Audio Transcript

Episode 204 of <u>"E&P Reports"</u> Vodcast Series with Mike Blinder

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Arizona's newspaper and broadcast associations merge into Arizona Media Association.

In this episode of "E&P Reports," we explore the groundbreaking move by two organizations that considered themselves competitive for decades. Arizona Newspapers Association and Arizona Broadcasters Association merge into Arizona Media Association. We chat about the "whys and hows" of the union with Lisa Simpson, the former executive director of Arizona Newspapers Association, and Chris Kline, the former president/ CEO of Arizona Broadcasters Association. We also learn their future plans for advancing the industry and serving their combined membership.



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0:00:03.6 Speaker 1: This is E&P reports, a vodcast from Editor and Publisher magazine, The authoritative voice of news media since 1884, serving newspapers, broadcast, digital, and all forms of news publishing.

0:00:21.3 Mike Blinder: Greetings once again. Mike Blinder, publisher, E&P magazine. As always, I ask for your indulgence to follow us. If you're on Spotify, Apple, Deezer, or whatever podcast vodcast channel you prefer, please follow us. Watching us on YouTube, below me there's a subscribe button, there's a bell to the right, click it, smash it, hit it, do something, you'll get an update each and every time. We upload this weekly vodcast series, E&P reports. I've got an old friend, Lisa Simpson, I've known you for years, executive directors, still the executive director of the Arizona Newspaper Association, at least at the time of this recording.

0:00:58.9 Lisa Simpson: Yes.

0:01:00.8 MB: Someone could be listening, Lisa, four or five years from now, you never know, we're in the hundreds of episodes. But as of September 1st, 2023, you will have a new title. Correct?

0:01:08.9 LS: Yes, I'll be transitioning as we merge the organizations, I'll be the executive director of member services with the Arizona Media Association. I'm very excited to get going on the next step.

0:01:21.9 MB: And Chris Kline is joining us, a new friend. I hope we're friends, Chris, we'll have to find out if I ever come and join you at one of your conferences. Chris is president and CEO currently of Arizona Broadcasters Association, but here's the story, we're letting it go right now, a merger on September 1st, 2023 will make you CEO and president of the Arizona Media Association. Congratulations, Chris.

0:01:46.3 Chris Kline: Thank you, it's a big new adventure and we're excited to tell you a little bit about it today.

0:01:49.9 MB: You and I have something in common, we both graduated from GWI in Washington DC, did it in '79, not with your accolades for magna cum laude, you did internships at CNN, you wanted to be in the thick of things. Me, I was president of Sigma Alpha Epsilon fraternity, which means I was too busy drinking beer between classes at 21st and G, which I'm not sure there was a Quigley's there. Houses are gone from there, but there's still a Red Lion. Does that ring a bell? The Red Lion, the little sandwich...

0:02:18.2 CK: I remember Quigley's, so I think that you and I are not as far apart as we think, you just enjoyed yourself in college a little more than I did.



0:02:26.1 MB: I think you did as well. We're not gonna hear talk about our college days and Chris's background, we're gonna be talking about something that I think is huge. And I don't know... To me, it's huge. The fact that the broadcast association of a major state and the newspaper association have come together and are merging, and we're gonna explore that and unpack it on the backside of this message.

0:02:52.3 S1: This episode of E&P Reports is exclusively sponsored by Blocks Digital, formerly Town News. Even though the name has changed, their commitment to the media industry is as strong as ever. Blocks Digital is now even better positioned to deliver integrated solutions like content management, audience development, advertising revenue, video management, and more. Join the over 2000 news publishers worldwide that power their ongoing digital transformation with Blocks Digital, serving over 141 million monthly users who view over 6.5 billion pages of content each year, you can trust Blocks Digital to empower you, to connect you at scale with the community you need to reach. Blocks Digital, formerly Town News, now reimagined to help meet the news publishing challenges of tomorrow and beyond. Learn more at blocksdigital.com.

0:03:57.0 MB: Okay, so Chris, let's start with you. I'm all into this because I think today... And you may disagree with me. I mean I'm an old radio guy, Chris, I used to live in Brentwood Tennessee, next to the WSM Tower, where the original... The original Grand Ole Opry transmitted, a beautiful diamond-shaped iconic thing. I'm a radio nerd, I played records in the '70s. Chris, spectrum is not what it used to be. Correct? Having a transmitter does not necessarily mean you're different from a newspaper today. Do you agree or disagree, Chris?

0:04:34.3 CK: I agree that the world is different, I agree that what makes radio unique still makes radio unique, just as the same is true for TV and digital and print. But what really brought us together to this idea of a media association was exactly what you're talking about, which is the line blurring that occurs between all of these platforms. What radio stations do today crosses over so heavily with what a newspaper or a television station or even a digital-only operation will do right now. Right? The fact that we're sitting here doing a remote through a webcam and it's gonna go out through digital channels, this type of thing could be done for any one of the local media platforms on the planet. And it speaks to what we believe is just this continued evolution towards a more generic local media entity that touches audiences on whatever platform it can in order to be that community resource.

0:05:36.7 CK: And as those lines blur, we want a bigger megaphone. Right? We know to represent TV, radio, print, digital, that we've gotta have a super loud megaphone at the legislature, we've also gotta have a big enough organization that we have the resources to provide sizable member services: Training, paid internships, scholarships, you name it, and the list unfortunately only gets longer as our world gets more complex. And it is changing so fast that I know Lisa and I really believed that the only path forward was to basically combine operations and build a bigger, even stronger and bolder operation that can look out for the interests of Arizona local media going forward.

0:06:26.7 MB: Let me go turn this question back now 'cause I've been in the newspaper industry for over 20 years. Back to Lisa, there's been consolidation in our industry, you've gotta agree. I



mean you've watched the consolidation where more and more entities are coming under hedge funds or larger companies, which decreases the amount of movers and shakers you've had to help you. Lisa, when an important issue happens, whether it's local or national, correct me if I'm wrong, your job, and with many jobs, one of them is to put up the batch signal, get these guys to pick up a phone, send an email, help you support advocacy for the industry. Have you found the numbers have been less... I mean less people in port, like lack of publishers in certain markets that needed to give you some juice?

0:07:15.1 LS: Well, I will say one of the challenges that we do have is, some of the larger brands have gone to a centralized model and they've eliminated the publisher role, and so you don't have that single figurehead to build the relationship at the state level with the legislators and the lawmakers that we need to have that conversation with. Having said that, one of the big advantages in Arizona is, community news is still a very big part of the State of Arizona. So I would say that we've been incredibly lucky that we do have several family-ownership groups here and they are very engaged, and they're very supportive and they're here to help, and they pick up the phone and they have great relationships. A couple of years ago, we were able to really make a difference at the state legislature because one of our publishers actually was a student in one of the lawmakers' classes. And when they saw each other, they were hugging in the middle of the testimony room. So we do still have a lot of that advantage. But having said that, as newspapers as groups have combined, our footprint's gotten smaller. We used to have over 150 members, and now we're under a hundred as just newspapers. Right? So to be able to combine with the broadcasters, to really be able to go down and make a difference with over 350 members to me is very exciting.

0:08:52.3 MB: You have one of my favorite owner/publishers, you have Francis Wick. Correct?

0:08:56.5 LS: Yes.

0:08:57.8 MB: Francis has been integral in helping launch new initiatives.

0:09:02.8 CK: And Francis was gonna be one of the founding board members for our inaugural Arizona Media Association.

0:09:09.7 MB: As he should.

0:09:10.8 LS: Yes.

0:09:11.1 MB: So Chris, the same question to you, because 'cause, see, I've been out of the broadcast industry for a while. I mean I spoke at the NAB a few years ago 'cause they wanted more perspective and all that from news side. But talk to me, have you had the similar challenges on the broadcast side with consolidations, mutual owners, less... How should I say? It's always good to have that leader in the community do a little schmoozing for you. Am I right? Has any of that changed? Is there more strength in numbers because of this merger?

0:09:37.6 CK: Well, I think we always want more. Right? We always want more local voices, more leaders who can pitch in, we have been lucky, I think, over the years that even with consolidation, we have continued to have super strong voices. And that's made a huge difference, whether we



gotta fly into DC for an issue or deal with something at the state legislative level. But going forward, having 350, 400 members, as opposed to 200, or with the newspapers, a little less than a hundred, it makes a huge difference, because depending on the issue, we now have a multitude of not just people, but properties and perspectives that we can touch on. And I think our members of congress, as well as our state legislatures are gonna appreciate that when we come to make our case for an issue, that we'll be able to bring the full well-rounded perspective, whether it's urban or rural or both.

0:10:38.5 CK: And we're able to cover, as Lisa said, community newspapers, as well as the local radio stations, as well as the big TV stations. And now included in our membership is gonna be some of the digital-only startups that I think in every state are trying to find new ways to produce news, especially, but local community content in general. And that's pretty darn exciting for us too, because we want to foster anything and everything that's gonna keep that community connection alive. I think in a lot of respects, as we have been working to hone our mission and to make sure that as we put out our forward-facing statements that define who we are, that phrase "community connection," maintaining community connection is a super important part of who we want our Arizona Media Association to be.

0:11:27.0 MB: Lisa, I'm an old guy, I mean I sold AM radio in the 1980s, that's how I... And there was this weird phenomenon called FM that was growing and this strange thing called cable. When I was president of the Maine Broadcasters, cable wanted to join our association. We said, "No, you're a competitor, you're selling advertising." Lisa, do you still have some old, I was gonna use a bad word, old people like me that look into the markets and say, "They're a competitor, I'm not gonna go to a convention where we all learn the same stuff, I gotta compete against that television station in my market for local dollars." Lisa, is any of that pushback happening or is everybody saying, "Yeah, let's move to the future, where spectrum is not as important, it doesn't matter where the news is printed, doesn't matter where it comes from, the information, we just gotta get the information out." Where are you at? How is your board, how are your members with this?

0:12:23.5 LS: Well, I'd like to say that this transition is smooth and there's been absolutely zero bumps in the road, but we've had many conversations with many of the publishers. And it wasn't just on the newspaper side, it was on the broadcast side as well. I tell everybody, "We fight like cats and dogs, but in today's market, we have to learn how to live together." And there was a lot of our publishers, especially in the smaller markets, that there was a lot of pushback because in the Phoenix Metro, there's a lot of different newspapers and broadcasters that we're constantly in competition with. But then you get into a smaller town, and the publisher of the newspaper and the GM of the radio or TV station are the same two people at the same chamber of commerce meetings every week. They have a little bit of a struggle. But Chris...

0:13:27.0 LS: And I will say that this has been a big part of this, is Chris and I are having conversations and sitting down with these folks and helping them to understand where the advantages are. And because it's just really... It's hard, I'm not gonna say I'm as old as you might... But having been in the industry for a long time, it's hard to change your mindset and realize that in order to survive and in order to thrive and in order to not face news deserts and not face other problems, we need to really join together and make this work. I'm looking at the logo that you have behind you, and it says it all right there, "newspapers, broadcast, digital," that's the focus, that's the



future.

0:14:10.9 CK: The Broadcast Association already represents competitors in every market. Right? We represent TV and radio stations.

0:14:18.3 MB: But my next question, you flipped my letter a little quick, I was gonna say there's a difference between print... Well, in some cases, you have a weekly competing with a big daily, depending on the suburban markets, but we're not used to that in the print side. When you have three or four competing news operations in one city, all part of the same association, Chris, that's your life. Correct?

0:14:40.7 CK: I'll just give you Phoenix as an example. There are eight television station members that all compete with one another, we have another, I don't know, 40 or 50 radio station members that compete with one another, and that's just in the same city. So we've learned to work together, knowing that despite the competitive sales world that everyone lives in, that we got the same common cause, the same common goals, and the same common threats. And as I think on all sides, we've started to have conversations and everyone realizes that those same common causes, threats, and goals are the same with print, as well as TV, as well as radio. It makes the competitive process a little easier to swallow. And then you add in the fact that at least in our state's situation, it made business good sense and it became a shoe-in.

0:15:39.3 CK: And that's not to say that this means that what we're doing is just an easy flip up a switch anywhere else in the country because I don't think it would be. I think we got really lucky, where the stars aligned at the right time, we had the right opportunity, we had the right people on the boards, and Lisa and I both were excited about this idea. And our goal is we obviously wanna model the way and make this a super successful venture that hopefully makes good sense for other states going forward, but I don't wanna give anybody the aura that this has just been an easy flip-up switch.

0:16:17.0 MB: Lisa, is your phone ringing off the hook? Have other friends from other states called and said, "This is an amazing thing you're doing?" Or have some said, "What are you drinking? Why are you doing this?" How's it been? Because it's a tight group. Right? Newspaper association managers, I've spoken at your conferences over the years. What kind of feedback are you getting from your brethren, if I may ask?

0:16:36.4 LS: I'm getting both. I had a few that wanted to know if they needed to call and have the men with the straight jacket come and pick me up.

[laughter]

0:16:46.3 LS: What are you guys drinking in Arizona? Why would you do that? But I've gotten a lot of other... Those have been the public conversations, but I've also gotten a lot of private phone calls. How's it going? Keep us posted. What were the obstacles you've faced? Because we've had a lot of organizations that are in similar situations. Right? They're declining newspapers, there's news deserts, they're trying to figure out how to survive. And they've been thinking about it, but they haven't gotten to the next step yet. And I'm fortunate that Chris and I have known each other for a



long time and we were able to really perpetuate this conversation. And we'd been talking about it for a while, but the timing... We accelerated where we thought we would be just because the timing was right. So I think Arizona, we may be the first, but I'm sure we won't be the last. I think in the next few years, you'll see a few other states join us pretty quickly.

0:17:46.8 MB: Oh I already know that, I'm already hearing in our channels that people are gonna be watching what you guys are up to. So anyway, Lisa Simpson, the current executive director of Arizona Newspaper Association. Full disclosure, that title exists at the date and time of this recording, soon to change as she becomes an integral part of the Arizona Media Association. And Chris Kline, president and CEO currently of Arizona Broadcast Association, but the time this is playing over hundreds and hundreds of headphones, I have a feeling you're already gonna have that title of president and CEO, Chris, of Arizona Media Association. Congratulations to both of you on your forward-thinking. More importantly, keep us up to date here at E&P on what's going on, the initiatives you launch, and more importantly, the successes and challenges you have so we can amplify that, Chris, out to the rest of the industry with your permissions.

0:18:44.7 CK: We appreciate that, we're excited. And I'll tell you there's one cherry on the top of all of this. We don't have time to go into this one right now, but in addition to launching the media association, we decided, If we're gonna do one thing, we might as well do two. So we're also launching a nontraditional foundation, which will be the next phase of our evolution, we're launching an Arizona local news foundation to raise money for the future of local news and information in every Arizona community. So wish us luck on both ventures.

0:19:14.0 MB: There you go, thank you both for your valuable time.

0:19:15.3 LS: Thanks, Mike.

[music]