottom of the piece, there was a graphic saying "Presented by Verizon" followed by some teeny type that said "This article was written by an author contracted by Verizon."

As the DailyDot pointed out last Tuesday, Verizon not only backs the site, but also sets its coverage agenda. And that agenda, according to an email recruiting reporters for the site, did not include reporting on domestic spying and net neutrality, two of the most vital issues in technology. Those subjects were off the table.

You can guess why. Thanks to Edward Snowden, we know that Verizon turned over the phone records of millions of people to the American government without their consent. And Verizon is hardly neutral on the issue of net neutrality, having successfully sued to keep the F.C.C. from blocking efforts to charge for a fast lane for data traffic.

After inquiries from various news media outlets, Verizon fed the editor who sent the recruiting email into the wood chipper, saying, "Unlike the characterization by its new editor, SugarString is open to all topics that fit its mission and elevate the conversation around technology." When I contacted the company on Friday, they would not say if that elevated conversation would include domestic spying and net neutrality, but a spokeswoman sent a

note saying, "Verizon believes this was a good, sound concept, but the execution was not what it should have been, and we'll learn from it."

Clearly, historical models of funding original content are under duress, and a variety of efforts have emerged to innovate around that new reality: nonprofit news sites, digital news operations with low-cost approaches and yes, brands like Verizon that are also beginning to finance their own media operations.

The brand publishing that has emerged ranges from enlightening to harmless, with much of it arrayed over topics like extreme sports, small business advice or food and health. As my colleague Stuart Elliott pointed out, Pepsi is big into brand publishing, having come up with Green-Label.com, a lifestyle publication sponsored by Mountain Dew and produced by Pepsi along with Complex Media.

Complex is also producing the SugarString site on behalf of Verizon. According to people who were part of the process, Verizon brought the idea to McGarryBowen, an ad agency, and it soon became clear that what the company wanted was not a brand campaign, but a media property with visibility in social platforms.

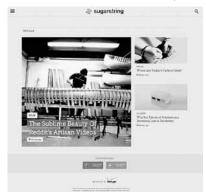
"It was odd — it just sort of showed up here, fully formed," said a Complex employee not authorized to speak publicly on the subject.

Coming up with credible consumer sites is complicated enough, but throw news into the mix and the degree of difficulty climbs, especially if your company is a behemoth with a reach into all aspects of technology.

Of the many attempts at new approaches to publishing — native advertising, custom content, sponsored content — SugarString sets a new low. It was a bad idea with a pratfall of a rollout, a transparent attempt to project brand might into a very controversial conversation. The fact that the name of the corporation bringing you the information is at the bottom of ev-



ERIKA RICH/THE AUSTIN-AMERICAN STATESMAN, VIA ASSOCIATED PRESS



Evan Smith, editor in chief of the nonpartisan news organization The Texas Tribune, with State Senator Wendy Davis, above. The coverage agenda of SugarString, left, is set by Verizon.

ery story, not the top, is an attempt to hide the fundamental intent.

"I think they overlooked the first rule of storytelling, which is to not deceive the reader," said Shane Snow, the co-founder of Contently, which helps brands produce media of their own. "The exposure they were seeking ended up being negative."

What had been an attempt by Verizon to build engagement and relevance had precisely the opposite effect, coming off as a kind of Astroturfing — grass roots that are anything but — rendered in pixels. The broadly skeptical response to the site serves as a reminder that publishing looks easy, but is filled with peril.

But if brands are less willing to just slap expensive ads onto sites they have no control over, how is smart, good content going to be underwritten? The Center for Public Integrity and ProPublica have both demonstrated sustainable nonprofit approaches to significant national news. But First Look Media, begun a little over a year ago with lots of fanfare and a respected backer — Pierre Omidyar, founder of eBay — seems to be having significant trouble;

last week Matt Taibbi resigned amid talk of corporate bureaucracy overwhelming journalism.

If you are thinking there must be some way for corporations to enrich the civic debate through publishing, you're right. Five years ago this Monday, I met with Evan Smith, who was just starting The Texas Tribune. He suggested that as newspapers retreated, Republicans and Democrats, corporations and foundations, government and the private sector would get behind a nonpartisan news site to cover Texas state politics.

It sounded far-fetched at the time, but it all came true and then some. Five years later, The Texas Tribune has raised \$27 million from people, foundations and corporations including Exxon, Walmart and AT&T. It has built the largest newsroom in the country covering any statehouse and created a thriving events business. While other nonprofit news efforts have tumbled, The Texas Tribune has \$6 million in annual revenues and \$2.5 million in the

bank, according to Mr. Smith.

The company will announce Monday that it is opening a Washington bureau backed by the Hewlett Foundation, reversing a trend of regional flight from the capital. The nonprofit site now has 50 full-time staff members doing work that any media outlet would be proud of, including a 15-part series on how the shale boom has affected life in Texas and a huge series on the private conflicts of a part-time legislature, with a companion data project called The Ethics Explorer.

Its live stream of a filibuster by State Senator Wendy Davis became a national sensation, while its events calendar has included statewide conversations with Governor Rick Perry, Senator Ted Cruz and Ms. Davis, among many others.

"It sounds very corny, but we always believed that there was a place where people of unlike minds could put down their weapons, get in a room and hash stuff out," Mr. Smith said.

It's not all hunky dory. The Tribune had a twice-a-week distribution agreement with The New York Times in which its work was part of the printed paper in Texas. On Friday, Mr. Smith was notified that The Times, as part of an effort to focus on its core business, would be ending the relationship.

But even that didn't dent Mr. Smith's belief that innovation and elbow grease will serve as a corrective to all of the sad-sack talk about news going away. The Tribune serves as proof that a local site can combine news, data and events into a three-legged stool that stands on its own.

"Nonprofits rely on rich people and corpo-

rations, and Texas has a lot of both," Mr. Smith said. "But the people and companies who contribute expect, and get nothing more than, a firm handshake and the knowledge that they helped make Texas a little smarter. They know we don't put a thumb on the scale, and they don't try to either."

Contrast that with Verizon, whose effort to dip a toe into publishing turned out to be all thumbs.