



## **New Non-Profit Investigative News Organization to be Led by Paul Steiger**

New York, NY (October 15, 2007)—A new, non-partisan, non-profit newsroom producing journalism in the public interest will launch here in January under the name ProPublica. Paul E. Steiger, former managing editor of The Wall Street Journal, will serve as president and editor in chief.

ProPublica, when fully staffed in 2008, will include 24 fulltime reporters and editors, the largest staff in American journalism devoted solely to investigative reporting. ProPublica will be supported entirely by philanthropy and will provide the articles it produces, free of charge, both through its own Web site and to leading news organizations selected with an eye toward maximizing the impact of each article.

Commenting on the new organization Mr. Steiger said, “ProPublica will focus exclusively on journalism that shines a light on exploitation of the weak by the strong and on the failures of those with power to vindicate the trust placed in them. We will be non-partisan and non-ideological, adhering to the strictest standards of journalistic impartiality and fairness.” He continued, “We will look hard at the critical functions of business and of government, the two biggest centers of power. But we will also focus on such institutions as unions, universities, hospitals, foundations and the media when they appear to be exploiting or oppressing those weaker than they, or when there is evidence that they are abusing the public trust.”

Support for ProPublica is being provided by the Sandler Foundation, The Atlantic Philanthropies, the JEHT Foundation, and The John D. and Catherine T. MacArthur Foundation. Herbert Sandler, co-founder with his wife Marion Sandler of Golden West Financial Corporation, will serve as Chairman of ProPublica.

ProPublica’s Board of Directors is currently in formation. In addition to Mr. Sandler and Mr. Steiger, it will include Henry Louis Gates, Jr., the Alphonse Fletcher University Professor and the Director of the W. E. B. Du Bois Institute for African and African American Research at Harvard University; Alberto Ibarguen, the president & CEO of the John S. and James L. Knight Foundation; former U.S. Rep. James A. Leach, the director of Harvard’s Institute of Politics; and Rebecca Rimel, the president & CEO of The Pew Charitable Trusts. ProPublica will also have an Advisory Board of leaders with experience in journalism and related fields.

Speaking on behalf of the Board of Directors, Mr. Sandler said, “We’re delighted that Paul Steiger will be leading this important new enterprise—a newsroom devoted entirely to the creation of journalism in the public interest.” The Sandler Foundation has made a multi-year commitment to help fund ProPublica.

Ms. Rimel said, “I am very pleased to be joining the Board of ProPublica. This innovative new platform holds out the promise of creating more quality journalism of just the sort our society needs. Perhaps ultimately even more important, ProPublica may help lead the way to crafting new approaches

addressing the market failure that seems to be taking hold in some segments of publishing, and that threatens a real loss to the health of our democracy.”

The annual operating budget of ProPublica is projected at \$10 million, with roughly two-thirds of all costs being devoted to news. (This compares with, for instance, leading newspapers today, where news makes up just 15% of total expense.) The organization will begin publishing in early 2008, when Mr. Steiger’s retirement from The Wall Street Journal becomes effective. Meanwhile, Richard J. Tofel, who will be general manager of the new venture, reporting to Mr. Steiger, is overseeing the start-up of ProPublica.

Mr. Steiger noted that, “The creation of ProPublica comes at a difficult moment in American publishing. The number and variety of publishing platforms are exploding in the Internet age. But very few of these new entities are engaged in original, in-depth reporting. In short, sources of *opinion* are proliferating, but sources of *facts* on which those opinions are based are shrinking.

“Investigative journalism, in particular, is at risk,” he added. “Many news organizations have increasingly come to see investigative journalism as a luxury that can be put aside in tough economic times. A 2005 survey by Arizona State University of the 100 largest U.S. daily newspapers showed that 37% had *no* full-time investigative reporters, a *majority* had two or fewer such reporters, and only 10% had four or more. Television networks and national magazines have similarly been shedding or shrinking investigative units. Many are also having to reduce, for budget reasons, the amount of time staffers not formally assigned to investigative reporting are able to devote to such work.”

## **Background**

### **Herbert Sandler - Chairman**

Mr. Sandler and his wife Marion founded Golden West Financial Corporation in 1963. They were Golden West’s Chief Executive Officers and Chairmen of the Board from 1963 until 2006 when the company was sold to Wachovia Corporation. Under the Sandler’s leadership, Golden West became the second largest thrift institution in the United States and was considered to be one of the best managed financial institutions in the country by many industry observers. Fortune magazine ranked Golden West as the nation’s most admired mortgage services company, and on seven separate occasions named Golden West America’s most admired savings institution. Morningstar, a leading provider of investment research, named the Sandler’s CEOs of the Year in 2004. The Sandler’s are currently Presidents of the Sandler Foundation and Chairmen Emeriti of Golden West Financial Corporation.

### **Paul Steiger - Editor-in-Chief**

Paul Steiger is currently editor at large for The Wall Street Journal and a vice president of Dow Jones & Company, the Journal’s publisher. He is also the chairman of the Committee to Protect Journalists and a trustee of the John S. and James L. Knight Foundation. After 25 years at the Journal and the Los Angeles Times, Mr. Steiger was appointed managing editor of the Journal in 1991 and served in that role until May of this year. Under his leadership, The Wall Street Journal’s reporters and editors won 16 Pulitzer Prizes.

Mr. Steiger was recently named as the recipient of the 2007 Fourth Estate Award by the National Press Club. In 2005, he was honored with the "Decade of Excellence" award from the World Leadership

Forum in London. Also in 2005, the University of Missouri School of Journalism awarded him a Missouri Honor Medal for distinguished service in journalism. In 2002, Mr. Steiger was selected as the first recipient of the American Society of Newspaper Editors' Leadership Award. Also in 2002, he was awarded the Columbia Journalism Award, given to honor a "singular journalistic performance in the public interest." The National Press Foundation awarded him the 2001 George Beveridge Editor of the Year Award. He was a member of the Pulitzer Prize Board from 1998 to 2007, serving as chairman in his final year. Mr. Steiger personally won two John Hancock awards and three Gerald Loeb Awards for his economics and business coverage, as well as the 2002 Loeb Award for lifetime achievement.

**Richard Tofel - General Manager**

Richard Tofel was formerly the assistant publisher of The Wall Street Journal and, earlier, an assistant managing editor of the paper (reporting to Mr. Steiger), vice president, corporate communications for Dow Jones, and an assistant general counsel of Dow Jones. Most recently, he served as vice president, general counsel & secretary of The Rockefeller Foundation, and earlier as president and chief operating officer of The International Freedom Center, a museum and cultural center that was planned for the World Trade Center site.

More information on ProPublica can be found at <http://propublica.org>