Impact Report 2024

PUBLISHED MAY 2024

American Journalism Project
Whenever they are asked, Americans say they want and depend on news coverage of their local communities. Its rebirth depends on them.

— LEN DOWNIE, WASHINGTON POST
Introduction

REFLECTIONS ON FIVE YEARS

In 2019, the American Journalism Project launched as a first-of-its-kind initiative to reinvigorate local news through the power of venture philanthropy. Our inception was guided by three core beliefs. First, local journalism and democracy are interdependent – a functional fourth estate is a prerequisite for a participatory citizenry. Second, local journalism is facing an existential crisis, as a systemic market failure undermines the commercial newspaper industry. And third, local journalism is a public good, requiring stewardship like the other vital civic institutions that weave our society together.

Our mandate was to create the conditions for community-led nonprofit news organizations to sustainably provide the journalism our democracy requires. We understood that to create a fertile future for local journalism, we needed to galvanize national and local resources, identify and scale sustainable business models, and invest in the business and operational capacity of newsrooms to build future-proof organizations. I’m proud to report, five years in, we’re doing just that.

We’ve raised $175 million from a wide pool of national and local partners across the country, many of whom are supporting journalism for the first time. We’ve invested in 44 nonprofit news organizations across 33 states. We’ve paired capital infusion with robust venture support to build operational strength and increase diversified revenue, enabling newsrooms to operate at their best. We’ve shaped our culture and strategy around a commitment to build a more representative and inclusive future for local news, one that serves and reflects the full diversity of our country. We’ve mobilized local philanthropy to take the lead in promoting the civic health of their communities, partnering with them to identify and address information gaps. We’ve developed a startup studio to build the pipeline of nonprofit newsrooms and interrupt the blight of news voids. We’ve formed an incubator to back talented entrepreneurs launching new organizations. And most recently, we founded a Product & AI Studio to experiment with smart applications of emerging technologies and ensure powerful AI tools are leveraged to support – not undermine – a thriving local news field.

In short, we are maximizing philanthropy and leveraging newfound resources for the long-term sustainability of the field. Our efforts are delivering progress: Organizations are growing, diversifying their revenue, adding journalists, and strengthening their communities.

A BURGEONING FIELD

Of course, none of this work happened in a vacuum. We exist within the broader movement to rebuild local news. Our success is emblematic of the enterprising nonprofit news operations that we support. This is our primary role is partner — to philanthropy, to communities, and to the incredible nonprofit newsrooms and interrupt the blight of news voids. We’ve identified and addressed information gaps. We’ve developed a startup studio to build the pipeline of nonprofit newsrooms and interrupt the blight of news voids. We’ve formed an incubator to back talented entrepreneurs launching new organizations. And most recently, we founded a Product & AI Studio to experiment with smart applications of emerging technologies and ensure powerful AI tools are leveraged to support – not undermine – a thriving local news field.

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THIS REPORT

One of our core values is a commitment to constant learning: to recognize the unknown in front of us and seek to be better today than we were yesterday. This guidepost is at the heart of this impact report; it sheds light on how far we’ve come and sets the stage for what’s ahead. Here, you will read about how we grew our portfolio, galvanized funding from national and local philanthropy, and built an effective venture support operation. Our primary role is partner — to philanthropy, to communities, and to the incredible nonprofit news operations that we support. This is our shared story.

I hope this report gives meaningful insight. As you read, remember that beneath the figures and data lie reverberations that are less tangible, but more deeply felt: the restoration of a shared, trusted source of facts in a town torn apart by misinformation; a historically underserved community feeling represented by their local newsroom; citizens holding elected officials accountable after malfeasance is exposed; a resident approaching the ballot box with informed confidence. This is the power of local journalism.
Our portfolio

THE CORNER OF THE INDUSTRY THAT’S GROWING

Since our launch in 2019, we’ve invested $55 million in a portfolio of 44 nonprofit local news organizations across the country (40 established organizations and four startups currently in incubation).1

Our portfolio of grantees is diverse in every sense of the word—in size, scope, reach, leadership and product. By investing in different models, we are developing valuable insights into how the field can best deliver impact and endure.

We’ve supported and built networked models that scale into more communities, such as Deep South Today, Cityside and Signal Ohio. We’ve supported organizations promoting innovative ways to deliver local news to and engage with audiences, such as Outlier, Documented, City Bureau, and Enlace Latino NC. We’ve invested in statewide organizations filling critical coverage gaps, such as VT Digger, Wyofile and Montana Free Press. We’ve piloted grants to two public radio stations, WFAE and Louisville Public Media,2 as part of an effort to understand their work to fill local reporting voids. And we’ve supported national-local models bringing deep expertise to benefit local communities, such as Capital B, Open Campus and The Marshall Project.

We’re proud to support this outstanding group of independent and innovative nonprofit news organizations, and excited to see the impact they will continue to have in the communities they serve.

1 As of May 15, 2024
2 We talk more about the public media pilot investments we’ve made in a learning report on our website.
By the numbers

$86M
in revenue generated by our grantee portfolio in 2023, a 36% increase over their 2022 revenue.¹

58%
year over year growth in median portfolio organization revenue ¹

568
full-time newsroom staff employed by our grantee portfolio in 2023, an 18% increase over 2022.

191
revenue, operations and product roles funded by AJP.²

6
startup news organizations launched with AJP support, with more in the prelaunch stage.³

$62.5M
catalyzed to launch new local news initiatives since our inception⁵

$175M
raised nationally and in local markets since our inception⁶

49%
of grantees have a woman in one or both of those roles⁴

59%
of grantees have a person of color leading an organization, newsroom, or both.

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¹ Net of AJP funding, calculated as % increase over previous year for all organizations including those new to the portfolio; as of May 15, 2024.
² Since our launch in 2019; As of May 15, 2024.
³ As of May 15, 2024. The news organizations included in this number are Capital B, Free Press Indiana, Houston Landing, Mountain State Spotlight, Signal Ohio and Wichita Beacon. It is worth noting that at the time of publication, Capital B has operations in two local markets, Atlanta, and Gary, Ind., and Signal Ohio has two operating newsrooms: Signal Cleveland and Signal Akron.
⁴ This number excludes leadership of our current incubator participants.
⁵ As of May 15, 2024.
⁶ In markets where we have launched or are planning to launch a local news initiative.
Insights on our impact

Throughout this report, you’ll see data about our grantees, their growth, and how we’re advancing a movement for local news. Five years into this work, the data we’ve gathered provides us with important insights into our impact.

1. As revenue grows, sustainable news organizations are on the rise

We’re seeing strong growth in revenue generated across our portfolio, with a 36% increase in revenue in the past year alone. We invest in the business and revenue capacity of our grantees, and pair that funding with strategic venture support tailored to each grantee’s unique needs and challenges — and this combination is delivering clear impact. This increase in revenue is an indicator that, with strategic investment and continued experimentation, nonprofit news has a viable future.

1 Net of AJP funding, calculated as % increase over previous year for all organizations including those new to the portfolio as of May 15, 2024

2. More money is being spent on local news resources and talent

The organizations in our portfolio are translating revenue growth into increased editorial and journalistic impact. Increased expenses indicate that news organizations are leveraging growing resources to hire more journalists, editors, photographers, and tools to support the work of their newsrooms. Ultimately, these expenses make way for high quality coverage and more impactful journalism.

The grantees in our portfolio support 568 full-time editorial employees in their organizations. Between 2022 and 2023 alone, 87 new editorial roles were added. In addition, we have funded 191 revenue, operations and product roles at our grantee organizations. Grantees are hiring qualified candidates with media experience, but also attracting talent from outside media — leaders who bring experience from the corporate world and established civic and entrepreneurial organizations.

Portfolio revenue by year (net of AJP investments)

Portfolio expenses by year
INSIGHTS ON OUR IMPACT

3. Institutional philanthropic support is being leveraged to build diversified revenue streams

We are seeing that early, sustained strategic investments from institutional philanthropy are successfully providing a runway for nonprofit local news organizations to build growing, diversified revenue streams across major donors, audience memberships, and corporate sponsorships.

News organizations need significant capital infusion to build and maintain the necessary conditions for eventual diversification of revenue: proven impact, resilient business operations, loyal audiences, responsive product, and expansive reach. These elements take time to develop, and foundations can provide the initial down payment that gives organizations the runway needed. We anticipate institutional philanthropy will continue to play an important role in the long term, but we expect to see organizations’ reliance on foundation revenue to decrease over time as organizations build out other revenue streams.

Revenue stream % of total 2023 revenue, by age of organization

- **Foundations**
  - Orgs under 5 years: 74%
  - Orgs between 5-8 years: 67%
  - Orgs over 10 years: 51%

- **Major gifts**
  - Orgs under 5 years: 10%
  - Orgs between 5-8 years: 13%
  - Orgs over 10 years: 10%

- **Membership**
  - Orgs under 5 years: 10%
  - Orgs between 5-8 years: 13%
  - Orgs over 10 years: 20%

- **Earned Revenue**
  - Orgs under 5 years: 7%
  - Orgs between 5-8 years: 3%
  - Orgs over 10 years: 13%
Sahan Journal: Leveraging early foundation revenue

SAINT PAUL, MINN.
Established: 2019
AJP grantee since 2022
Grant amount: $1.2 million

Sahan Journal is a nonprofit news organization that engages diverse communities and builds racial equity in Minnesota.

As a reporter in Minnesota, Sahan founder Mukhtar M. Ibrahim saw a persistent lack of sustained, authentic and comprehensive coverage of the state’s immigrants and communities of color, groups that will soon constitute a majority population in the state. Ibrahim sought to address these gaps through responsive journalism that centered the stories of immigrants, communities of color, and cultural groups.

Our financial support enabled Sahan to build a business team capable of growing and diversifying the organization’s audience and revenue — Sahan leveraged this early support to accelerate its advertising and membership revenue, secure and manage larger multi-year grants, and lay a foundation for major giving. As a result, the newsroom is on track to double its original size by the end of 2024, allowing Sahan to expand its coverage. Additions have included a dedicated visual journalist, news editor, criminal justice reporter, and data analyst and AI project manager.

Sahan’s reporting has received local and national recognition, including the Rising Star Award from the Reporters Committee for the Freedom of the Press and the Community Engagement and Service Award from Local Independent Online News (LION) Publishers. Now, as Ibrahim prepares to transition away from his role, the organization is poised for its next phase of growth, innovation and impactful reporting.

For many years, we focused solely on doing great journalism, with ‘hope’ being our strategy. Under AJP, we have learned the skills needed to sustain our newsroom.

— RESPONSE TO 2023 SURVEY ON GRANTEE EXPERIENCE
At the American Journalism Project, we rally philanthropic dollars to build and grow sustainable nonprofit news organizations. Over the past few years, we’ve helped launch ambitious local news startups; inspired waves of new investments by local philanthropy; and most importantly, fueled more original local journalism in communities across the country.

“Working with the American Journalism Project was utterly transformative for WyoFile. Yes, they write big checks, and that was obviously very important, and I don’t want to gloss over that... but what they did beyond writing big checks was really the differentiator.”

— MATT COPELAND, WYOFILE, AT THE 2024 KNIGHT MEDIA FORUM
Investing in revenue growth

Our investments serve as growth capital for our grantees, enabling long-term revenue gains. We provide each grantee with individualized support based on their needs and biggest strategic challenges. We work as a team with our grantees, partnering with each leader to help them strengthen and scale their organization. As a result, we’ve seen expedited growth across our portfolio.

Our grantees have brought in more institutional philanthropy and are leveraging it to grow other revenue streams. The past several years have seen an increase in institutional giving for the field — a necessary precondition to grow other revenue. We are laser-focused on working with our grantees to grow their major giving and audience revenue streams; we are also beginning to help build advertising and sponsorship support.

2023 Portfolio revenue by revenue stream

- 64% Foundations
- 14% Membership
- 11% Major gifts
- 10% Earned revenue
- 1% Other

Montana Free Press: Pursuing reader revenue in communities across the state

Established: 2016
AJP grantee since 2020
Grant amount: $875,000

Established in 2016, Montana Free Press is building a newsroom that gives Montana residents access to high-quality news, information and analysis. Its goals include filling the information needs of all Montanans, especially those living in currently underserved and rural areas.

Our 2020 grant to Montana Free Press was used to grow its operation, supporting the expansion of its capital newsroom and launching more community-based news coverage. Since then, the news organization has strengthened its business operations and strategy to pursue philanthropic and earned revenue, including investing in talent dedicated to audience growth and engagement.

Montana Free Press has seen a strong increase in membership — and is pursuing an ambitious path to continue to accelerate that growth to reach across the state. Membership strategy is front and center as the organization expands its community-based reporting, including targeting new rural audiences for conversion to members so as to sustain their presence in those communities.

Revenue figures are rounded to the nearest thousand, and do not include funding received from the American Journalism Project.
Spotlight PA: Creating a strategy to cultivate major donors

Established: 2019  
AJP grantee since 2022  
Grant amount: $1 million

Spotlight PA is the largest statewide news organization in Pennsylvania and the most ambitious collaborative journalism project in the state’s history. The newsroom was founded in 2019 as a bold new approach to address the impact of the journalism crisis in Pennsylvania. Spotlight PA’s team of investigative reporters is delivering vital statehouse and statewide reporting for communities across the state.

Our 2022 grant to Spotlight PA helped the team build a revenue and operations team to support the newsroom’s impressive growth and ensure that Spotlight PA becomes a permanent fixture in Pennsylvania. In the time since, the news organization has brought on new talent to ramp up its major giving strategy, now serving as a model to others in the field.

Building exceptional and diverse teams

Growing the business and operations side of news organizations means hiring and building strong teams that are positioned to take their organizations to the next phase. Our funding has supported the addition of more than 191 revenue, product, and operations roles across our portfolio, including founders, directors of revenue, and other business and product staff. These roles are specialists in fundraising and development, business and revenue planning, audience development, technology and product, and more. The news organizations we work with are contributing to the growth of local jobs markets and growing the field’s talent pipeline as they attract people from other industries and cultivate leaders from within the sector.

We are strongly committed to building an organization and portfolio of grantees that advances equity. As we work to advance and rebuild local news across the country, we have an urgent, pressing opportunity: to build a local news ecosystem that reflects the diversity of our country.

This commitment to diversity, equity, and inclusion is embedded within the new hires we fund. We support grantees in developing inclusive and equitable hiring practices, diverse candidate pools, and organizational cultures that support a diverse staff.

As funders and movement builders for local news, we are working every day to ensure each choice we make is guided by principles of equity and constant learning: whether that’s how to invest our grantmaking resources, how to work with local partners, how to help our grantees recruit and retain diverse leadership, or how to develop our own internal systems and structures. Our hope is that we all — practitioners and philanthropy alike — hold ourselves and the field accountable for action and progress.

Growing jobs through our portfolio

This chart shows the growth in roles funded by AJP and full-time employees in the AJP portfolio over the years 2019 to 2023.

- **Roles funded by AJP**
  - 91 in 2019
  - 36 in 2020
  - 134 in 2021
  - 406 in 2022
  - 822 in 2023

- **Full-time employees in AJP Portfolio**
  - 118 in 2019
  - 138 in 2020
  - 160 in 2023

1. For more on our work in this area, see our annual diversity report.
I am just grateful for this life-changing opportunity to serve readers who have not been served well by legacy media. AJP is an immense blessing.

— RESPONSE TO 2023 SURVEY ON GRANTEE EXPERIENCE
Honoring exceptional local reporting

Nonprofit newsrooms are part of a new generation of news outlets rising to meet information voids. We invest in the business and revenue of news organizations in pursuit of supporting outstanding reporting, and the exceptional work of our grantees is having an impact and earning recognition. For two consecutive years, in 2023 and 2024, nonprofit news organizations and members of our portfolio won the Pulitzer Prize in Local Reporting. In 2023, Mississippi Today’s Anna Wolfe won the Pulitzer Prize for its “Backchannel” series, which uncovered a $77 million welfare scandal, the largest in state history. And in 2024, City Bureau’s Sarah Conway won the Pulitzer in partnership with Invisible Institute’s Trina Reynolds-Tyler for their “Missing in Chicago” series on racial disparities in Chicago’s missing person investigations. Mississippi Today was also a finalist for the 2023 Pulitzer in Local Reporting. The Marshall Project was also a finalist for the 2024 Pulitzer Prize in Feature Writing.

Strengthening organizations

We set our grantees up for success with a unique venture support model, which provides each organization in our portfolio with tailored, strategic support based on their needs and biggest challenges. Led by dedicated success partners, AJP staff members assigned to each grantee organization, our venture support is focused on advancing key areas of expertise: growth planning, revenue generation, talent and hiring, and finance and operations. In 2023, we piloted expanding into audience development and product support, including the exploration of ways artificial intelligence and other emerging technologies can support local news.

In addition to support provided by their success partners, our grantees have access to cohort-wide learning opportunities, a shared Slack workspace to exchange ideas, convenings like our annual AJPalooza gathering, and other opportunities to swap resources and tools. We also provide access to external consultants, advisors, and subject matter experts.

Nearly all of our grantees join our portfolio in need of stronger financial management and operating capacity, and we support them from the outset at identifying and investing in these critical lanes. The stresses that growth can put on an organization make it all the more important to strengthen these areas early on.

We assess organizational capacity across six areas: financial planning and analysis, financial reporting, staff and board finance expertise, financial controls, board oversight, and human resources. Each organization is scored by our consulting partners on a scale of 1 to 5 in each of these areas, with 5 being the highest. The median grantee starts at 2.83 at the beginning of their grant period and sees a 23.6 percent improvement 18 months into our support.

Organizational capacity growth

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STRENGTHENING ORGANIZATIONS (CONTINUED)

A recent study by Knight Foundation and Impact Architects reports that we are successfully building strong, sustainable news organizations, particularly around their capacities for operations, administration and business development. The report underscored the impact of our strategic support: the newsrooms in our grantee portfolio note the value of our leadership and executive coaching, hiring tactics, and financial accounting resources. “Targeted interventions with clear goals — such as AJP’s investments in newsrooms to develop business teams and practices... yield the most direct short-term and long-term impact with respect to sustainability.”

THE CITY: Using AI to map stories across NYC

A PILOT GRANT FROM OUR PRODUCT & AI STUDIO

Established: 2019
AJP grantee since 2022

In 2023, THE CITY received support from our new Product & AI Studio, which is helping our grantees understand and strategically leverage the rise of new technologies. Our goal is to ensure that emerging tech, including generative AI, is leveraged in service of more accessible, high-quality and affordable journalism in the public interest. The studio is made possible by OpenAI and with additional support from the Patrick J. McGovern Foundation.

Since THE CITY was founded in 2019, it has prioritized geographic diversity when assigning editorial resources, aiming to ensure the newsroom doesn’t perpetuate historical patterns of overlooking swaths of the city. However, the publication didn’t have an easy, quantitative way to understand if it was hitting its goals. THE CITY asked OpenAI’s ChatGPT to read all of its story files and tell where each story took place, hoping for insight into its progress toward goals of geographic equity. THE CITY plotted results on the map, finding that though they generally do cover a broad cross-section of the city, some neighborhoods had more coverage than others.

It’s important to note that THE CITY found that large language models aren’t perfect, a useful learning for them and others; some of the results they received were incorrect or hard to understand, underscoring the need for cross-checking when using AI tools.

From THE CITY: “You shouldn’t look at this the same way you’d look at a typical news graphic. We don’t claim it as an absolute representation of THE CITY’s reporting, only as a modest visual representation of our efforts. At a time when journalism is reckoning with AI as a potential cost-cutting substitute for human-produced reporting, as a nonprofit newsroom we’re looking at the technologies as a means to fulfill our mission: Generative AI can help THE CITY build tools like this map that enable us to be more responsive to communities we serve.”

We simply would not be where we are today without the support of AJP, and this has changed the future for our organization in a positive way. We believe we have the foundations of a long term sustainable enterprise moving forward and will continue to lean into the AJP support network we have built over the past 3 years to continue our growth and development.

— RESPONSE TO 2023 SURVEY ON GRANTEE EXPERIENCE
CASE STUDY
Enlace Latino NC

NORTH CAROLINA

Established: 2018
AJP grantee since 2023
Grant amount: $1.05 million

Enlace Latino NC is North Carolina’s first nonprofit digital news organization that delivers news in Spanish. The organization was founded in 2018 to help the state’s Spanish-speaking immigrants become more informed and involved in the social, political and economic changes that affect them. By delivering reliable, essential information in Spanish and collaborating with statewide English-language partners, Enlace fills a gap in access to trusted, high-quality local news about the issues that its audience cares about.

With our support, Enlace Latino built a strategic plan grounded in a clear vision for impact; it also hired a revenue and operations team to support the newsroom’s growth, including a chief advancement officer. Our grant also enabled Enlace Latino NC to transition from a fiscally-sponsored project to an independent nonprofit organization.

With these resources, and equipped with their new vision and strategy, Enlace Latino NC has been able to build significant investments from institutional philanthropy. These investments, in turn, are being used to grow new products and strategies to serve their community as well as build the foundations for developing new revenue streams in the future.

Enlace has been recognized for its innovative strategies for reaching new, hard-to-access audiences, including a thriving WhatsApp community, a Spanish-language podcast and a newsletter launched to meet the information needs of seasonal farmworkers. In 2022, the organization was honored with three LION Awards — the most of any independent newsroom.
CASE STUDY
Block Club Chicago

CHICAGO

Established: 2018
AJP grantee since 2022
Grant amount: $1.6 million

Block Club Chicago is a nonprofit news organization dedicated to delivering reliable, nonpartisan and essential coverage of Chicago’s diverse neighborhoods to build community. The organization’s hyperlocal strategy includes amplifying positive stories, showing up to development and local school council meetings, and serving as watchdogs in neighborhoods often ignored by traditional news media.

Block Club used our financial support to establish the organization’s business team, upgrade their technology to better understand their audience and pursue more sophisticated digital revenue strategies for both memberships, donations and sales revenue. As a result, Block Club has built out stronger membership, philanthropic and earned revenue streams.

The revenue Block Club’s business team has brought in has allowed the organization to increase the number of newsroom employees and create two new reporting teams: arts and culture, and investigations. A recent investigation into unfulfilled promises of more affordable housing prompted the Chicago Housing Authority to pledge $50 million to fix up empty housing units, members of the Chicago City Council to call for agency leaders to testify at public hearings, and community groups to demand leadership changes.

Revenue figures are rounded to the nearest thousand, and do not include funding received from the American Journalism Project.
Activating local philanthropy

As we galvanize new support and bring in more strategic national philanthropy, we’re also building momentum with local philanthropy by providing vetted, aligned grant opportunities. This area of our work is guided by insights we’ve gathered over years of working closely with local philanthropies to build bespoke solutions to the local news crisis. Local partners have shared that, while they see the need for more local news and information in their communities, they often don’t have a history of journalism grantmaking or a dedicated program officer leading their foundation’s investments in local news.

In response to this interest from local philanthropies across the country, we developed a program to work with civic leaders, place-based funders and news organizations to identify and address information gaps in communities. Our Local Philanthropy Partnerships program designs solutions to address local information gaps by fostering collaboration, facilitating investments in existing local outlets, and launching nonprofit news organizations through our Startup Studio. As a part of this work, we organize coalitions of local media leaders, philanthropists, and civic leaders to explore the right strategies for their communities. We conduct extensive market research on local trends and demographics and assess the current state of local news, including through comprehensive community listening. We use this research to design custom solutions for community information needs and identify sustainable ways to leverage philanthropic dollars in the process.

So far, we have conducted this work in 11 communities, including Ohio, Indiana and Houston, and galvanized $62.5 million for these projects. And as more philanthropists join in the important work of financing and sustaining local news, this program will continue to expand.
Free Press Indiana:
Local leaders addressing news voids across the state

In 2023, we announced the Indiana Local News Initiative and its plans to make quality, independent local news and information freely accessible to residents of Indiana. The Initiative was created following a comprehensive statewide research study led by our local philanthropy partnerships program and a committee of local journalism, community and business leaders. We heard from over 1,000 Hoosiers who said they needed more unbiased, fact-based information about their communities.

Following the study, we worked with local stakeholders to catalyze a broad coalition of local philanthropies and existing news outlets; together, we raised $11.6 million to launch a new, statewide network of nonprofit newsrooms, beginning in Indianapolis. Funders include Lumina Foundation, Nina Mason Pulliam Charitable Trust, Herb Simon Family Foundation, and Myrta Pulliam. The coalition also facilitated investments into other organizations in the Indiana news ecosystem, including Capital B’s second newsroom in Gary and existing outlets such as the Indianapolis Recorder, Indiana News Service, and Franklin College’s TheStatehouseFile.com. The initiative also created partnerships with other local newsrooms throughout the state to amplify local journalism. All told, the initiative added nearly three dozen new local journalism jobs to the state at launch.

In October 2023, the initiative announced its permanent name: Free Press Indiana. With hands-on, guided support from our Startup Studio, the organization hired a CEO, built out a robust team, and launched Mirror Indy, its first daily newsroom based in Indianapolis.

Though still very new, it’s already building a meaningful presence and having strong impact. By Dec. 31, 2023, just a few weeks after its launch, Mirror Indy already had 3,000 newsletter subscribers. By April 2024, the startup had grown that number to 9,000. The organization has built a robust reporting strategy; pursuing neighborhood-based coverage, accountability and service journalism, and arts and culture stories. They’ve led on Indianapolis’ local election coverage, organizing election planning meetings with 15 partner news organizations to coordinate better coverage of 2024 primary and election day races. So far, 80 of its stories have been used by partners across the state, and they’ve collaborated with nearly 30 other organizations so far. In summer 2024, Free Press Indiana will host five interns to report on a rural county’s election, as “The Race in Rush County,” and partner with local media outlets, broadening the organization’s reach statewide.

Support for local news rarely materializes out of thin air, especially given all of the other critical issues demanding these funders’ attention. This is where the AJP’s unique value proposition comes into sharper focus. In Indiana, Ohio and Houston, AJP has worked with residents and stakeholders to identify gaps in the local news ecosystem, presented the findings to funders — some of whom had never given a cent to a journalism organization — and made the case that supporting local news could advance their philanthropic goals.

— ”‘WE’RE MAKING RAPID PROGRESS.’ A JOURNALISM FUNDING LEADER REFLECTS ON THE STATE OF LOCAL NEWS,” INSIDE PHILANTHROPY
Launching new organizations

In markets where local coalitions raise philanthropic capital to launch new local news initiatives, our Startup Studio team launches new operations. We build these news organizations from the ground up — including establishing the organization and its local board, recruiting and hiring the news organization’s founding management team, raising the seed capital, and designing strategic and equitable organizations. Pre-launch, our team works with advisors and specialists to create financial and operational structure and to help set early audience development and newsroom strategy.

We understand the conditions for success, and our program and team are positioned to alleviate many of the challenges that new startups often face. So far, we’ve helped launch Signal Ohio, Houston Landing and Free Press Indiana. Two more startups are currently in the prelaunch stage, expected to be announced in 2024. We have built a strong team and successful program, and will continue this work in more communities to come.

Startups by the numbers

- **Houston Landing**
  - 46 full-time employees
  - 1 newsroom

- **Signal**
  - 34 full-time employees
  - 2 newsrooms

- **Free Press Indiana**
  - 25 full-time employees
  - 1 newsroom

Spotlight: Local News Incubator

Inspired by the success of organizations that used our pre-launch grants and startup support to build successful news organizations, like Capital B in 2021 and Mountain State Spotlight in 2020, we launched our Local News Incubator to back outstanding local news entrepreneurs with access to capital and best practices from the start.

In July 2023, we announced the first four teams selected to participate in the Local News Incubator. Each team received a $400,000 grant and invitation to participate in an 18-month program to help them further assess their communities’ information needs and build solutions. Through the program, teams receive coaching on research, editorial strategy, finance, operations, business development and movement building. The incubator is designed to accelerate the move from idea to product launch, and to help founding teams raise capital and quickly climb nonprofit management learning curves. Our incubator participants have completed their research of local news markets and updated their editorial strategies. They are beginning to share their proposals in advance of year-end fundraising efforts.
Catalyzing a movement for local news

Our vantage point provides us equal visibility into the nuances of nonprofit news organizations and journalism philanthropy, and we feel a strong responsibility to leverage those insights to build awareness. Nonprofit local news organizations are driving a major industry shift, fundamentally transforming how local news is financed and sustained. Journalists, civic leaders, and concerned citizens alike are starting to pay attention, and we’re here to keep their focus on this cause.

We have garnered high-profile national attention for our approach and the efficacy of our strategy in outlets including The Washington Post, Inside Philanthropy, Axios, Columbia Journalism Review, and PBS NewsHour. We were also selected as one of the Fast Company’s 2023 Most Innovative Companies in media, an award meant to identify “profound products, services, and initiatives poised to have transformative impact.”

We are proof that philanthropy is ready to play a key role in rebuilding and sustaining local news. We’ve raised over $175 million from local and national philanthropies to date: $52.9 million for Fund I; $60.8 million toward our Fund II goal of $64 million; and $62.5 million for locally based initiatives. We’re working to grow that number as we plan for Fund III, and our next five years. We remain firm believers that we can leverage philanthropy to build sustainable business models that will address the crisis at scale.

How can public policy encourage sustainable growth for local news?

The movement for public funding for local journalism continues to build traction. Since 2020, we have been a member and supporter of the Rebuild Local News coalition, a group of organizations advocating for locally grounded, community journalism. The coalition develops and works to build bipartisan support for public policies that will strengthen communities by creating a more robust, more inclusive local news system without endangering editorial independence.

It is no longer a question of if there will be public policy solutions – but instead a question of when and in what form, particularly on a state and local level. We want to see nonprofit news positioned to benefit from new policy solutions, and we are doing our part to ensure that our field has strong advocates on its behalf.

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In early days, making a case for journalism as philanthropy was really a long and hard conversation. It was just so new to so many people that you would give philanthropically to the press, to media.

And now, six, seven years later, people are really beginning to understand the value of journalism to our democracy, the value of it to local communities, and that it is a worthwhile cause to support.

— MARY MARGARET WHITE, MISSISSIPPI TODAY, IN A “PBS NEWSHOUR” INTERVIEW
How we think about impact

This impact report captures results since we made our first grants at the end of 2019, information that we are now using to guide our work with a growing portfolio of grantees and local philanthropy partnerships. We organize our learning around three key questions, which we will measure over time. We will continue to expand and evolve our measures and tools to address the third:

Can the news organizations we support:
• Raise and deploy catalytic funding to grow and sustain their revenue streams?
• Build strong organizations with talent, culture, strategy, and systems to endure?
• Meet local information needs and strengthen communities?

We will use this framework to both track our progress, as well as identify insights that can be applied to our support across our portfolio. For each of these areas, we've developed measures for evaluation, outlined here:

Can our news organizations raise and deploy catalytic funding to grow and sustain their revenue streams?

<table>
<thead>
<tr>
<th>Question</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much is revenue growing?</td>
<td>Return on investments in growth (AJP's ROI)</td>
</tr>
<tr>
<td></td>
<td>Annual revenue growth (net AJP's investment)</td>
</tr>
<tr>
<td></td>
<td>Progress to revenue target</td>
</tr>
<tr>
<td>How diverse is the revenue?</td>
<td>% by revenue stream*</td>
</tr>
<tr>
<td></td>
<td>% of revenue that is local*</td>
</tr>
<tr>
<td></td>
<td># of donors / clients in each revenue stream*</td>
</tr>
<tr>
<td></td>
<td>% growth of each revenue stream*</td>
</tr>
<tr>
<td>Is funding sustainable?</td>
<td>Donor / client retention rates*</td>
</tr>
<tr>
<td></td>
<td>% of new donors*</td>
</tr>
<tr>
<td></td>
<td>Reserves</td>
</tr>
</tbody>
</table>

*indicates a newly collected metric

Can our news organizations build strong organizations with talent, culture, strategy, and systems to endure?

<table>
<thead>
<tr>
<th>Question</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>How strong are the governance practices of the organization?</td>
<td>Board engagement and practices On time, accurate reporting</td>
</tr>
<tr>
<td></td>
<td># of open roles to FTE</td>
</tr>
<tr>
<td></td>
<td># and % growth of biz/ops staff</td>
</tr>
<tr>
<td></td>
<td>Newsroom staff Retention rates</td>
</tr>
<tr>
<td></td>
<td># months to fill roles</td>
</tr>
<tr>
<td></td>
<td>Staff, leadership team and board diversity</td>
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</tbody>
</table>

*indicates a newly collected metric

Can our news organizations meet local information needs and strengthen communities?

<table>
<thead>
<tr>
<th>Question</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can local nonprofit newsrooms attract audiences?</td>
<td>Number and growth of website viewers*</td>
</tr>
<tr>
<td></td>
<td>Newsletter and SMS subscribers*</td>
</tr>
<tr>
<td>Are local nonprofit newsrooms creating impact from their accountability journalism?</td>
<td>Quarterly collection and discussion of the impacts of specific stories from each newsroom*</td>
</tr>
</tbody>
</table>

*indicates a newly collected metric

As we’ve grown our network and deepened our venture support, we’ve also looked at the way we should further evolve our impact framework. In the coming year, we’ll work to further assess how the news organizations we support are ensuring community information needs are met and communities are strengthened.

Over time we will work to study the systemic effects of local journalism by working with grantees to:
• Define desired systemic effects of their work;
• Develop tools to enable measurement of those effects tied to the work of these organizations in the short, medium and long-term;
• Analyze and communicate the findings of their internal analysis; and
• Partner with researchers to create externally validated studies of this impact.
Our organization is led by an experienced team and board of directors that share an ambitious vision for sustainable local news. Our staff brings expertise in grantmaking, fundraising, movement building and organizational growth, allowing us to design and deliver support to our grantees. We are also grateful for the guidance and support of our expanding Advisory Circle.

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Host and producer, Our Body Politic

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**The maintenance of an informed public is the responsibility of the public itself, not the incidental byproduct of a series of commercial transactions.”**

— JOHN THORNTON, CO-FOUNDER OF THE AMERICAN JOURNALISM PROJECT & FOUNDER OF THE TEXAS TRIBUNE

Please visit the Meet our Team page on our website to get to know our staff.

American Journalism Project/Matt Shiffler
Our supporters

Since our inception, support for the American Journalism Project has come from philanthropic individuals, family foundations, institutional funders and corporate partners—all who share our vision of a flourishing local news sector sustained as a public good. We are grateful to all our supporters for their commitment to informed, engaged communities and for their support of our vision. Below is a list of supporters who have contributed $5,000 or more since our launch in 2019:

$5,000,000+
- John S. and James L. Knight Foundation
- Abrams Foundation
- OpenAI
- Quadrivium Foundation

$1,000,000 to $4,999,999
- Craig Newmark Philanthropic Fund
- Democracy Fund
- Skyline Foundation
- Popplestone Foundation
- Seedlings Foundation
- California Community Foundation
- MacArthur Foundation
- Horace W. Goldsmith Foundation
- Hellman Foundation
- Christopher Buck and Dr. Hara Schwartz
- Google News Initiative
- Facebook Journalism Project

$500,000 to $999,999
- Arthur Vining Davis Foundations
- Draper Richards Kaplan Foundation
- Ford Foundation
- Four Pines Charitable Foundation
- The Hearthland Foundation
- William & Flora Hewlett Foundation
- Kaplan Brothers Fund
- Henry Luce Foundation
- Lumina Foundation
- Patrick J. McGovern Foundation
- The staff at The New York Times through its employee giving campaign
- Posner Foundation of Pittsburgh
- Present Progressive Fund
- The Schmidt Family Foundation
- Erin and John Thornton
- Natasha and Dirk Ziff

$200,000 to $499,999
- The Alderlyn Fund
- Allen & Company
- Howard M. Austin
- Pam & Larry Baer
- Baskin Family Foundation
- Harris A. Berman & Ruth E. Nemzoff Family Foundation
- Eliot Brown
- David Conrad
- Dana Devon and Neil Sand
- Freedom Forum
- Ann B. and Thomas L. Friedman Family Foundation
- Girl Reporter Fund
- Inasmuch Foundation
- Jampart Charitable Trust
- Jewish Foundation of Memphis
- Katherine Kovner
- Lakeside Foundation
- Erica and Jeff Lawson
- The Listgarten Family Fund
- Dr. Michelle and Mr. Daniel Lubetzky
- Ben Lumpkin
- Julia Maher
- Laura and Scott Malkin
- MERGEM Fund
- Roger Miles

Local Philanthropy Partners
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- Arnold Ventures
- California Community Foundation
- Central Indiana Community Foundation
- Cleveland Foundation
- Community Foundation for the Land of Lincoln
- The Eli and Edythe Broad Foundation
- Grand Rapids Community Foundation
- Hillman Family Foundations
- Houston Endowment
- The James Irvine Foundation
- Emily Kaiser
- George Kaiser Family Foundation
- Kalamazoo Community Foundation
- Leonetti/O’Connell Family Foundation
- Lumina Foundation
- W.K. Kellogg Foundation
- Waco Foundation
- Walton Family Foundation
- Wichita Foundation

FINANCIALS
The American Journalism Project is committed to transparency and sharing financial reporting on an ongoing basis. Updated financial statements, including our audited financials and IRS Form 990s, are available on our website.
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