

Reports and Analysis
for
PMBA Conference Session
Collaborations that Worked

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Ideastream, Cleveland
Collaboration Summary
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public media futures
A Project of the Wyncote Foundation

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Ideastream – Collaboration Summary – (rev 4/28/16)

Description of Collaboration:

Ideastream is a public service "multiple media" organization incorporated in 2001 as a 501-c-3 nonprofit entity through the consolidation of two Cleveland public broadcasting entities, 90.3 WCPN-FM and WVIZ-TV. From the start **ideastream** was conceptualized as more than just the merger of broadcast operations. And over time, it has evolved into complex of 8 distinct educational and public services, including three full-power stations, a state news bureau, three state-wide education services and an innovative community engagement enterprise:



1. **WVIZ/PBS** – with four channels of public television service
2. **90.3 WCPN** – Northeast Ohio's major NPR news station
3. **WCLV Classical 104.9** – a 24/7 classical music FM that filled the market position of the original WCLV, a commercial classical station. Even in its later commercial-broadcast era, WCLV-FM was linked to **ideastream** through inter-connecting boards of directors, starting in 2001. Then in 2012 WCLV was fully donated to **ideastream** and then converted into a non-commercial public broadcasting station in 2013.
4. **Statehouse News Bureau** – a service of Ohio public broadcasting stations reporting on legislation and issues relating to the state of Ohio. **ideastream** manages this service for the partner stations with activities based in Columbus, the state capital. This state-funded organization/service became part of the **ideastream** service portfolio in 2002.)
5. **Ohio Government Telecommunications (OGT) and The Ohio Channel**– This 24/7 production and distribution video unit based in Columbus, the state capital, serves all of Ohio's public broadcasting stations, producing and distributing video/audio coverage of state legislative sessions and hearings, coverage of the state Supreme Court, and coverage of other activities in and around the Ohio Statehouse. **Ideastream** has managed both OFT and the Ohio Channel for the partner stations since 2002.
6. **North Ohio Technology Association (NOTA)** – NOTA is a broadband interactive video distance learning network for K-12. This state-funded service is managed by **ideastream** on behalf of member school districts; it became part of **ideastream** in 2004.)
7. **SMART Consortium (Science and math Achievement Required for Tomorrow)** – SMART is a professional development program aimed at teachers to improve state-wide science and math instruction. SMART is state-funded and managed by **ideastream** on behalf of member school districts. It became part of *ideastream* in 2004.
8. **Civic Commons** – *Civic Commons* is a multiple media community engagement program created in 2010 with a Knight Foundation grant; it became part of *ideastream* in 2013.

Impact on Public Media

Ideastream is, without question, the most widely discussed--and probably the most admired--public broadcasting collaboration in the last twenty years.

In 2008 when the Carnegie Corporation issued its landmark report, celebrating the 40th anniversary of the public broadcasting Act¹, Ideastream was selected for special attention, including a 17 page appendix.

In 2010, when Barbara Cocham, supported by the Knight Foundation and the Aspen Institute, issued her national report, "Rethinking Public Media: More Local, More Inclusive, More Interactive,"² she cited ideastream as her first "model for transformation." [Excerpts attached, below.]

Mission (from website):

The mission of *ideastream* is to strengthen our communities.

Ideastream pursues this mission as a multiple media public service organization by providing distinctive, thought-provoking programs and services that enlighten, inspire, educate and entertain.

Vision (from website):

Ideastream will be recognized as an indispensable resource critical to the future success of the region and deserving of philanthropic and public support.

Background/History:

- From that start, the two GM's, Jerry Wareham at WVIZ-TV and Kit Jensen at WCPN-FM, were drivers for the consolidation discussions, which started in a most unlikely way. In 1996, Wareham and Jensen happened crossed paths in the lobby of the George Gund Foundation, where they were both seeding support. In this accidental meeting, they began to discuss "what could we do together" through partnership. [Note that both GM's had joint licensee experience and, later, they credited that background for providing some of the insight they recognized in a radio/television combination.]
- Their first major joint effort was the a WVIZ/WCPN 1997 collaboration on a series of feature stories called "My Land, Your Land." The topic was urban sprawl in the Cleveland area. Note: The major public broadcasting stations serving the Cleveland area, WKSU-FM and WEAO-TV, were approached about joining in this early-stage collaboration, but both declined.
- Two years later, in the fall/winter of 1999, a small joint board task force with representatives from each station, including the GMs, held several facilitated meetings to explore partnering as a means to serve their Northeast Ohio community. That ad hoc task force concluded that a merger was the best option and sent that recommendation to the board at both stations in Jan 2000.
- Detailed merger terms were negotiated in the first half of 2000. The agreement was approved by the board of the Educational Television Association of Metropolitan Cleveland (owner of WVIZ) and Cleveland Public Radio (owner of WCPN) in late summer 2000 and publicly announced in October.
- *Ideastream* was formally incorporated in 2001 and fully launched in July 2001 when the two parent organizations were fully dissolved and consolidated into the new entity.

¹ "The meeting of two cultures Public broadcasting on the threshold of the digital age." Available for download at: https://www.carnegie.org/media/filer_public/f4/5c/f45c1dbc-8baf-4888-8518-aba3c4d1163c/ccny_report_2008_public.pdf

² Cocham's "White Paper on the Public Media Recommendations of the Knight Commission on the Information Needs of Communities in a Democrac" can be downloaded at http://www.knightcomm.org/wp-content/uploads/2010/12/Rethinking_Public_Media.pdf

- One of the key elements in the evolution of Ideastream as a major civic institution took place over the next year: the newly consolidated stations launched a community “Listening Project” soliciting input from almost 8000 people. This landmark project helped Ideastream to design its service program around the recognized and articulated needs of the community being served.
- As the Listening Project was unfolding, Ideastream initiated a major capital campaign with a goal of raising \$27.4 MM. The campaign was successful eventually collecting \$29.4 MM to build a new facility for the combined organization in a 100 year old five story building located at Playhouse Square in downtown Cleveland. The renovations were completed and the building occupied in 2005/2006. This \$42 MM ideastream facility placed ideastream physically in the center of a redevelopment/arts district that, for many residents and civic leaders, became a central element in Cleveland's revival as a post-industrial city. [See write up of the relocation plans from Current, 2002, attached below.]

Organizational/Governance Structure:

- *Ideastream* is a stand-alone 501-c-3 nonprofit corporation (community joint licensee) chartered in the state of Ohio.
- Initially formed, ideastream simply combined the boards of its two founding components (creating a board with 62 members.) That proved to too large, and over time board membership was reduced to its current 32, with all members drawn from the local community.
- The two founding stations continue to operate on their original frequencies/channels with their original call letters.
- Since the consolidation, Ideastream staff report to a single GM/CEO (Jerry Wearham); both stations utilize a single integrated website; they file a consolidated financial report, and a single IRS Form 990. Each year they publish a single, unified “Report to the Community.”
- Each element of the consolidation continue to receive annual CPB Community Service Grants – one radio grant for WCPN, one television grant for WVIZ.

Operational Structure and Focus:

- As detailed on page 1, *ideastream* now offers a wide range of programs and services.
- When compared with some other widely-discussed stations, ideastream does not position itself as a leading “news and information” provider (in contrast to, say, OPB, for example). The ideastream service focus is *strengthening the civic life in Cleveland* via multiple paths, including convening issue-oriented forums and working groups with a strong education component.
- The organization is now in the process of totally revamping its website to enhance impact in conjunction with planned doubling of content staff funded by Community Campaign
- Their production and distribution approach is often described as "multiple media," with services ranging across a set of distribution channels, from broadcast to cable to online--with enthusiasm for “full frontal media,” meaning face-to-face, personal contact with citizens and civic groups.
- Their key areas of focus for the service are:
 - Arts and Culture
 - Community Issues
 - Health Information
 - Education
 - State of Ohio Issues

Key Elements of the Collaboration Story

What were the motivating conditions that led to the decision to change?

Our conversations, *Ideastream* CEO Jerry Wareham explained that the motivating vision for *ideastream* emerged from "a crisis of opportunity."³ Wareham contrasted this with change-efforts that emerge from difficult/challenging financial situations. Wareham this second type of change as a response to "crises of financial sustainability," citing the case at NHPTV.⁴ In Wareham's--and Jensen's--view *ideastream* emerged from a recognition of "what [public broadcasting] could be," if individual media companies could find a way to merge and share their capabilities. This pro-active vision is reflected in two major reports.

From Case Western Reserve Case Study (2002): "The most prominent driving force behind the consolidation of WCPN and WVIZ and the creation of *ideastream* was at its core programmatic. Both organizations wanted to improve the quality and expand the mix of their programming and services."

From Carnegie Report (2008): "While Cleveland's economy was and continues to be distressed the financial motivations for the merger related to increased efficiencies realized in staffing, marketing, fundraising, and grant seeking. Both were also desperate to replace dilapidated facilities. 'But this did not start with something being broken. Both broadcast stations were in good shape, except for their physical location,' says Susan Egan, then with the Cleveland Foundation which served as a neutral moderator to the discussions. 'It was mostly Kit and Jerry looking out ahead and seeing lots of unrealized opportunities.' "

What was the internal process that led to collaboration?

Following the painful – but successful – initial joint project on urban sprawl, Jensen and Wareham expanded the collaborative effort by engaging their boards. Starting in Sep 1999 alliance discussions were held by a joint task force drawn from the standing planning committees of the two boards with Wareham and Jensen taking the lead. This joint task force submitted a report at the end of 1999 recommending a merger. In January 2000 both boards voted to accept this recommendation. Formal due diligence work began in Feb 2000 and was completed by July that year with formal announcement of the planned merger made in Oct.

A clear "vision" of what the collaboration/consolidation would look like and what it could accomplish was developed early on in the formal discussion period (i.e. Fall 1999) when Jensen and Wareham created a white-paper on it and the board committee developed a working "premise" on the future. From the start this was clearly not going to be an "acquisition" by WVIZ (the larger of the two stations) but rather the consolidation of all activities and assets into a totally new entity.

What problems emerged in the negotiations and in the early-stage implementation?

The boards had some initial reluctance but the continued drive/push for the merger by both Wareham (who was the primary initiator of the initial alliance conversations) and Jensen kept discussions moving along. A key sticking point was decision about top staff leadership – i.e. who would be CEO. Wareham and Jensen provided their joint proposal (i.e. current situation with Wareham and CEO and Jensen as COO) and it was accepted. Also lots of general issues around identity, culture, governance, etc. that had to be worked through.

Wareham and Jensen worked very hard to effectively engage their boards all along the way

There were two key members of the joint task force – one from each board – who Wareham described as critical at "rabbis" and lead people/facilitators along the way to get over rough patches.

³ A term that we embraced as a central element in our analysis.

⁴ Later in our analysis we modified this to be "Crises of Scarcity."

What has been the impact of the collaboration on the financial picture?

Overall the financial impact has been very positive post-consolidation. The operating budget picture has been sound (in the black) since founding and the organization had a very successful capital campaign to fund design and construction of its new facility, Idea Center at Playhouse Square. Total operating revenue has grown from about \$15MM pre-merger (FY01) to around \$25MM currently.

Ideastream launched a \$20.3 MM “Community Campaign” in 2012 with funds targeted to “double the investment in *ideastream* content and service.” In particular it will double the size of the staff dedicated to content creation, add to the development staff (to ensure enhanced revenue generation to support this increased staff) and add \$8MM to the endowment . To date it is on target to meet this goal by yearend 2017.

Has the reorganization substantially affected NHPTV’s sustainability and service capacity?

What the merged entity has accomplished from a community service point of view has been extremely large with details available. With the formation and growth of *ideastream*, public broadcasting has become a much more central community institution.

Financial Data

Financial data below are from Form 990’s.
(Note fiscal year runs from Oct 1 to Sep 30.)

	FY 10	FY 11	FY 12	FY 13	FY 14
Total Revenue (\$K)	21,056	19,718	22,845	23,129	25,984
Total Expenses (\$K)	20,362	21,225	21,033	22,608	22,224

Other Items of Note:

- Wareham and Jensen did not engage their staffs in the discussions (with the exception of some financial input) until the boards had agreed to the merger/consolidation.
- The *ideastream* story has been written about and highlighted as a “model of transformation” in many publications and reports including the Carnegie Report from 2008 – “The Meeting of Two Cultures: Public Television on the Threshold of the Digital Age” and a Case Western Reserve Mandel Center for Nonprofit Organizations Case Study from 2002.
- Some real plusses going in helped ensure success:
 - Cleveland is an almost ideal community to attempt a move like this: it has deep wealth, a rich history, world class institutions, a strong tradition of civic engagement and real belief in the importance of building community.
 - Both of the two stations GM’s had experience in both radio and TV so that they and so had an intuitive grasp of what the other organization functioned and what it typically saw as success.
 - The “digital revolution” in media that was really taking hold at the time that this merger was being conceptualized made the consolidation of “multiple media” a much more easily implemented possibility compared to the “analog” nature of the media industry 10-20 years prior.
 - There was a lot of “merger activity” already ongoing in the media world (e.g. AOL-Time Warner, Clear Channel, etc.) so that easier for people to see themselves doing it.

- The organization has been running its community “Listening Project” annually since 2001/2002. The project has been scaled back from the initial effort – during the first one there were almost 8000 people surveyed/talked-with compared with the current number more typically 1000-1500. But the results still drive major program/service decisions.

Conclusions and Key Learnings:

Leadership matters

both with the two GM’s and with key members of the boards. Jensen has said “We worked hard to bring our boards along...It is often and the board level where these things fall apart.”

Don’t underestimate the impact of a powerful and compelling vision of what is possible.

In fact this consolidation was driven by the “crisis of opportunity” that Wareham and Jensen sensed around the role public broadcasting could play in the civic life of Cleveland. The key tagline they used around it was: “It is not about us. It is about service and how we can make a difference.” Jensen said that the “importance and role of service” should be our central message.

Build and nurture relationships.

Jensen has said that “Jerry and I were very careful with each other. At the end of every single day we would talk. This allowed us build up a deeper collegiality.”

Jensen has said that a key element of the path they took was that there was “no going back!” – i.e. the original station entities were fully dissolved with everything flowing to the newly created entity.

Persevere

Don’t let complexity get in the way of going after a powerful vision. There were times that people pushed back but Wareham and Jensen and key people on the board kept at it.

People Interviewed:

- Jerry Wareham – President and CEO
- Kit Jensen – COO
- Nine other staff members at ideastream, interviewed in person during visit to Cleveland

WVIZ and WCPN Cleveland duo joins in restoring new quarters in theater district

Originally published in *Current*, Dec. 16, 2002

By Steve Behrens

Cleveland's two major pubcasters, WVIZ-TV and WCPN-FM, will move into the city's theater district, physically consummating the merger that created a new parent company, ideastream, last year.

Ideastream's partner in redeveloping 1375 Euclid Ave. is the building's owner, Playhouse Square Foundation, a nonprofit that saved four major theaters from the wrecking ball more than 25 years ago and now operates the biggest U.S. theater complex outside of New York City.

The stations' new home will be the latest in a string of recent HQ projects in pubcasting [earlier article]. Major facilities have been completed in Philadelphia, Washington, New York, Houston, Atlanta, St. Louis and San Francisco, and are planned in Boston, St. Paul, Detroit, New Orleans, Hartford and elsewhere.

Playhouse Square and the pubcasters will share 90,000 square feet--the basement and the first two floors of the seven-story building--including a large space with movable seating that can serve as either TV studio or a theater for Playhouse Square's arts education.

The partners plan to begin renovations next spring and finish the job by mid-2004. Ideastream plans a capital campaign to raise its share of the \$25 million to \$30 million renovation costs.

"Our children and our teachers will be the beneficiaries of this," said Barbara Byrd-Bennett, c.e.o. of the Cleveland public school system and a board member of both nonprofits, speaking at a press conference Dec. 10, the *Cleveland Plain Dealer* reported.

The lead architects will be van Dijk Westlake Reed Leskosky, which has done 75 performing arts facilities, including some at Playhouse Square. Burt Hill Kosar Rittelmann Associates, which designed new facilities for NPR and Philadelphia's WHYY, will design the broadcast spaces. Communications Engineering Inc., which worked with Burt Hill on those projects, will serve as broadcast systems engineer and integrator.

Ideastream President Jerry Wareham says van Dijk Westlake got the job because of the team it assembled and because the lead firm is based in Cleveland.

Since its first wing was built in 1912, the building has housed offices of Stouffer's Foods, a public library, a furniture store and the radio station, WJW, where deejay Alan Freed first uttered the phrase "rock and roll" on the air. A women's club, the Intown Club will remain on the third floor.

The Playhouse Square area, adjacent to Cleveland State University, anchors the east end of Cleveland's once grand Euclid Avenue corridor, 14 blocks from the central downtown area of Public Square.

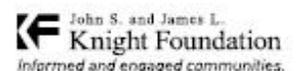
Reflections on
ideastream

from

Rethinking **PUBLIC MEDIA**

More Local, More Inclusive, More Interactive

A WHITE PAPER BY BARBARA COCHRAN



A project of the Aspen Institute Communications and Society Program
and the John S. and James L. Knight Foundation.

Rethinking Public Media: More Local, More Inclusive, More Interactive

A White Paper on the Public Media Recommendations
of the Knight Commission on the Information Needs of
Communities in a Democracy

written by
Barbara Cochran



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Models for Transformation

Thirty-nine miles to the north is an example of a local public media entity that could be a model for Akron and other communities. It is an organization that has broken down the silos between platforms and embraced interactivity and the digital space. It sees its mission not as broadcasting but as community service.

Created in 2001, ideastream is the public media organization in Cleveland that combines public television station WVIZ-TV, public radio station WCPN-FM, the statewide Ohio Network and four other educational media organizations into one.

The founders seized the opportunity presented by digital convergence to become a seamless multiple media public service organization housed in a new facility in the heart of Cleveland's Playhouse Square.

A Carnegie Reporter article on ideastream advises, "Think of ideastream as a digital community center or a virtual YMCA, seeking to draw together the resources of 'heritage institutions' (museums, theaters, colleges, libraries, medical centers, government agencies, etc.) and make them digitally available on demand to patrons, clients and students."³

The mission of ideastream is to strengthen communities. The organization serves many communities in northeast Ohio, including Akron, with both a regional approach and a local focus. Both the television and radio stations can be accessed in Akron, and ideastream devotes air time and online resources to coverage of Akron news, information and cultural events.

Instead of a newsroom, there is a content center, where a staff of 18 prepares news and information and educational content for television, radio and the web, with support from another dozen technical and support staff. CEO Jerry Wareham, the former president and general manager of WVIZ-TV, and COO Kit Jensen, the former president and general manager of WCPN-FM, share a vision of multimedia community service. "I think this radio and TV stuff is so 20th century," says Wareham, speaking of the traditional separate organizational structures of the services. Their numerous collaborations include Cleveland's newspaper, *The Plain Dealer*, which partnered with ideastream on a four-year multimedia project "The Quiet Crisis" on the economic downturn in northeast Ohio.

In addition to the television and radio stations, five other educational, news and public service media programs that had been housed by various organizations became part of ideastream. They include two Columbus-based operations managed by ideastream on behalf of all public broadcasters in Ohio, the Ohio Public Radio and Television News Bureau and the Ohio Channel, which provides coverage of the Ohio state legislature and state supreme court and carries local programs from public broadcasters throughout Ohio.

With more resources, ideastream could address in depth the information needs of Akron and surrounding communities, possibly in partnership with other public media entities such as WKSU or the new citizen journalism website. Akron could become a laboratory for experimentation in how best to serve communities in the digital age.

ideastream: A New Approach to Public Media

"ideastream is public broadcasting and a whole lot more." So says the home page of the web site for Cleveland's unusual consortium of public television, public radio, a statewide cable network, educational and service channels and interactive and digital media. COO Kit Jensen points to "BackStage With..." as a project that utilizes ideastream's versatility. Hosted by NPR's Scott Simon, the program originates as an interview of a major artist (John Lithgow and Patricia Heaton, for example) conducted live in ideastream's studio in Playhouse Square before an audience of students. The program is disseminated live through interactive video and audio to schools throughout the state. Recordings are used for a segment in the daily arts program on the public radio station, for the weekly arts program on public television and are posted online. A 30-minute special is distributed to the PBS system and Scott Simon uses the edited interview on NPR's Weekend Edition. Online curriculum is supplied to teachers for use in the classroom.

The success of ideastream comes from five ingredients that will prove key to the ability of public media to transform: leadership, a mission rooted in community service, structure, governance and finances. The leaders in the creation of ideastream shared a vision, were willing to break down silos, mobilized support from the community and garnered resources through partnerships and diligent fundraising. These same ingredients have been key for other successful models that will be described in this paper, models such as Minnesota Public Radio, New York Public Radio, KQED Public Media, Southern California Public Radio, KETC in St. Louis and KPBS in San Diego. Because they are community-based, they are evolving to meet local needs drawing on local resources. There is no one-size-fits-all model, but all have the essential ingredients in common.

The Opportunity

With the business models for traditional media crumbling and the digital revolution disrupting the relationship between news organizations and communities, public broadcasting finds itself at a crossroads. “This is potentially a 1967 moment,” said Ernest J. Wilson III, chair of the Corporation for Public Broadcasting and dean of the Annenberg School of Communication at the University of Southern California. “Just as the Public Broadcasting Act moved us from educational television to public broadcasting, now we need to move to public service media.” What is meant by public service media? John S. and James L. Knight Foundation vice president Eric Newton told the Federal Communications Commission’s (FCC) Future of Media study that he defines news in the public interest as “the news people need to run their communities and their lives.” He would expand the definition to include not only the existing public broadcasting stations and national systems, but also an entirely new non-profit media landscape that includes entities such as Wikipedia, online magazines such as *Consumer Reports* and locally focused websites such as Texas Tribune, Voice of San Diego and the St. Louis Beacon. He argues that such sources should be included in the new public media ecology and receive federal funding.⁴