

# In Praise of ProPublica

PETER OSNOS | MAY 22, 2012

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*The investigative news non-profit was a bold experiment in traditional reporting in the time of digital upheaval. Five years later, it's still a viable organization.*



The newsroom of ProPublica celebrates the announcement that it won a Pulitzer Prize for the second year in a row in 2011. (Dan Nguyen )

Among all the nonprofit and for-profit news organizations founded in the digital era when so many traditional print publications have suffered economic catastrophe, the most respected new enterprise is [ProPublica](#). Launched in 2007-08 with a \$30 million long-term commitment from the West Coast philanthropists Herbert and Marion Sandler, ProPublica has succeeded by every measurement. It has won a dazzling array of prizes, including the 2011 Pulitzer for National Reporting honoring a series called

"[The Wall Street Money Machine](#)," the first time a Pulitzer was awarded for stories that did not originate in print.

ProPublica has also made a major contribution to what is called data-based journalism, a combination of investigative reporting and sophisticated computer analysis on issues such as pharmaceutical company payments to doctors across the country listed by name. In 2011, ProPublica partnered with 27 other news organizations, including many of the country's foremost names -- the *New York Times*, the *New Yorker*, NPR, and PBS's *Frontline* -- to produce 115 stories. (ProPublica partnered with *The Atlantic* for a [December 2010 report on dialysis](#).) All this has been accomplished with a staff of about 40 journalists and support personnel, which seems surprisingly small, given the impact ProPublica has had on the news. It has shown beyond doubt that there can be top quality reporting in a time of widespread cuts in resources across some of journalism's most established entities.

There are two specific reasons now for all these encomiums to ProPublica:

(1) The announcement last week that Paul Steiger, 69 -- the founding editor-in-chief, CEO, and president of the organization -- will become executive chairman at the end of the year, a position he describes as part-time including fund-raising (and, I suspect, continuing to provide ideas and inspiration). Stepping up from managing editor to editor-in-chief in charge of editorial operations will be Stephen Engelberg, 54. The new president will be Richard Tofel, 55, ProPublica's general manager.

Both have been with ProPublica from the beginning and will now serve as co-chief executive officers. It was Steiger's vision, which the Sandler's solicited and then supported, that top-tier investigative reporting could be done in the midst of all the disruptions of the Internet age. As a former managing editor of the *Wall Street Journal*, Steiger and his team brought immediate credibility to their work and initiated the now-accepted concept of partnering with leading news organizations that in the past would have been dubious about joining in such collaborations. Succession in an enterprise like ProPublica is a crucial step from the founding years to the sustaining period in which long-term financial viability and professional standards are the goal.

(2) For the first time in 2011, ProPublica raised more than half of its budget (total revenues were \$10,036,000; expenses were \$9,609,000) from sources other than the Sandler. According to the annual report, there were 2,600 donors in 2011, ranging from major foundations such as the Carnegie Corporation of New York, the Ford Foundation, the John D. and Catherine T. MacArthur Foundation, and the John S. and James L. Knight Foundation to substantial individual gifts, and I suspect small donors who hit the appropriate pledge button on the ProPublica website. The Sandler's initial commitment was so generous that there were skeptics who wondered whether ProPublica could expand its base to a degree that would eventually enable operations without overwhelming dependence on a single patron. The Sandler is still the largest donors by far, but they are reducing their share each year as ProPublica succeeds in expanding its base of supporters.

Persuasively, in its mission statement, ProPublica asserts that it spends 85 cents out of every dollar raised on news, "almost the exact opposite of traditional print news organizations, even very good ones, that devote 15 cents of each dollar spent to news." ProPublica also stresses "an unusually high level of accountability for a non-profit" because it needs to convince editorial partners of its continuing quality. While ProPublica says it accepts advertising and would like to develop other revenue streams, it acknowledges that philanthropy "in gifts large and small will continue to be our principal source of income for the foreseeable future."

It needs to be said that dependence on philanthropy can be tenuous as priorities, especially among foundations, can change over time. But ProPublica has shown conclusively that it is possible to build a major news gatherer that the public will reward with donations, recognizing that the return on that support will only be in the amazing array of stories that profoundly affect how our institutions of government and private enterprise function.

For detailed reports on its activities and a daily subscription to new output, ProPublica's [website](#) is the primary destination. In one report on the site, under the rubric of impact in the early months of 2012, there were multiple examples on subjects as diverse as presidential pardons, increasing disclosure among television stations on political ad spending, and a Texas case in which a conviction was overturned and a

man serving a 60-year sentence was released on bail. In five years, ProPublica has become a national asset and one model that works in journalism's new age.

#### ABOUT THE AUTHOR

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