



# Carnegie Results

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*Carnegie Results* is a quarterly newsletter published by Carnegie Corporation of New York. It highlights Corporation-supported organizations and projects that have produced reports, results or information of special note.

## Media Grantmaking Strategies: *When the Impact is in Question*

*This is an analysis of media grantmaking to support nonprofit issues. It is also the story of a first-time grantmaker who can say, in the end, that the grantee did what it was supposed to do but the strategy was a failure.*

Perhaps “failure” is too strong a word to use to describe a grant I made to develop national media stories that would advance the issues that are the priority of Carnegie Corporation of New York. When the grant was made, I had just entered the foundation world, and had a stronger understanding of the power of commercial media than I did of the nonprofit world and the reach and power of foundations.

Nearly a decade later—and deep into the revolution underway in the American news media—I must admit that any honest analysis of my first grant leads me to conclude I was naïve in making it, sensitive as a former broadcast journalist to news media needs more than issue impact, and unsuccessful in really improving the coverage of nonprofit organizations and priorities that were the twin goals of the grant. I can say I learned a great deal from this \$354,000 investment about how working with media can advance ideas foundations care about, and I write this edition of *Carnegie Results* to share some of those lessons.

The American Communications Foundation was a nonprofit news provider located in Mill Valley, California and Cynthia Perry, an experienced news producer, was the founder and president of this 501(c)3. She was introduced to me by my predecessor at the Corporation and Perry had the impression that she was going to get a grant once I joined the foundation.

I was still new to the relatively little-known world of grantmaking and my main self-imposed role at the time was to broker meetings with Perry and Corporation program officers who supported educational, electoral and civil society nonprofits as part of their program strategies. In that regard, we had discussions about our early childhood education work, teacher training, civic engagement, grantees and priorities. The American Communications Foundation (ACF) proposed to help us get national coverage for the issues that we were highlighting and the grantees we supported. They believed that nonprofit issues received too little coverage by the establishment news media. The ACF mission was to “offer expanded information to TV and radio audiences and provide a bridge to the nonprofit sector.”

Almost a decade ago, the news media was in a very different place. The electronic revolution was just beginning and although budget constraints were surfacing in newsrooms across the newspaper and broadcast spectrum, “crisis” was not yet the word everyone reached for each time the news industry was described. Cynthia Perry created the American Communications Foundation in the early 1990s<sup>1</sup> to connect the nonprofit world she cared about with the news business with which she was familiar. She was sensitive to complaints that a focus on crime, as well as entertainment and other lightweight stories, was dominating the news world rather than the issues that keep a democracy alive.

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<sup>1</sup>*Cynthia Perry created a communications nonprofit in the early 1980s that began working with journalist and commentator Charles Osgood in the 1990s.*

For almost a decade, Perry had produced a half-hour public affairs radio program for the California Endowment for the Humanities. This program, which ran on dozens of California commercial stations, won numerous broadcasting awards and was considered a lively, top-quality public affairs production. It captured attention and accolades from those in commercial media. When Perry began the nonprofit American Communications Foundation and formed a partnership with commercial radio, she had no problem raising foundation dollars. There were few other nonprofit organizations that had her media reach and there was a real desire for impact at that stage in the thinking of many foundation program leaders. For foundations, reaching the large audiences that commercial media delivered was a sought-after goal.

At the end of the 1990s, Perry expanded ACF from a radio-producing nonprofit to one that also dealt with commercial television—particularly in California. She believed professionals like her could work with foundations to fund a news arm for both radio and television that would offer high-quality, professional radio and TV pieces about serious issues that news organizations would want. She wouldn’t produce “canned” news, but provide research, writing, sources, audio and film that could be used by news organizations to create their own product.

Her biggest success was her relationship with the highly respected newsman Charles Osgood of CBS Television’s *Sunday Morning* and CBS Radio’s *The Osgood File*. She began a professional relationship with Osgood in 1995 that, by the time we met, involved producing one segment a day, five days a week for *The Osgood File*, or fully twenty-five percent of the segments each week.

Osgood’s radio feature airs on most CBS News radio stations and at the time of the grant could boast of an audience of around 12 million listeners per week. As a journalist, I understood

the quality of Osgood's work and his unique perch on radio. Bringing Carnegie Corporation-supported grantees' work, along with the issues and ideas being advanced by nonprofits, to Osgood's loyal audience seemed to be an effort that would have real impact. I believed strongly, and still do, that no amount of grantmaking can bring an idea to the public and create the kind of change sometimes needed unless there is engagement with multiple audiences. The news media is a critical player in that conversation.

After almost a year of arranging meetings between Perry and Carnegie Corporation colleagues so that she would learn about our priorities, she was very frank with me, asking, "When am I getting a grant?" Since foundations are the engines for nonprofit ingenuity and entrepreneurial spirit, I jumped in to convince my colleagues that we should make a grant to ACF. Because I was so new to the foundation world, I watched the process very closely, with anticipation and with high expectations.

A one-year, \$354,000 grant was made to the American Communications Foundation in June 2000 to cover Corporation issues involved in our education and democracy grant portfolios. A producer from Perry's California office was hired and assigned to this "Carnegie Corporation beat" and began talking with grantees and experts to identify good stories that could run on *The Osgood File* but could also be part of the new television feature work of this ACF enterprise. Local partners in California television markets had begun taking ACF-produced material and were running stories with their reporters based on ACF-identified ideas. There were also numerous calls to Carnegie Corporation program officers to mine contacts, themes, stories and new ideas. We all waited to see the results.

Delays—the inevitable reality of nonprofit enterprises, as I've come to learn—made the wait longer than I expected. Nonprofits can't hire

staff to do the new work they propose until they actually get the grant—and the check—to support that work. So it was a few months after our one-year grant was made that a producer was hired. Because ACF prided itself on its research and deep preparation work it was almost halfway through the duration of the grant before a story was "on the air." Corporation support had been deliberately provided as a one-year planning grant—a chance for the foundation to decide whether this was a direction we thought productive. It was, however, a time frame that Perry felt hamstrung ACF's ability to operate. By the time they got going, the grant was over. As Perry put it in her final report to the Corporation: "In retrospect, I can see that a one-year grant on a new subject was overly ambitious, especially when that one subject was really two subjects...It is really not possible to do that very well in twelve months and to have enough stories produced to give a report in a timely manner...which is why we normally try to work with two-year grants." I must conclude, as well, that it was disservice to ACF's operation and their ability to plan to give them such short-term support; they needed and deserved a longer timeline to build a news portfolio around our subject areas for their news partners.

## The Work

Stories were produced. Stories about education issues like urban school reform, and early education, and democracy issues like civic participation and campaign finance reform. But the stories, usually a minute or so in length, seemed thin, often cute and most of the time not squarely focused on the issues that the Corporation was wrestling with or that a democracy needs to understand in order to maintain its strength and vitality.

The stories also didn't really advance the issues that the nonprofits, scholars and practitioners we supported were grappling with. If a story

was placed in a classroom, it became an education story. If it mentioned July 4<sup>th</sup>, it was a story building on our democracy grantmaking. A Corporation education program officer in an internal review was favorably impressed but ended on an unclear note. “The series does act as an extremely valuable one in the context of traditional commercial coverage...There is usually very little national thematic coverage on teacher and principal recruitment or on early childhood development...Osgood coverage is well placed. Overall, the subjects were difficult and challenging ones to report on in the time allotted. I do believe the series in the future might focus a bit more on new research...and on national policy...”

As a journalist, I understood the need to “sell a story” and the power in the newsroom of the light and the funny to often trump the complicated and important. But it was hard for me to read the transcripts of the more than 70 stories produced under the grant and conclude that supporting the American Communications Foundation—its research, its reporting, its producers and newsroom—really “advanced knowledge” about issues the Corporation had defined as important to put on the nation’s agenda. As a Corporation vice president charged with disseminating ideas, doing just that was and is my highest priority.

It was a moment of truth for a committed journalist who believes strongly in the power of the news industry and its First Amendment privileges. So much of what passes for news in recent years and makes it to the public seems to me, as well as many other observers, to be more fluff than substance. Wearing my hat as a foundation executive who is charged with getting complicated but critical ideas into the marketplace, I no longer feel a shared goal with some news media. It doesn’t seem that commercial outlets—even very good ones—share the same commitment to produce systematic coverage of government, policy, education and serious international and domestic issues. They don’t always seem to

be partners in the same enterprise of informing the public.

This is not to say that Cynthia Perry and her non-profit colleagues didn’t share the same goal. They wanted to do stories that mattered and produced many pieces on the environment, health, education and other issues that might not have been seen or heard by the public without ACF. But they also wanted to be on the commercial networks and they played by those rules. The fact is that while they certainly produced content—for *The Osgood File* on radio and for television programs in California—the ability to inform, deepen understanding and enrich the education of the public about a particular issue was minute. They did one-off stories.<sup>2</sup> They made air. But in the end, I believe that they didn’t move the needle on any issue.

Perry has a different point of view. As she recently noted: “If the grant’s purpose is to advance a sophisticated understanding of a particular policy approach that the foundation is advancing, then it is doubtful that any broad approach in the mass media will do this. Outside of policymaker or analyst circles, the broader public is not going to be able or willing to take in such information. Our purpose at ACF was, by contrast, to help the general public become aware of important topics in areas such as current issues in education or the practice of American democracy. This is all a short time slot in commercial media will allow. By raising awareness and whetting the public’s appetite for more information, and then providing it on our web site, the expectation was that many more people would know about such issues and some would become more deeply involved.”

The fan letters the ACF sent to the Corporation as part of its final report reflect the appeal but also the lack of context in the story output. For example, one audience member wrote: “I’m a regular

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<sup>2</sup>“One-off stories” are stand-alone features that don’t necessarily convey context.

listener to *The Osgood File*...he did a story on the Harmony School where the students participate in democratic processes with a voice in running the school, thereby learning responsibility and accountability. I found this story to be particularly refreshing and extraordinary,” the listener continued, but finished up by expressing a wish for more depth, saying, “I would like to learn more about Harmony School and how they achieved such remarkable results.”

In sum, the features didn't show national trends or policy implications although they demonstrated great human interest. In isolation, the stories that appeared here or there simply didn't advance larger Corporation strategies, or deeper knowledge or understanding about what was at stake in the nation's debate. Some subjects of ACF reports did get scores of calls and even donations. But no listener response shared with us indicated a deeper understanding of the issues. Reporters and producers at television stations who worked with ACF were, however, very complimentary. “Our relationship with ACF is a great asset in our newsroom. The producers [from ACF] are solid journalists who generate compelling stories off their beats and supply top-notch research. We're very proud of the stories we produced in collaboration with ACF.”—*Paula Madison, President and General Manager, KNBC, Los Angeles.*

CBS Radio News continued to depend on ACF's ability to find interesting stories across the nation. “The best Osgood File broadcasts over the last five years have been those done with the help of ACF. The stories have been fascinating, fresh, upbeat and completely impossible for us to have done on our own.”—*Charles Osgood, CBS Radio Network*

That kind of high-level news industry support was something Perry and ACF earned story by story. As Perry explains, “Over the 25 years that the organization operated it accomplished

its two primary aims of improving the quality of programming (and interest by broadcasters) in important subject matter emerging from the nonprofit sector and in reaching a very broad and large commercial radio and television audience. The programming was both substantive and appealing to these audiences.” Referring to my use of the term “cute” to describe some of ACF's stories she notes, “I have never heard our programming referred to as ‘cute,’ although we do subscribe to the basic principles of journalism, including the one that states that our responsibility is to make important stories interesting.”

## September 11, 2001

ACF's expansion into television—branching out beyond its strong and respected partnership with *The Osgood File*—coincided with the world-changing events of September 11<sup>th</sup>, 2001. In the best of times, ACF had to work hard to build the bridge between the rather academic and scholarly foundation world and the glitzy, commercial, bottom-line-oriented broadcast media, but it became increasingly difficult in the post-9/11 world.

As Perry wrote in her grant concept paper about *The Radio and Television News Project* when she submitted her proposal, “The ACF has chosen to focus on commercial media because they are the primary source of news and information for the American people.” But right after 9/11, commercial media's focus was laser-beam sharp and they were uninterested in stories about education or democracy. Dozens of stories researched and waiting for the stations to broadcast sat on the shelf. As Perry put it in a December 1, 2001 letter to the Corporation, “We were virtually paralyzed in our efforts to place our stories on the air. We had fourteen stories on education and democracy already at various TV stations waiting to be broadcast and about ten at CBS for *The Osgood File*. Many of the TV stories had already been shot and were ready to go. Those stories remain

on [producers'] desks as we wait for news coverage to return to 'normal'."

The news business was focused on terrorism, threats, homeland security and, as a result, the issues ACF had taken on from our grantmaking portfolio were languishing. The stories ACF was offering to local television stations went "cold" and a number of items never saw "air," as they say in the news business. The strong partnership with Osgood, however, continued to be the strength of Perry's operation. Again from her December 1, 2001 report: "Osgood has returned to normal coverage and has broadcast almost all of the stories that were backlogged since September 11<sup>th</sup>."

When the ACF grant ended, I was less naïve, and not convinced that the body of material produced by ACF—though it had reached millions—had really made a difference in terms of the Corporation's priorities. I did know I was unwilling to continue to support a nonprofit news operation that didn't extend the understanding of issues on which we were focused.

I wrote a memo for the file (as noted below), giving my sad conclusion that this grant was not a good one for the Corporation's strategies, that the results were hard to justify and that no new grants should be given to ACF without a serious review of the goals and the impact.

MEMO TO THE FILE  
RE: ACF NEWSOURCE  
MARCH 2, 2002

Media is always expensive and this well-intentioned nonprofit cannot exist without foundation support. If we created a media program and wanted to back organizations that simply reported on nonprofits I would recommend the quality and professionalism of ACF NEWSOURCE. Otherwise, I see this as an expensive and worthy

experiment that produced work that did not clearly advance Corporation goals.

## ACF Closes

The American Communications Foundation closed in December 2006. I hadn't been aware of that until I decided to write a *Carnegie Results* brief on what I thought was a media grantmaking "failure." I decided to do so because I contend that if a foundation proactively shares its successes it must also share its failures.

I hadn't talked to Cynthia Perry since 2002 when she had shared the problems September 11<sup>th</sup> had raised for her expanding nonprofit. And although she continued with foundation support for a number of years and expanded her media work as a bridge between nonprofits and commercial radio and TV, she found that two major changes in the news and foundation business spelled an end to her dream to create a "national news service that would provide materials to both television and radio broadcasters all over the country at both the national and local level."

First, the economics of the news business were transformed as the Internet became a fully developed and on-demand news provider. With the changes in the news industry and the pressures on television and radio operations, even such high-level *free* broadcast story ideas and opportunities as Perry envisioned couldn't find a home. Newsrooms weren't expanding—they were shrinking. And new partnerships with organizations like the American Communications Foundation were seen as luxuries.

At the same time, foundation support was waning and many were demanding detailed metrics and high-level analysis in order to judge their grantees' work. Perry was comfortable with providing foundations with facts such as that she had produced a certain number of stories (more than 70 stories, for instance, under the Corporation's one-

year grant) and the numbers of those who consumed the stories, but she found that in the early years of the twenty-first century, providing those facts was no longer enough. She might have been able to tell how many stories were produced, how many millions of people listened to or saw each story, but foundations now defined that information as “output, not impact.”

As noted previously, I had long ago decided that our support hadn’t achieved the goal of advancing public understanding as the Corporation wanted and that was the reason we had not renewed our grant. But I hadn’t informed Perry about my realization that her priorities and the foundation’s were simply misaligned.

It took a few years for Perry herself to understand that many foundations wanted to know even more specifically than the Corporation how stories changed behavior or caused something to happen. In a recent letter to me, Perry more specifically outlined her efforts to gauge “impact.” She said, “In consultation with foundations and national experts, we did look into ways to track more complex impact, but we soon discovered that foundations would have to spend hundreds of thousands (or perhaps millions) of dollars to do a comprehensive multi-year tracking survey that assessed listenership, attitude changes, and behavioral changes over a substantial period of time. Even advertisers do not have the resources to do this, although they believe that their ads work.”

As a result of the changing economics of the news business and the foundation demand for metrics, Perry decided to close down ACF. However, the web site that more and more had become the public face of the organization continued. To this day, the web site provides an archive of the work of the ACF news service at [www.acfnewsresource.org](http://www.acfnewsresource.org), a rich record of this experiment in bridging the nonprofit and commercial worlds.

There is an irony in the fact that the work of ACF now lives on the Internet because it is the Internet that is displacing commercial media as Perry knew it. It is also the Internet that has given greater outreach to many nonprofits who can tell their own story and reach a desired audience through the Web without needing the filter of or access to the news business.

Perry began and closed a nonprofit that was very successful in its day. She saw the promise of professionally packaging nonprofit ideas and delivering them to radio and TV’s mass audiences. But she also saw the shrinking of the commercial news business and their audiences. She therefore walked away from a nonprofit business model she didn’t think had a strong future.

I admired the business model Perry began and could see that she created an organization that served media’s needs with better-than-average content. But as a grantmaker, I must conclude that my support of her work was based on an optimism about the role news can play in the civic debate. The body of work produced during the grant period—though interesting—simply did not accomplish the Corporation’s goal of delivering complex ideas in a way that could engage the general public. Having an audience of 12 million a week like that of *The Osgood File* enables outreach but it still does not ensure “understanding”—a key component of Andrew Carnegie’s mandate to Carnegie Corporation.

Nearly ten years later, I am still struggling with how to engage with America’s “audiences” and to change journalism for the better. Rather than try to influence or change the news industry, the Corporation’s strategy has been a “pipeline” effort—challenging 12 university-based journalism schools to reform their curriculum in order to produce better, more informed and highly educated journalists to serve tomorrow’s society through a small program called the Carnegie-Knight Initiative on the Future of Journalism

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When it comes to disseminating ideas, however, we try different approaches—none sure things. But the inescapable conclusion about the grant to ACF leaves me with a simple take away: hundreds of thousands of dollars supporting well-intentioned and excellent broadcast producers to deliver stories about education and democracy to new audiences resulted in just that—radio and TV *stories*, not ideas, and impressions, not change.

Collaborations with journalism organizations will never be easy when news leaders fundamentally believe in independence and foundations want results. I think both sides need to be much more specific and clear when creating partnerships, so there is no misunderstanding of what each side's goals are and how much collaboration is possible in a relationship with an editorially independent free press. I do believe that, along with the serious players in the news industry, foundations share a desire to serve and to inform the public. But having clarity about what "public service" means, what good journalism is and can accomplish, demands conversation, great debate and frank understanding of each side's different perspectives. How can the world of journalism and foundations collaborate? As they say—very carefully!

*This analysis of a media grantmaking strategy was written by Susan King who is Vice President, External Affairs, Director, Journalism Initiative, Special Initiatives and Strategy, Carnegie Corporation of New York. She spent 25 years as a broadcast journalist in Washington, D.C., covering politics and national issues.*



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