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with Mike Blinder

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[Inside the Lenfest-OpenAI-Microsoft partnership: One-on-one with Jim Friedlich](#)

The Lenfest Institute for Journalism, in partnership with OpenAI and Microsoft, has introduced a \$10 million AI Collaborative and Fellowship program to support innovation, sustainability, and new business models across five major U.S. metro newsrooms. Lenfest CEO Jim Friedlich, in a discussion on E&P Reports, highlighted how the initiative leverages AI for diverse newsroom applications, from business model optimization to increasing public data accessibility. The program aims to restore the depth of local reporting through AI-assisted research, enabling newsrooms to cover more ground with limited resources. Beyond the initial fellows, the program aspires to scale its impact, offering frameworks and tools for industry-wide adoption that reinforce the sustainability of journalism in an AI-driven future.



0:00:02.0 Announcer: 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.

0:00:18.2 Mike Blinder: And greetings. Once again, I'm Mike Blinder, publisher at E&P Magazine. As always we start off by urging those, listening to this program on a podcast platform to follow those who choose to watch it on our YouTube channel, there is a subscribe mechanism below please interact there. Whether you follow or subscribe, you do that, you get an update each and every time we upload this weekly vodcast series we dedicate to the news publishing industry we call E&P Reports. Jim Friedlich, welcome to the program, sir.

0:00:48.2 Jim Friedlich: Oh, thank you, Mike. It's nice to be here.

0:00:49.9 MB: We have a new tradition at E&P since every other story we now generate has something to do with AI. We no longer stalk you on LinkedIn to find out who you are. We go to ChatGPT and ask it who you are, and then I'm gonna read it to you and you're gonna tell me on a scale of A to F did ChatGPT get you right? Are you ready?

0:01:11.3 JF: Is F better than A?

0:01:12.6 MB: No. A is good. F means you got...

0:01:16.0 JF: Oh. Sorry. Okay. Now I get it.

0:01:18.1 MB: And the reason I said she is, I interviewed ChatGPT and gave it a gender. It's a woman now to me 'cause I gave it a female voice. But anyway. James, Jim Friedlich, [laughter], put your moniker in there is a media and philanthropy executives to serves the CEO and executive director of the Lenfest Institute for Journalism. Lenfest Institute is a nonprofit organization, dedicate to supporting sustainable and innovative journalism models, especially focused on strengthening local news. Friedlich has built his career at the intersection of media, technology and philanthropy with a history in journalism and investment. He has been a strong advocate for news business model to support journalism in a rapidly changing media landscape. And it goes on from there. How did it do? What do you think?

0:02:02.5 JF: I would give it an A plus.

0:02:05.7 MB: There you go.

0:02:07.7 JF: I think it's noteworthy that some of the description has its origins in Wikipedia.

0:02:15.1 MB: Yep.



0:02:15.3 JF: And as is always the case, there's a source, in this case, not credited. So I give it an A and note that not all of it is entirely original, which is interesting.

0:02:34.1 MB: And I thank you, sir, for pointing that out. But that's not our topic for today. We'll have you back on a program to discuss fair compensation from AI's use of our content. Today's topic does have to do with AI. It's Lenfest's teaming up with openAI and Microsoft announcing \$10 million in grants called the AI Collaborative and Fellowship Program for US Metro News Organizations. So far five metro organizations are gonna take advantage of those dollars. The Chicago Public Media, Minnesota Star Tribune, Newsday on Long Island, the fire in Philadelphia, and the Seattle Times with three more to be announced. And we wanna unpack that and what these dollars are going to do and how that'll affect our news media ecosystem right after this.

0:03:19.0 Announcer: This episode of E&P reports is exclusively sponsored by BLOX Digital formerly TownNews. Even though the name has changed, their commitment to the media industry is as strong as ever. BLOX 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 BLOX Digital serving over 141 million monthly users who view over 6.5 billion pages of content each year. You can trust BLOX Digital to empower you, to connect you at scale with the community you need to reach. BLOX Digital, formerly TownNews now reimagined to help meet the news publishing challenges of tomorrow and beyond. Learn more at bloxdigital.com.

0:04:25.0 MB: Jim, I recently had on the show Neil Brown, I'm sure you know him, the who runs pointer Institute. And he, and I was fascinated about how his organization, or at least he said that we gotta embrace AI quickly. His exact words were oversimplification is one of our soft underbellies in our business. News organizations can look back and say that a reticence to embrace technology set us back. And I was part of that. My mission back in 2002, traveling the world was to convince newspapers the internet wasn't a fad. I mean, and we let classifieds go. We could have built our own Craigslist if we had that, but we were waiting too long. I asked ChatGPT on this very program, how she felt about her role. See, I did assign her agenda, so you're gonna have to, excuse me, I now call it a he, a her. Where she said, "I'm here to raise the bar for journalism."

0:05:21.4 MB: You see rather than AI as a threat, it should be viewed as a powerful partner. Help reporters and editors focus on the aspects of journalism and get rid of the mundane tasks. Raise the bar was her argument on why we should embrace her. But when I got back from America's newspapers, the AI panel that had three top executives on it said, well, we're still exploring. You see where I'm going? And Jay Horton, who's head of digital for WEHCO, said, well, if we don't embrace it, your competitor will. What is the... You're running Lenfest here. What is either your personal or your position on AI and where it should be in our newsrooms today, sir?

0:06:05.9 JF: Our point of view is that the technology is neither inherently good, nor inherently bad, but it is extraordinarily powerful. So any business, whether it's a government business or a healthcare business or a fantasy sports business or a news business, has the choice to either understand it, embrace it, get ahead of it, and leverage it or ignore it. And clearly we're on the side of embracing it. The idea here is that a group of focused relatively well-funded news organizations,



these are each independent, either nonprofit owned or beneficially owned by a civic-minded individual like Glen Taylor, who owns the Minnesota Star Tribune, or the Kennedy and Cox family who own the Atlanta Journal of Constitution. These are news organizations that are still relatively well supported by their owners. The Philadelphia Inquirer is owned by the Lenfest Institute for Journalism.

0:07:28.8 JF: They have the wherewithal and the capacity to reinvest in their news organizations so that they last another a hundred years having been here for at least that long in the past. A part of that is embracing new technology and embracing AI as a tool to help readers to help build new audience, to help comb their archives for new or repackaged stories, to point AI at public data and derive value and information from that. When we began the process with OpenAI and Microsoft, we agreed that we all felt there were business applications, total enterprise applications for AI to help the sustainability of news. Not to replace reporters, not to act as robot reporters or editors, but for business applications. So, for example, each of these news publishers is selling either memberships or digital subscriptions as a core part of their future sustainability. AI does a terrific job of identifying readers that, that have a high propensity to subscribe what it is that they're interested in reading, what they've read in the past, and what to serve them with in the future.

0:09:06.1 JF: So there's demonstrable evidence that AI can help with the subscription funnel and with conversion to and monetization of paid subscribers. Netflix and Amazon Prime and American Express, and every other direct marketing company worth its salt are using AI for this purpose. Why not the news industry? There's enormous amounts of public data, some of it quite well structured at the state level, municipal data or federal data. It's not highly accessible to readers or to journalists. So Newsday has created a data vault of extensive news and information about Long Island, about hundreds of communities in Long Island School rankings, real estate prices, traffic patterns, small business launches, executive promotions.

0:10:12.0 JF: To make those data accessible with this project, they're gonna point some combination of AI products at the data and be able to query it to say, how much is my home worth? Where should I launch my new real estate business? Tell me this AI. That can be, they think, a reader service, a service to the journalists themselves who are reporting and researching insights and a marketing service business for which they will charge small business. So the idea here is AI for sustainability in the journalism business rather than AI to replace journalists.

0:11:04.2 MB: Before we started recording, I told you I grew up in suburban Philadelphia, Haverford Township. In the old days, 'cause I used to, I used to manage a radio newsroom way back in the '80s. And when I covered, when we sent our reporter in to cover the city counselor, the school board, we would have nine reporters in there. I mean, a guy, the regional paper had someone there, the local paper had someone there, two other radio stations. I mean, the weekly had someone there, the days of having the Enquirer be in every single small town in your DMA, wouldn't AI serve that? There are some news publishers now using it in order to at least watch the video of a school board meeting, quickly put together the story, but then have amazing editors that work with that tool. I know that replaced that journalist, but we just don't have the sustain... The funding for that many bodies in today's world. Am I wrong, sir? Am I painting a bad picture here about the future?

0:12:03.4 JF: No. You're exactly right. In fact, the project that the Philadelphia Enquirer applied to

do and was awarded a fellowship for is exactly that. They believe, as you and I both do that, one of the strengths of AI is the ability to ingest and try to make sense of very, very large volumes of data and information. That's why it's called a large language model. They have two applications for this that they want to experiment with, with their fellowship over the next two years. The first is exactly what you just described. They have a volume of municipalities, some of them quite wealthy, some of them quite challenged all around Philadelphia. They serve a six county region in and around Philadelphia. So they have the desire and with AI, the capability to ingest public meeting transcripts, videos, and YouTube channels of town meetings or county meetings throughout Montgomery County, bucks County, Delaware County, Chester County, Philadelphia County, etcetera.

0:13:18.0 JF: And with AI, they can look for key words, let's say book burning censorship. Don't say gay, different things that come up in school board meetings, funding, shortfall, deficit, and have those parts of the video or parts of the transcripts surface. They can ask AI, summarize the meeting that took place last night. Tell us which council people were reported absent and how many times they'd been absent in the past. So they plan to use AI as a reporting assist tool then to apply good old fashioned gumshoe reporting to what AI has told that it may have learned or observed. And in so doing, they are able to serve their audience much better and increase their reach to something better resembling what they had when they had reporters in every town, in every county.

0:14:28.6 MB: What about future? Now this first round, and correct me if I'm wrong, it supports five newsrooms plans to add three. Is this it or will... Well, you might be looking in the... While this is going on and watching it over two years, asking others to raise their hand or it, are you not sure at this time? Can this, will this expand, do you think?

0:14:50.5 JF: Well, the immediate future is expansion from five news organizations to eight. The choice of the next three has some moving parts. We can continue to add individual newspapers. Each of the current five are either standalone newspapers or in one case a newspaper and NPR station in Chicago. Moving forward, there's interest from multiple title owned by a single independent company. There's interest from large digital only sites that exist in one state or in one city. And there's interest from public media. So the first question will be where do we go with the next three fellow opportunities? That's not necessarily three standalone news properties. It could be aggregations of them. We think that's important and an opportunity to scale. After the two years, it's really a question of funding and accomplishment and view of the impact from the previous two years. So whether OpenAI and Microsoft are sufficiently excited about this two years from now, or whether there's additional philanthropic or corporate support for this, I think will have to do with how well we execute.

0:16:37.0 MB: Final question, sir. All right. As a leader, [laughter] in our industry dedicated to the sustainability of local journalism, you've got a large audience here of news publishing executives. What would you like to say to them today? You already kind of touched on that, about what they're gonna see from this or hopefully see from this and what benefit will come in your humble opinion to those all shape stripes of news publishers out there that are gonna be watching the success of this program?

0:17:15.9 JF: We've been working on this for about a year, dating back to an initial meeting with



OpenAI and then the inclusion of Microsoft designing the idea of a fellowship and a collective, the collective being the vehicle by which we share insight and hopefully full-blown product and code. And yet we are really just now getting started. We're recruiting the fellows for the first time, and we have yet to kind of pick up proverbial pen and paper to start the projects themselves. So there's an enormous responsibility and we feel positive pressure to do something noteworthy and to do something that matters. Whether we accomplish that is up to all of us. So we'd like to be held to a high standard. We've said that we will not only serve five to eight newspapers narrowly, but work with them to serve the rest of the news industry. And I'd like to come back in a couple of years and be called on the carpet as to whether we did that or not.

0:18:42.5 MB: Your time. And also all the great work Lenfest has done in helping the industry sharing concepts more importantly, supporting not just your own operation, but you're spreading the wealth, if I may use that term across the entire industry. Jim Friedlich CEO and executive director of the Lenfest Institute for Journalism. Thank you so much for your time and thanks for being part of the show.

0:19:10.0 JF: Thank you. Thank you for what you do. Thank you for revitalizing and carrying forward editor and publisher, which is a great and noble brand, and you're doing a wonderful job with it, in part because you're embracing technology and not limiting yourselves to the original legacy format of a trade publisher.

0:19:35.9 MB: Wow. Thank you, Jim, for the very kind words.