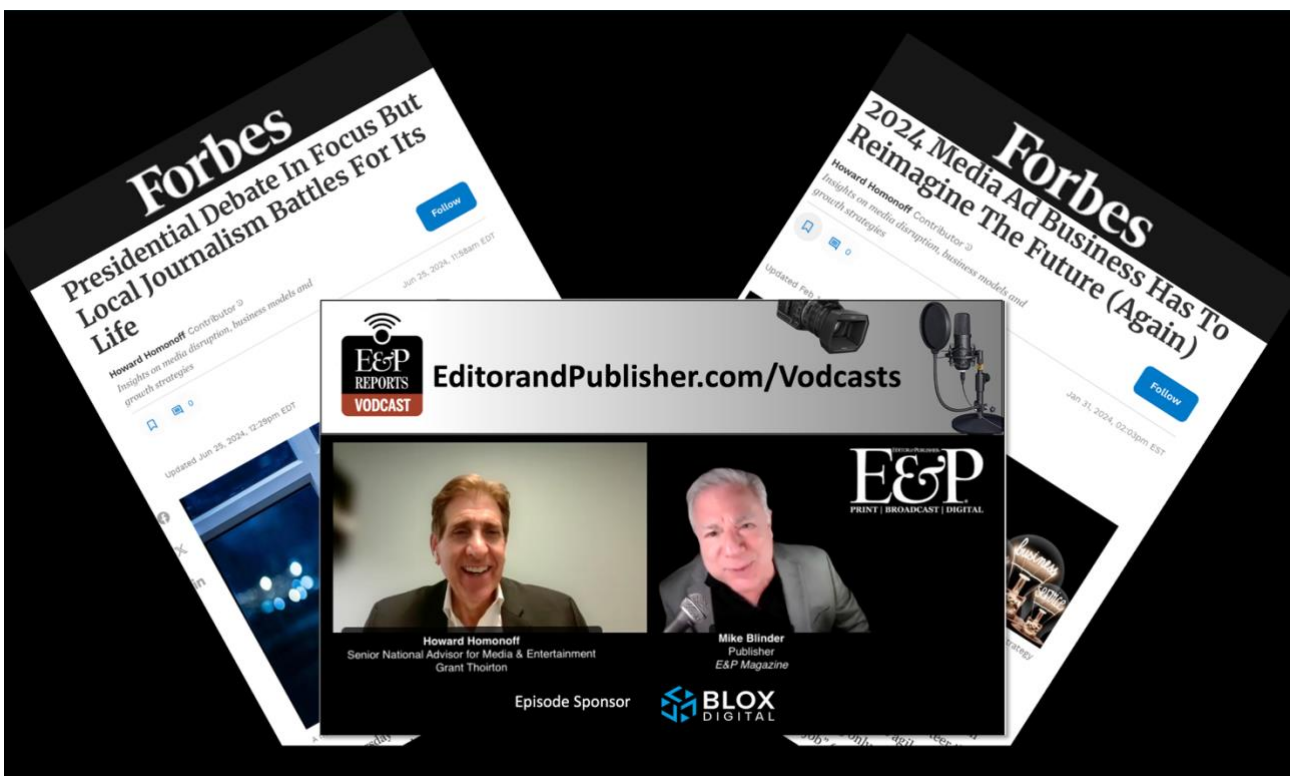


Audio Transcript
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with *Mike Blinder*
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[Local journalism faces uphill battle: Insights from Howard Homonoff](#)

In a recent interview with Howard Homonoff, Senior National Advisor for Media & Entertainment Industry at [Grant Thornton LLP](#) and a [weekly columnist](#) for [Forbes Magazine](#), E&P delved into the current state of local journalism. The conversation was sparked by Homonoff's recent Forbes article titled "[Presidential Debate In Focus But Local Journalism Battles For Its Life](#)," which highlights the severe challenges faced by local journalism, including a long-term decline in newsroom employment and the emergence of "news desert" communities.



0:00:07.8 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.

0:00:20.7 Mike Blinder: Greetings once again, Mike Blinder, publisher of E&P Magazine. As always, we start off the program boring the heck out of you by asking those that are listening on a podcast platform to please, please follow us. Those watching on the YouTube channel, hit the subscribe button below, smash the bell, ring it to the right, you'll get an update each and every time we upload this weekly vodcast series dedicated to the news publishing industry we call E&P Reports. I have a new friend, Howard Homonoff. Welcome to the show, sir.

0:00:50.4 Howard Homonoff: Thank you. Happy to be here.

0:00:52.4 MB: Met you at the Media Financial Management Association Conference. I understand I bored the heck out of you. You were in my audience. Am I correct there?

0:01:00.8 HH: Amazingly enough, we're still talking.

0:01:02.8 MB: It's unbelievable. Everybody was asleep when I did my session there. But I must have done something right because the executive director, Joe, has asked me to come back and do a general session at the next one. So maybe something I said made sense.

0:01:18.2 HH: There you go. Hey, look, you inspired me, and I know that's why we're talking today about kinda focusing and particularly around local journalism, local news, and kinda what that world looks like today.

0:01:30.7 MB: Howard's got quite a pedigree. I mean, first of all, Howard, we have a tradition now. Every other article we publish at E&P centers on AI. You're allowed to say, duh. So rather than me reading a litany of information, what I always do now with famous people like you is I go to chatGPT, and I ask...

0:01:48.7 HH: Okay. All right.

0:01:50.6 MB: I ask AI. I ask this woman, man, thing, it, he, him, she, her, whatever, I ask it, what the heck are you? Who are you? And here's what we got. You ready? Tell me if they did well enough.

0:02:05.2 HH: Okay. All right. I'm bracing myself.

0:02:06.7 MB: Okay, here we go. Howard Homonoff is a media and entertainment industry expert with a focus on digital media broadcasting and content distribution. He's held various roles throughout his career, including executive positions in major media companies and as a consultant. He is the senior vice president at Media League, a strategic advisor and business development firms serving companies at the convergence of media, marketing, technology, and entertainment. You're



also a writer for Forbes, a columnist weekly that I wanna talk about.

0:02:36.8 MB: You have a background in law and policy, having worked as an attorney earlier in your career. You have taught courses related to media and entertainment at Columbia University and elsewhere. Your expertise spans across various aspects of the media landscape, making you, here it is, a respected voice in the industry, A, B, C, D, or F.

0:02:57.0 HH: Well, almost all right, except the media link part of it is about say almost six years out of date. So I am now, my day job is I'm senior advisor for the media and entertainment industry at Grant Thornton. So still in the consulting world, but a different home. And the other stuff remains. So I continue to teach and continue to write.

0:03:25.8 MB: And you've actually worked in the weeds. I mean, at media companies, too. You were, correct me if I'm wrong, general counsel at NBC, right? During some of these years.

0:03:34.0 HH: NBC Cable Network. So yeah, so it was during the really kinda the boomiest boom time of cable. And then the advent of kinda internet 1.0 and us having to figure out, hey, what do we do with this? How do we take this TV business model and content and try to make it work in digital media? So it was a really interesting time.

0:04:05.4 MB: And here we go. That's pretty much what we're gonna chat about. So everybody hang in there as we talk about media with Howard on the backside of this message.

0:04:16.0 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.

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0:05:20.1 MB: All right, Howard, I wanna focus, if I may, on your latest column for Forbes. First of all, I am honored you quoted me in it. My Google Alerts lit up one day.

0:05:30.5 HH: Great. There we go.

0:05:31.7 MB: I'm in Forbes again.

0:05:32.8 HH: It worked.

0:05:33.4 MB: Yeah. And, but it was entitled Local Journalism Battles for Its Life. You reached out to me and said that you saw me speak at the MFM, and let me tee it up this way. When I got to

the MFM, never attended one, this is the Media Financial Management Association, quite a healthy association. As many of the media conferences I attend now attendance is down. There was over 500 at this event. Very active, but mostly broadcast and network and entertainment industry driven in a way. I would say, and maybe I was wrong, but of the glad handing I did newspaper or news publishing, maybe it was 20%. I'm making this up as I go just for my personalities in the hallways.

0:06:21.6 HH: Probably not. You're probably not far off on that.

0:06:24.3 MB: I mean, mostly I'm shaking a hand of someone who works at an NBC network or someone who works for one of the big movie houses or something. It's a large organization. And the panel before me, this was a breakout session, was on legislation. And it was Charlene from the NAB, National Association of Broadcasters, David Oxenford, who we're interviewing in our magazine this month, at Wilkinson Barker, talking about the advocacy, what's going on.

0:06:51.5 MB: And I am listening to 15 minutes, and I'm not being disparaging. I'm just listening to how we're saving AM radio and cars. And I'm sitting in the audience saying, I'm about to get up on this stage and beat the heck out of these people. I'm gonna talk about the state of media in a much more holistic approach. And you believe it's important that this is gonna be something... I mean, it was all about everywhere I turned, and maybe I'm wrong, what I read was about spectrum or delivery. Does this make sense? Go ahead.

0:07:24.6 HH: Yeah, no, no. I think that it's, I mean, it's interesting. And a number of years ago, I ran a project for about three years focused on trying to develop a new model for paying talent in television commercials. And ultimately, television and internet commercials as well.

0:07:45.7 HH: And my clients were SAG-AFTRA, the union, the Association of National Advertisers, the 4As, the organization of agencies. And what I discovered in part in that process was how much of a backwater... Now, that was just about advertising, but in a weird sense, it's sort of so much about the business where people, the resources focused on the buying and selling of advertising, let's say. And sort of that technical aspect was the spending and attention was so much more than on the creative. And I think that we kinda lose sight sometimes...

0:08:27.5 MB: Of content.

0:08:27.7 HH: Of the content.

0:08:28.5 MB: Content.

0:08:29.4 HH: I mean, it's sort of why we're doing this, at least I certainly can say that for me, and I suspect for you. And I used to have my boss at CNBC, grizzled old broadcaster who would say if he heard somebody sort of complaining about what was going on in the office or this or that, he'd say, he'd grumble and he'd say, well, this ain't the insurance business. And that was his way of saying, hey, we're lucky we get to be in a business where what we're doing is creating content that people really care about. They care about making, they care about reading, they care about sharing, etcetera.

0:09:11.1 HH: And that's the question. And look, I write a lot about the business models of how to make this stuff work and how to sustain it, etcetera. But the point of it is so that we can sustain people who want to create, being able to create and readers, all of us being able to have access to the information.

0:09:36.3 MB: Okay.

0:09:37.2 HH: That is fundamental to society.

0:09:39.6 MB: So I felt like when I was attending this conference that I was the guy who had already gone through massive disruption. Remember, I came from radio and TV, entered obliquely the newspaper industry. I started as a disc jockey. I mean, I loved radio and TV, managed stations, but I got in as a nerd starting one of the first digital newspapers. Next thing you know, I'm the digital media, whatever. Here's the thing. I felt that this was an, like the broadcast and the networks and all that, you don't see what's next. And then, and that was my talk was about...

0:10:09.7 HH: Right.

0:10:10.3 MB: About content, content, content. You don't know... You better own an audience now or you're dead. And then I got verified just a couple of weeks later by Gordon Burrell. He was on this program. I'm sure you know Gordon and all his research on advertising and all that, saying that we're now in a final phase of media. If you don't have content, you're about to go under. And he was talking about networks and talking about local broadcast. Am I wrong? Or do you see in a future, some massive transitions about to happen in local, the local spectrum owners? Like I look at presses as just something way back in the past, a legacy brand. And I look at a transmitter the same way, right?

0:10:48.7 MB: It's not the future and it's not something that's that important today. Am I making sense? Where's your head on all this?

0:10:55.1 HH: Well, I think that the... That you can't define yourself as it... If people in music define themselves as producers of CDs that worked for, very well for a while. And it's not what that business is. If you're in the news business, your business, I think it has been for a long time is about the mechanics of it are understanding your audience, understanding your market, creating great content, and distributing it and monetizing it. So that's sort of the ecosystem. I think that the people are still... We are in very much of a test and learn mode throughout the business.

0:11:55.8 HH: And I would say, I would say that among from publishers, the biggest of media companies, Disney hasn't figured it all out.

0:12:03.6 MB: No.

0:12:04.4 HH: No, nobody has really figured it all out. And people have tried a variety of strategies, ranging from first, I mean... I refer to in my article, one of the most disastrous business decisions of the 20th or 21st centuries, which is we're gonna take our content that we spend so much money and prize so much, and we're gonna put all of it for free on the internet. And then people

will, will consume it on the internet.

0:12:35.3 MB: And with some advertising around it.

0:12:37.2 HH: And watch our ads, plenty of, we'll make a ton on advertising and all the people who subscribe to it at home. We'll continue to do that. Wow. What a great idea. It's ludicrous kinda in retrospect, right? I mean, you make it free, free always beats paid in terms of when it's the same content. So...

0:12:58.9 MB: Right.

0:12:58.9 HH: So we tried that, that didn't work, in the television business or in the motion picture business, people are, have tried big mergers. Maybe that's the answer. We just get more of the similar entities together, but if the fundamental business is broken, then just having two big companies with a broken model isn't necessarily better than one. So we... People are in this test and learn mode and I think people have to be flexible and people... And I think to your point, you started nimble and remember at the end of the day, I mean, what's good, I think, and local journalism isn't isn't silly TikTok videos, but it is... That broadly speaking, people really like, want to, and are consuming content like crazy.

0:13:55.2 HH: They want it. People wanna get access to it. They wanna access in different ways. They not wanna put up with the delivery mechanisms of the past and limiting when they can watch something or where they can watch it or whatever it may be. But the product or products are hugely remain very hugely popular. But the business model is kinda torn asunder and people have got to figure out how to sustain a different world, not, oh, how do we go and keep, whether it's AM radio the physical newspaper or whatever the...

0:14:37.6 MB: Or a cable, a cable system. Okay.

0:14:38.6 HH: Business or a cable network. And those look, some of those businesses still... Cable networks still today throw off a lot of money. They're not growing. But it's not, if you're a publically...

[overlapping conversation]

0:14:51.9 MB: Not sustainable.

0:14:53.1 HH: It's not sustainable and it's certainly not, not at all about growth. So if you're...

0:14:57.9 MB: Well this is what Gordon was referring to. He calls it now the final phase of media. The growth is not gonna be geometric anymore. He said, here's the quote, quote, and you might like this, "distribution may still be King, maybe King Kong, but content is still King." So we're at a point now... So let's, I'm not gonna go over the entire article.

0:15:19.1 MB: Those that trip over this podcast, the audio downloads, feel free to go to editorandpublisher.com/vodcast. We're gonna have a link to Howard's article, but I wanna now see



when Howard reached out to me first, he said, who should I speak to? If I wanna get into local journal... So I gave you a lot of different people. I gave you like Ken Doctor who just won a Pulitzer. And a complete disruptive digital only environment. I gave you Jeremy Gulban, who was buying all those little tiny Gannett papers up has almost a hundred of them now in very little markets is doing things through scale. I gave you Waldman, right?

0:15:57.6 MB: Everybody in our industry knows Steven Waldman who's doing everything he can to give us, legislation that will help us have another leg on that stool. So let's go to 30,000 feet. What the heck do you think of this industry? After doing all those interviews and writing up this article, where's your head on it?

0:16:16.8 HH: I think what's kinda remarkable in a sense is after all, years and years of sort of the, almost relentless pounding on the news business and the local news business, there is still a remarkable level of energy, commitment, activity around journalism and local journalism. The challenge is finding, and it's not one... I don't think this is the matter of finding the one magic bullet that is... I grew up in a business where like you, there were certain templates for how you did business. And if it was cable, you create a cable network, you get it distributed by Comcast, Time Warner Cable and Direct TV you throw it up. People come to it. You run advertising, you get subscriber fees.

0:17:16.9 HH: And that was amazing for 30 years. Not so much anymore in... And in newspapers it was combination of circulation and ad revenues that back to remember... We can remember when the back of the New York Times the back of front section was a hugely expensive and valuable piece of advertising real estate that has content now, because it's not... Nobody's interested in paying that much to advertise there.

0:17:45.5 HH: So I think that what you've got is again, an industry where there's a lot of and young people, you see the activism on college campuses. And so there certainly is... You can't argue that people and I don't wanna go into the current issues, but certainly the level of activity, interest, engagement around a lot of civic issues is certainly there. But it's an industry where the, since there is no one business model that everybody can plug and play there's a need for kinda an aggressive testing of what will work in different markets.

0:18:27.2 HH: Not every market's the same that the Ken... You know the Ken Doctor, Santa Cruz marketplace, Santa Cruz, California, Ken targets and is looking to expand into other markets of 250,000 to a million people. That's much larger than the markets that Jeremy Gulban and his team are focused on and for their local week, mostly weekly newspapers and news sites. But, and so they're, they have to find... The level will be different in different places and the... Where you dial the meters between the customers or subscribers paying and advertisers and merch and events and, community activities is and philanthropy, which is also a part of the equation here, which is whether it's government grants or private donations that also have a role to play in the overall picture here. But it's, but there's no one, hey, this is it. We just have to go do this.

0:19:39.8 MB: All right. I'm gonna, I got one final question I wanna poke you with. You are definitely a money guy. There's no question. Deep down inside, I know the legal scholar, and I would say so in our industry, writer, teacher, but it's, you attended MFM, the financial side.

0:20:01.3 HH: Right, right.

0:20:04.3 MB: Warren Buffett had a famous quote that I love. "When people are fearful, be greedy. When people are greedy, be fearful." This, when you talk to Jeremy Gulban and who, and I don't know if he told you, but I had him on my show recently. Just get an update on what's happening at that meeting. I mean, perfect time to buy, he says. I mean, a lot of people are buying in now. Talk to Ken Docter, who didn't buy anything. He started it. Found some cash, got a contribution. Some philanthropy to kick it off. And now won a Pulitzer. You see where I'm going?

0:20:34.8 HH: What advice now would you give someone who's listening to this is saying, local journalism, I'm teeing it up with a lot of pontification. And we could, let me go. Local journalism is mandated in the constitution. Only industry that is mandated. I mean, that it has to exist.

0:20:50.0 HH: Right, right.

0:20:51.6 MB: I mean, we got to have that final check on power. There are a lot of people looking at it now. Legislation is gonna come down in the future. Hopefully to help sustain it. People crave it. You just said it. I mean, they want the content. Damn it. Right. They want it. They're begging for it. We just have to figure out how to give it to them.

0:21:10.9 MB: What advice would you give someone who says, Damn, do I wanna get into this? I mean, do I wanna buy something or start something? What advice would you give them?

0:21:20.4 HH: I'd say, first of all, sort of be prepared to live in a world for a while of uncertainty. And there is no... Some people will be able to still go to relatively bigger institutions. And I think the New York Times and the Wall Street Journal and the Washington Post, a few of the big institution will continue to evolve, but will continue. But I think for most people, I think first start from the knowledge, understanding of the importance of the kinda that mission oriented piece of this.

0:22:08.7 HH: And if you believe in that, and there are a number of people that get sort of doing interesting things with different sources and combinations. And I say this in the media business, the entertainment businesses as well. And I teach, as you mentioned, media dealmaking, which sometimes is big M&A. And sometimes it's little partnerships that help create different means of gathering information or creating it or financing it. And so be an entrepreneur. And an entrepreneur doesn't mean you have to start your own company and build, bootstrap it and go out and raise the money and work with investors, etcetera. But what it means is, is being open to a variety of different strategic relationships that will put you in a position to succeed. And some of that will be that they may not be full time jobs. They may be a set of relationships.

0:23:16.8 HH: But I think the key is finding a series of like minded and souls and institutions where that are trying and are looking for people on that other side to help partner.

0:23:39.2 MB: Howard Homonoff. I mean, I know how busy you are. I'm sure there's like 19 big deals on your desk right now you got to get back to. But we could not be more grateful for your



valuable time. And I'm sure our audience got a lot. Howard is senior national advisor for media entertainment industry for Grant Thornton. He's a weekly contributor for Forbes, professor of media management and leadership and media dealmaking at the New School and senior fellow Columbia Institute on Tele-information at Columbia Business School. Howard, we appreciate your time. Please come back and join us again.

0:24:16.0 HH: Happy to. Thanks so much.

