



550 W. B Street, 4th Floor
San Diego, CA 92101
858-369-0366
TimesOfSanDiego.com

Statement for Dec. 5, 2023, Senate Judiciary Committee Informational Hearing on Journalism in the Digital Age

Thank you for scheduling this hearing. I'm Chris Jennewein, editor and publisher of Times of San Diego, an independent online news website that has been publishing for 10 years.

I've had the privilege of working in media for over 50 years, starting in high school as a copy boy at the Tampa Tribune, a newspaper that is no longer with us. Over my career I worked as a reporter and editor at newspapers in Tampa, Memphis and Atlanta. Twenty years ago I began developing new media at newspapers, first at the Atlanta Constitution, then the San Jose Mercury News and finally the San Diego Union-Tribune.

The newspapers I worked at were immensely successful. I remember a dinner for executives in the early 1990s where a Texas publisher was given a standing ovation for achieving a 50% profit margin. That meant 50 cents of every dollar from readers and advertisers went directly to the bottom line. During the dot-com boom, help wanted advertising alone was worth \$100 million a year to the San Jose Mercury News.

By that time newspapers were beginning to invest in new media, but it was only pennies on a dollar of profit. Owners were not convinced the Internet would fundamentally change their business. Out of frustration, I left the newspaper industry for Internet media startups, and in 2014 decided to start my own.

My reasons were four. First, newspapers, I realized, were never going to fundamentally change. Second, their paywalls were keeping the next generation from reading news online. Third, the growing Internet ecosystem was making independent publishing possible. And fourth, local news needed more non-corporate voices. So I took some of my savings and started an independent news site.

Times of San Diego now publishes 15 to 25 articles a day. That's more local news than many daily newspapers. The site reaches over 500,000 readers every month. Every year the site is recognized with awards from the San Diego Press Club, including best local news site in seven out of the last eight years.

My website is entirely free to the public, supported by network advertising, direct sold local ads, content sales to other internet publishers, and contributions from readers. We're making a

small profit, but it's nothing like what Wall Street demands of newspaper publishers. The business is driven as much by mission as by money.

Fifteen freelance writers, editors and photographers contribute, and we publish an opinion column from a different authoritative local author daily. Public officials, informed readers, business leaders and many others write every day. The news content is approximately 80% local and 20% state.

None of this would have been possible without the Internet ecosystem. What has evolved since Netscape introduced the first commercial browser in 1994 has fundamentally changed the economics of publishing content. It's a revolution like Gutenberg and printing half a millennium ago.

First, online tools like WordPress and low-cost hosting mean independents can publish without a massive investment in printing presses, delivery trucks and downtown offices.

Second, online advertising networks mean we don't need a large advertising staff, nor do we have to edit our content so as not to upset advertisers. Networks from across the world bid in real time to supply ads, while tools like Google Ad Manager allow independent publishers to place direct-sold local advertising into the mix.

Third, search engines and social media send us traffic, so we don't need big marketing departments and costly circulation drives. Microsoft Bing, Facebook, Apple News, X, Google News, NewsBreak, SmartNews and many others all send us traffic. Let's face it, readers use these same services, and websites can benefit from that.

Finally, and perhaps most importantly, the internet has also fundamentally changed the craft of journalism. Email, Zoom, Google, Facebook and X all make it much easier to report newsworthy events. We can cover a press conference in Sacramento via Zoom, get a good photo of a local ribbon-cutting on Facebook, check the spelling of names with Google, and conduct interviews and obtain accurate quotations via email. A small staff can now publish news more quickly and more accurately than ever before.

My former colleagues from newspapers will sometimes tell me Google and other big tech companies grew large by stealing news and advertising, but that's just resentment over an industry that failed to innovate. Just like horse-and-buggy makers ignored the automobile, and railroads dismissed airplanes, newspapers missed the Internet.

To be sure, some newspapers tried very hard. There's a wonderful article in Columbia Journalism Review from 2011 titled "The Newspaper that Almost Seized the Future." You can still find it online. It's about the Mercury News during the dot-com boom. No newspaper was better positioned to transition to the internet, but it nevertheless failed. It's a cautionary tale for any attempt to revive that industry.

One of the reasons I've been successful as a new media entrepreneur is because I live in California, the most innovative place in the world. It's not surprising that the Internet ecosystem developed here, and continues to flourish here. Our state has always focused on the future, not the past.

California now has far more independent online publishers than any other state as a result. Diverse voices are joining legacy newspapers and television stations to give residents a more nuanced and comprehensive understanding of local and state events. There are Latino, Black, LGBTQ, Asian, Pacific Islander and Native American websites. This is a good thing. In a democracy, more voices are always better.

My message for today's hearing is that it's vital to protect this ecosystem. As the Legislature considers bills like AB 886 and other measures impacting the news industry, I hope nothing is done to stifle innovation. The growth of independent news publishing is good for readers, good for California and ultimately imperative for democracy.

Thank you.