

Center for Progressive Media
Feasibility Study and Business Plan
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Proposed Center for Progressive Media Building

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Executive Summary

In February 2001, the Center for Defense Information (CDI) completed its Media Center Feasibility Study (MCFS). Funded by the Ford Foundation, this yearlong inquiry explored the viability of creating a modern, full-service media facility capable of serving the needs of the non-profit/public interest community centered in the Washington, D.C. region.

After careful consideration of the MCFS, the Ford Foundation provided additional funding to develop a Media Center Business Plan. This document is the culmination of that effort.

Brody, Weiser, Burns (BWB) an independent social-venture consulting firm, was retained to perform a “due diligence” analysis of the original Media Center Feasibility Study and to conduct a third-party investigation into the potential revenue streams associated with the non-profit market in the Washington area.

Market analysis for this project included:

- An on-line survey of D.C.-based non-profits;
- A mailed survey to 400 additional organizations;
- Face-to-face meetings with 30 non-profit staff;
- Interviews with 20 media experts;
- Visits to media centers in other cities, including on-site interviews with key personnel.

And by Brody, Weiser, Burns:

- A confidential survey of non-profits regarding financial outlays for media services;
- Focus groups with large and small organizations regarding the proposed media center.

An intermediate document was submitted to Ford Foundation in February, 2001 titled Media Center Feasibility Study, which is available online at <http://www.laddmedia.com/dcmmedia.html>.

BWB found that the original MCFS conclusions were based on sound methodology and also found additional evidence to support the proposal by CDI to establish the media center described in the study.

Further, analysis of this market by BWB indicated that a revenue base capable of sustaining the core operations of a non-profit media center could be established by the end of a three-year implementation period.

BWB also concluded that the Center for Defense Information, because of its lengthy experience as a media center both for its own media production and distribution activities and on behalf of other organizations, is an appropriate institution to nurture the development of a media facility dedicated to increasing the capabilities of the public interest community in nation's capital.

The fully funded Center for Progressive Media described in this Media Center Business Plan will require initial foundation underwriting of \$1.9 million.

Within three years it is projected that the facility will become self-sustaining through fees, membership, targeted grants, and other revenue.

BACKGROUND

This section describes the media environment in which non-profits operate both with respect to the challenges that non-profits encounter and the opportunities that could be taken advantage of if a workable method of non-profit media production and distribution can be established.

The Case

Given the technological changes on the horizon and the growing importance of media access, potential users and media experts concur that there is an urgent need for a stable, well-equipped, and adequately funded place where Washington-area non-profits can aggregate their media resources and their media requirements; that can help non-profits demystify media making; and that will conduct aggressive content distribution on behalf of clients.

Beyond lowering technological barriers, such a center's most important contribution would be capacity building—assisting policy and advocacy groups in becoming smarter and more effective users of traditional and new media. A place premised on cooperation and synergy where groups and individuals with limited financial means can engage in sophisticated media without fear of financial exposure; where they can receive strategic communications counsel, access to evolving technology, and distribution help at cost or below market rates, rather than market rates; and where the outcome of their collective experience builds a strong foundation for future activities. Specifically, the non-profits need:

- Education and awareness-raising about media opportunities;
- Access to equipment and expertise to take advantage of new and old media;
- Technical training;
- Partnerships with the artist community; and
- Production, marketing and distribution assistance.

The Opportunity

Key factors for successful implementation of a Washington-area media center are uniquely aligned:

- Major developments in the media making and distribution landscape present both challenges and exciting prospects for the non-profit, public

interest community. As access to sophisticated technology has become more affordable and user-friendly, more and more non-profits want to use the media effectively to further their institutional goals.

- The Center for Defense Information Media Center—with 20 years of non-profit media production and distribution experience—is poised to transition from a modest facility serving a narrow niche of organizations to a full service facility serving the large non-profit market. CDI has identified key partners that are prepared to merge their operations under the organization of the proposed center. CDI's large archive of public domain and licensed visual media will become the foundation of the center's capacity to provide quality media presentations.
- A large underserved market exists in Washington, D.C. for a full menu of multi-media services. The cooperative media center model described here promises to deliver high quality, affordable services at rates all non-profits can afford. This model can be self-sustaining with adequate investment and time to establish itself.
- The recent contraction of the U.S. economy and its impact on foundation giving has caused the non-profit sector to seek cost-saving innovations in the way they allocate resources to media making and distribution.

The Challenge

Democracy will suffer if bottom-line oriented institutions continue to dominate the national debate through their nearly exclusive ability to employ sophisticated media.

- A diversity of other voices vying for the public's attention across the spectrum of crucial public issues are at risk of being eclipsed by commercial organizations with long-term, heavy investment in media technology and strategies.
- Public interest organizations devoted to broadening the public's awareness and understanding through education and advocacy are marginalized because of their chronic inability to exploit the power of new and old media technology to reach the public and their individual constituencies.
- Donors and foundations stand ready to support effective media use by nonprofits but have yet to identify an effective and efficient business plan to help ensure non-profits' success.

I. MISSION STATEMENT

The mission of the Center for Progressive Media is to provide the non-profit, public interest community in Washington, D.C. with skills training, access to equipment, and expertise in order to take full advantage of current and emerging communications technology to promote their institutional goals and make a meaningful contribution to the national dialogue on important issues through use of the media. The CPM will foster a culture of cooperation through openness, a commitment to individual and institutional growth, and respect for diversity. In addition to this basic mission, the CPM will engage in documentary film production and distribution, technology training, and web development, and media consulting.

- The facility outlined herein has been carefully designed to meet the media needs of the non-profit community by taking advantage of proven methods of media center organization.
- The center will provide eligible member organizations and clients with expert guidance in developing media strategies, affordable access to cutting edge and older media technology, expertise and training in the use of media technology, and full service marketing and distribution help.
- Out of this activity, a culture of cooperation between participating organizations that have been brought together through their use of the facility will further enhance the efficiency, affordability, and quality of these efforts.
- Through training, internships, and personnel, a new generation of media practitioners in the public interest will be nurtured.
- The Center will be an intersection between the creative community and the public interest world in order to harness the power art and innovation to policy-making.
- In exchange for effective, economical media capacity, all participating organizations will be required to support the facility through membership fees, fees for service, preferential royalty agreements, and grants.

The History and Role of the Center for Defense Information

Among a very few non-profit organizations in Washington, CDI produced and distributed its own weekly television series. For 14 years *America's Defense Monitor (ADM)* was broadcast on PBS stations across the country and distributed widely through direct videocassette sales to schools and individuals and through cross-promotion with other organizations.

To minimize costs, CDI established its own in-house facility to produce this program. CDI then used its surplus capacity to help outside groups with a growing list of media needs including event coverage, tape duplication, video editing, footage acquisition, video for the web, and documentary production. These groups were typically charged fees, which helped defray CDI's costs. In addition to production services, CDI sold footage from its extensive media archive to clients from all over the United States.

In a typical year, CDI's TV staff assisted up to 20 outside projects, but many others were turned away. This service feature of CDI's media operation indicated that a substantial market exists among the D.C. public interest community for new and old media services. Further, non-profit organizations are willing to cover the cost of media services they want.

While CDI continues to provide discounted production services for outside groups, in June 2000, CDI stopped regular production of *ADM* based on the recommendations of an external review process. The series is still widely distributed in videocassette form to schools and organizations through its [on-line catalog](#). Each half-hour program costs \$39.00.

Based on the same set of recommendations, CDI's film production department was restructured as [Azimuth Media](#), an independent non-profit production company that specializes in long-format documentary production on security-related issues. Azimuth has successfully launched co-productions with *CNN* and *PBS FRONTLINE*. Azimuth also produces [Superpower: Global Affairs Television](#), a weekly series on international issues broadcast locally and on [WorldLink TV](#) nationally.

This Business Plan is the culmination of research and planning undertaken to address The Ford Foundation's interest in determining if the experience, human capital, and client base that CDI has accumulated over the past two decades could be translated into a larger institution dedicated to helping all non-profit organizations increase their effectiveness through efficient and economical use of the media.

With organized outreach and marketing the research and analysis that support this business plan demonstrate that prospects for a full-scale media center operation in D.C. are excellent. There is every expectation that a media center would be operating at capacity within a three to five year period after start-up.

Properly managed and maintained a Center for Progressive Media will become a permanent and self-sustaining institution, helping the public interest community harness sophisticated communications on behalf of stronger institutions and a stronger, safer, more inclusive democracy.

II. THE MARKET ENVIRONMENT

Non-profit Use of Media

With some significant exceptions, the non-profit sector traditionally has had great difficulty taking advantage of radio and television to promote its institutional goals. While some successful campaigns have demonstrated the power of the medium, visual and audio production has been the exception and not the rule for advocacy and analytical organizations seeking to affect change in U.S. or foreign policy. To a lesser extent this record also extends to digital media.

The main obstacles to public-interest media production and distribution have been, and remain, cost, complexity, and competing demands for staff time and organizational resources.

Conservative Organizations and the Media

An exception to this trend is the extensive use by the International Campaign to Ban Landmines of short videos (via direct videocassette distribution) and longer documentaries (via broadcast) to educate the public and policymakers around the world about the humanitarian costs of anti-personnel landmines.

A number of critics note that conservative organizations have been much more aggressive and strategic in their use of media to accomplish policy aims. In Slanting the Story (The New Press, 2000), author Trudy Lieberman cites a National Committee for Responsive Philanthropy estimate that the top 20 conservative foundations spent approximately \$1 billion between 1996 and 2000 to further strategic goals for U.S. policymaking.

Today, the list of conservative policy objectives that are seriously regarded as part of our national dialogue is impressive: term limits, school vouchers, the balanced-budget amendment, workfare, the flat tax, the right to work, free trade agreements, enterprise zones, commercial free speech and many more.

In general, public interest organizations lacking long-term access to funding from corporations have struggled to exploit electronic media. According to Michael Shuman, former Director of the Institute for Policy studies, writing in *The Nation*, (Why Do Progressive Foundations Give Too Little to Too Many, 1/12/98), most public interest funders tend to direct grants to narrow issue areas for much shorter time spans than their corporate counterparts and seldom for the sort of general overhead support required by long-term media making strategies.

Historically, these foundations have seen video and related activities as costly, risky work, especially considering the limited prospects for meaningful distribution

of the final product. As a result, the voices of public-interest groups have been drowned out by well-funded media operations with a pro-corporate agenda.

Access to Technology

The situation today is further complicated by the technological evolutions taking place in digital communications: web-based communications, broadband platforms, wireless technology, satellite TV, and others.

As with traditional media forms, this array of new media present public interest voices with daunting barriers-to-entry. However, this new media offers even greater opportunities for policy-making organizations to connect with target constituencies and find new audiences in the general public.

The media barriers facing non-profits are not unique to Washington. However, in scores of other cities throughout the country, funders and media practitioners have overcome these obstacles through the creation of centralized media centers dedicated to the non-profit sector. The [National Alliance for Media Arts and Culture](#) (NAMAC) lists 82 member institutions offering access to equipment and facilities, of which, 36 also offer distribution services. An additional 40 members specialize in distribution.

These centers vary in size and services, and many of them are geared toward the arts. The most well-known and successful facilities are in Minneapolis, New York, Portland, Pittsburgh, San Francisco and Seattle. Many of the features for the media center proposed in this business plan are based on a careful examination of why these facilities succeed.

There are many commercial media production operations in Washington, some of which have public interest rates or provide some services *pro bono*. There are also large national organizations—labor unions and associations—that have in-house technical capacity to meet their institutional needs. Yet, there is no center in the area dedicated to serving the non-profit community as a whole, especially the smaller and middle-sized institutions, let alone one dedicated to capacity building, shared resources, and empowerment in both old and new media technologies.

The D.C. Non-profit Market

A sizable market exists for 501(c)(3) non-profits that would seek to utilize the services of the proposed Center. According to the National Center for Charitable Statistics, in the District of Columbia/Maryland/Virginia tri-state area, there were a total of 43,336 charitable organizations in 1999. Of that number, 15,487 report to the IRS.

CDI's experience as a small-scale media center for non-profits was limited mainly to clients groups working in the general issue area of national security and foreign affairs; however, this community, estimated at over 400 chartered organizations, was not deemed large enough to support the operational costs of a modern media center. Therefore, the client pool was extended to include all of the 7,739 non-profit organizations located specifically in the District of Columbia. The potential revenue figures extrapolated for this report assume the full non-profit community rather than any subset of it.

Media Resources in D.C.

Washington, D.C., with its federal offices, associations, political consultants, lawyers and national non-profit/public-interest organizations, has the third largest media production industry in the United States behind only New York and Los Angeles. There are hundreds of commercial production houses offering every type of production support.

Pricing varies based on a number of factors, but for the most part, hiring a commercial media firm—especially for television—is prohibitively expensive for most non-profits, and a larger majority of smaller non-profits. A small fraction of these commercial operations specialize in high-end services for the better-funded sector of the public-interest community at what are considered non-profit rates.

Small groups, however, with more modest needs, will not be serviced by these largely for-profit enterprises because they cannot afford even the discounted rates. No capital-area production facility serves the non-profit community exclusively.

There are a handful of well-established non-profit institutions or projects that focus on the role of media in promoting public interest activity. In the course of this investigation, four such organizations were consulted: The [Benton Foundation](#), the [Communications Consortium](#), [Citizens for Independent Public Broadcasting](#), and the [Center for Media Education](#).

The Benton Foundation is perhaps the best known of these institutions. With its wide-ranging scholarship and library of publications, Benton is a leader in efforts to understand how new media will influence policy-making and the educational activities of non-profits. However, with the exception of several non-profit groups specializing in discount web services, none of these organizations provide the range of tangible production and distribution services that local non-profit groups need.

The [Brookings Institution](#) has built its own in-house TV and web-based media production studio. However, Ron Nessen, the Director of the facility has indicated that it will not make surplus capacity available to other organizations at below-

market rates or to provide services or training to the public-interest community. The US Institute of Peace has ambitious plans to build a new Washington, D.C. headquarters near the State Department. At this time, however, plans for this aspect of the institute are not well advanced.

Lessons Learned

History

Media center initiatives have been undertaken several times in recent decades in the nation's capital but failed to gain adequate financial support.

At different times, two large national unions headquartered in Washington, D.C. provided subsidized access to non-profit groups during non-peak usage by the unions' communications division. The American Federation of State, County and Municipal Employees (AFSCME) launched such a center in 1981, to serve as a baseline production studio for the union, with additional modest capability for the production of documentaries and the conduct of satellite media tours. According to one of the founders of the studio, Phil Sparks, the project served the union well but failed to acquire the support of the larger community of like-minded organizations. Sparks speculated that, over the course of seven years, the union accounted for half the time the studio was used and that, even with the political work the facility drew, there was always excess, under-utilized capacity. Because the media center dimension of this facility was an afterthought to its core purpose, it was barely marketed to the wider community and, therefore, was sparsely used. The AFSCME facility still exists, but it is now dedicated only to union work.

The rise of the Center for Defense Information as an *ad hoc* media production center was due entirely to the fact that CDI bought its facilities and hired staff in order to produce its weekly series. Other groups that used the facility paid when they could—in some cases significant amounts—but access was basically subsidized by CDI in the interest of fostering cooperation among the groups working in the same field and to be able to make the case to CDI's supporters that its costly facility and expertise were being maximized throughout the non-profit community.

A third effort to establish a dedicated media production center in D.C. for the non-profit public interest community occurred during 1995, with a proposed Center for New Media. Mark Steitz, the principal behind this effort, believes that the center failed to gain the necessary backing because not enough emphasis was placed on the team that would create and manage the center. He strongly suggested that a compelling team of staff members and an advisory board are vital to demonstrate to potential funders the viability of the management team, its technical capabilities, and its vision.

Historically, foundation support for non-profit film making and video activities has been fitful due to the fair assessment that finished products were inadequately distributed when compared to the expense incurred. In short, past efforts to empower the non-profit community have floundered because of inadequate distribution and inadequate funding. In contrast, CDI's success as a content creator, distributor, and service provider is precisely due to the long-term commitment by the institution and its financial supporters.

Several of the media experts consulted suggested that aggressive marketing will be key to the success of any media production center servicing a non-profit client base, as a strong commitment from both funders and the client community was considered vital to success.

Site Visits

When considering the best practices of media centers serving other parts of the country it is important to bear in mind that these facilities are primarily dedicated to serving media artists working in various formats intent on expressing themselves. While the content of this artistic endeavor is often laden with social messages, the purpose of a traditional media center is to promote free expression by providing access and help to artists and individuals, as opposed to the advancement of specific public policies.

However, in most respects the lessons learned from these successful operations can be easily applied to the structure and process of a regional media center for the nation's capital.

While each of the successful centers visited seemed to have been born out of a unique set of circumstances, there were several factors that were common to all of them and should be emulated as much as possible in the design of a media center for Washington, D.C.

Each institution adhered faithfully to a clearly defined mission statement. Given conditions in the community served, disciplined adherence to a mission statement efficiently focuses precious energy and resources toward identifiable goals. For example, the [Bay Area Video Coalition](#) (BAVC) in San Francisco limited its mission strictly to video/web production and training in support of free speech. Other organizations in the community host film festivals and conduct distribution. Another Bay-area center served artists working in celluloid.

The mission statement is the primary filter through which all other key issues affecting these institutions were sifted. Everything—from board development to funding strategies to equipment procurement—is carefully considered in the context of mission.

Another prominent characteristic of these well-established centers was common commitment by the organization and its clients to a well-defined set of values. Respect for artistic expression, the importance of storytelling to communities, and free speech were examples of the common values unifying the media center communities.

Given the challenges of recruiting and keeping qualified staff, personal development and respect for the individual were also commonly heard core values.

A third principal that successful operations seemed to share was a well thought out vision of institutional goals. All of the media centers visited and several interviewed by phone stressed the importance of a strategic plan regardless of which stage of development the media center had achieved. This careful planning and projection of goals was complemented by a willingness to adapt to circumstances as they changed during the pursuit of those goals.

Practical features of the centers visited for this report were the thoughtful and efficient allocation of space and staff to the media center functions. The premier centers were surprisingly large and well staffed. Several had strong internship programs, and interns were encouraged to take advantage of the facilities and expertise to pursue their own development, as was the full-time staff. Taken together, the commitment to adequate staff, staff development, and space created a working climate conducive to creativity, cooperation, and productivity.

Each center had a solid base of diversified financial support. On average, half of the revenue was derived from earned income. Executive directors from these facilities were unanimous that charging fees to clients was critical and that providing access *pro bono* should be kept to an absolute minimum. All maintained that charging fees not only generated significant income, but also served to inspire a commitment to higher quality and a seriousness and respect for the process on the part of clients.

All of the centers stressed the need to provide state-of-the-art services in order to meet the expectations of more media savvy audiences and to be competitive with other providers.

On the issue of potential friction between subsidized non-profit media centers and commercial facilities offering similar services, most executive directors reported that relations were generally good since most of their clientele were people and groups that would not otherwise engage in media making due to a lack of resources. Over time, the media centers came to be seen as a net benefit to the commercial industry because they introduced so many new organizations

and people to media production. They are also seen as an apprentice program for highly trained media professionals capable of staffing commercial companies.

The San Francisco Model

While each media center visit yielded valuable lessons on organization and process, the Bay Area Video Coalition (BAVC) offered the best model for a potential media center in Washington, D.C. BAVC is a 30 year-old institution with a staff of 50 full and part-time employees and an annual budget of over \$4 million.

Lessons from the BAVC experience worth emulating at the outset are its total commitment to quality, the extensive range of production services and training that it makes available, and the care with which the center fosters a comfortable, but professional atmosphere of productivity and purpose. Of all the centers studied, BAVC was the most emphatic about the need to exact fees from all clients. David Bolt, a former director of BAVC and long-time supporter, summarized their operational philosophy as “entrepreneurial.”

Washington, like San Francisco, has a large market of potential clients for old and new media, albeit made up mostly of policy advocates rather than media artists and filmmakers. Analysis of this large pool of potential clients reveals that they have an identifiable set of media needs requiring a wide range of products. They require structured education and training in media and communications strategy, which is a hallmark of the BAVC facility. Moreover, by empowering groups and individuals through workshops and mentoring services, BAVC has created a market for a growing list of products and services.

With a significant grant from the local government, BAVC devotes its workshop space and computers during non-peak times to a training program for inner city youth. This revenue generator is worth considering in the Washington area, because the city is fertile ground for education and training grants due to proliferation of commercial and non-profit media enterprises in the area.

BAVC covers the balance of its expenses with contributions from foundations, member fees, and individual donors.

Factors Pointing to Success

The most important factor underscoring the feasibility of a full service media center is the large number of organizations in the region intent on building their capacities as individual institutions and as coalitions to create and distribute high impact media.

Media is changing and public-interest groups must discover a way to use the technology to create powerful content. The organizations themselves represent an enthusiastic critical mass of potential clients with a long list of desired media products and services. These groups are motivated by a profound sense of urgency to expand and improve their media operations, brought on by the unmistakable impact of new digital information technology and its potential uses.

The potential client base for a media center ultimately includes nearly every public interest non-profit in the area regardless of its size, mission, or media sophistication, as very few have, or will have, in-house capabilities in this area. The list of needed services is well defined and extensive. Most organizations routinely commit resources to communications in the form of staff positions, web operations, and press outreach.

Analysis shows that these groups immediately recognized the advantages in terms of cost sharing and cooperation inherent to the media center concept. They are enthusiastic about using the proposed center's facilities and appreciate that they cannot achieve a critical voice without pooling resources and cooperating with like-mind organizations.

With education and a successful track record, the many foundations that fund communications activity at these organizations will come to appreciate the power of cooperation to amplify public interest voices in national affairs. The media center approach was recognized as one method to multiply the overall impact of the public interest community in an efficient and economical way, by defining and coordinating media outreach at one central facility.

III. BUSINESS AND INDUSTRY

Non-profits and Digital Media

All organizations are rethinking their media and outreach strategies in light of new media developments, some much more than others. Media experts interviewed for this report all agree that, with no particular combination of digital technologies as yet showing signs of gaining dominance, it is premature to invest too heavily in any particular area. Further, when considering the effect that new media will have on the advocacy and education work of non-profits, it was stressed that 'old media' methods and technologies, such as video production, desktop publishing and broadcast TV, will continue as the dominant form of mass media for the foreseeable future. However, these experts were equally adamant that non-profit organizations and public interest movements must stay abreast of the media re-invention process or be outpaced by those groups that do.

Interviews with the heads of more than 30 non-profit advocacy or education programs revealed that only slightly more than one third were significantly

focused on the unfolding digital revolution—or on what it means to their operations. Training and institutional capacity building in traditional and new media were cited as critical adjuncts to low-cost access to technology and cooperative distribution.

However, despite the inchoate nature of the new media environment, several signposts are clear:

- Emergence of high capacity delivery of digital information through 'broadband' technologies;
- Increased affordability of computers and digital cameras needed to create programming; and
- Old media—video, still images, graphics and audio tracks—are the building blocks of new media.

Broadband

On the distribution side of the media equation, the trend toward faster broadband methods of content delivery means a future characterized by unprecedented capacity to carry information to homes and workplaces without the lag time present on the Internet.

Broadband technologies hold the promise of delivering high quality TV signals, e-mail and other digital information over one system in real time. When this is achieved, audiences will have more choices, interactivity with the programs they watch, and the ability to program their own viewing.

Complicated technical, legal and public-interest considerations will shape the final picture. In one scenario, every household in America that is wired for cable TV would be eligible for multi-channel interactive web TV. In other scenarios the needs and interests of clients rather than content providers drive the technological shakeout.

Whichever approach prevails, high capacity broadband is poised to change the way information is delivered and digested. Three characteristics of broadband technologies will be most important for public interest communications:

- There will be a large increase in the demand for good digital content;
- The expansion of information-carrying capacity allows public interest groups to bypass gatekeepers at traditional media outlets, such as news directors and programming departments;

- The size and diversity of information available will tend to fragment audiences into audiences defined by specific interests.

From narrow casting to broadcasting, developments in media distribution present non-profit groups with diverse new outlets, if they can overcome financial and technical barriers to the production of content.

In sum, the experts agree that content providers will be challenged anew to find ways to leverage their messages in a delivery system that at once allows for much broader reach, while also demanding more precise targeting to ensure impact with critical audiences.

Without losing sight of the importance of traditional broadcast media outlets, whether and to what extent these new distribution streams will include public interest fare will depend on the ability of the non-profit community to create attractive, useful content for them.

Moreover, battles are ensuing over the right of the public to have access to a significant part of broadband space, much as they did over public access to the airwaves. The outcome of these struggles will depend largely upon the ability of public interest groups and individuals to demonstrate that they can produce visually and intellectually interesting programming.

Content Creation by Non-profits

On the content side of the equation, high quality, affordable computer platforms and video camera packages that are available today give any organization with technical know-how, resources, and an ingenious staff, the potential to create compelling media for the existing as well as emerging media infrastructure.

Unlike the early days of cable access, when cost barriers associated with broadcast technologies effectively marginalized public interest presence, the cost of technology is decreasing to a point where nearly anyone can afford to become a media maker. For example, every organization polled for this report maintains a web page, some with streaming video clips, and several with television programming hosted to their sites.

On the other hand, the democratization of access to cameras and editing equipment has put an even higher premium on quality and craftsmanship. As more and more content is created, the premium for well-conceived and well-executed material will increase. Therefore, organizations seeking outlets and the public's attention can only take advantage of communications opportunities to the extent that they gain experience producing the quality products modern media consumers demand.

These new digitally derived products can take the form of traditional media, such as documentary broadcasts, radio, videocassettes and CD-ROM presentations targeted to institutions or individuals, or as streaming media on the web. Whether viewed over traditional or new media formats, these products must meet the general public's high expectations for production values and narrative strength.

In the near term, sophisticated media practitioners will pioneer public interest content for emerging broadband outlets, and over the next decade the medium's convenience, 'watch-ability,' and interactive features will make them the wave of the future. However, until the broadband shakeout is complete, existing distribution systems—whether they are Internet driven web communications, DVDs, satellite feeds of traditional TV products, PBS programming or direct distribution of audio-visual materials to schools, groups and individuals—will continue to play very important parts in the overall communications mix. In all these scenarios, access to skills training and sophisticated equipment and affordable production services are essential for taking advantage of both old and new media opportunities.

Considering both traditional media and new media strategies, the non-profit community as a whole is eager, but generally ill equipped, to take advantage of these communications techniques. Responses to a survey of potential clients for a media production center reveal that nearly every organization recognizes the centrality of digital media to modern communications and outreach. However, relatively few have had any experience in using audio-visual methods to communicate their messages. Less than half of those surveyed had given much consideration to emerging media possibilities for their work or about the specific media strategies appropriate to their mission and means.

Likewise, respondents were nearly unanimous in their interest in pursuing the opportunities afforded by the digital revolution if a practical method to overcome (or at least minimize) the obstacles of money, technical training, competing demands, and a lack of media expertise could be made available to them. Many expressed excitement and a sense of urgency that the non-profit community—like the corporate for-profit community—must create a culture of cooperation, education and capacity building that nurtures sophisticated media production.

With only a few exceptions, all of the potential client organizations contacted during the feasibility study phase of this investigation indicated that they would use the media center's services to pursue the opportunities afforded by the digital revolution, if a practical method to overcome (or at least minimize) the obstacles of expense, technical training, competing demands, and a lack of media expertise, were available. People recognized that the times are changing quickly and they want and need to become savvy about more sophisticated digital tools.

Of the 58 organizations that responded to the Media Center Feasibility Study paper survey, 86 percent supported the creation of a media center along the lines of the facility proposed here. Of these respondents, nearly half said they would 'definitely' or 'likely' use the center, with nearly all of the remainder saying it was 'possible' they would use it.

In addition, almost all (30 out of 32) of the potential client organizations interviewed directly were enthusiastic about the prospects for the media center. "When will it open?" was a regular refrain. Personal interviews allowed the project team to better gauge the reality of potential use by organizations than did the paper survey. Several project or organizational directors gave strong endorsement to the proposed center and even made assertions about the magnitude of their future business with it.

Two of the organizations interviewed—Center for Public Integrity and the U.S. Institute of Peace—were in the early stages of thinking about building their own in-house digital media production studios. The former expressed great interest in forgoing this possibility if a cooperative center committed to high quality, independent, affordable media was established.

Many (about half) of those interviewed were not previously aware of CDI's current production capabilities, and several expressed an immediate need for the services currently available.

IV. MEDIA CENTER SERVICES and STRUCTURE

Synergistic Production, Marketing, and Distribution

Almost every potential client of a media center who had any prior experience with video production immediately cited the difficulty of obtaining financial support from foundations for media efforts, especially film production. According to them, and to experts consulted, foundations usually cite inadequate distribution as the reason they are reluctant to fund production.

When organizations have strong print products, they often don't know how to enhance it with an audio or visual boost. Many groups have limited experience with distribution and expressed a need for help targeting traditional and nontraditional media, as well as other options, such as web-based distribution.

Interviewees suggested several ideas for distribution/marketing services of great immediate use to them in their work, such as maintenance of an up-to-date list of e-mail addresses for print journalists around the country so that video news releases (and print news releases) could be disseminated efficiently.

Similarly, some requested the potential center to maintain a database, including e-mail contacts, of broadcast radio news show producers and of outlets looking for audio content and programming. The same was suggested for network TV news, including e-mail addresses for local affiliate stations' news directors.

Media experts and media center directors consulted cited the benefits and synergy possible for users of the media center through their sharing of distribution/content with other media center users.

Production by the media center of a print and web catalog of users' products, a periodical newsletter, list sharing and a non-profit media web portal were also mentioned as potential distribution multipliers.

The power of mass media to move public opinion creates a temptation to equate products destined for national broadcast as the primary function of the media center. However, as important as these high-profile activities are, they are only a fraction of the useful services that a media center can provide. In fact, most non-profits require more basic services and products. The phenomenal potential of new media content and distribution methods obscures the reality that for the next five to eight years, traditional methods of media distribution will continue to dominate as the most effective way for non-profits to reach large audiences.

Helping organizations think through their production mix and distribution strategies before they commit time and resources to media projects would be a central function of a media center.

Direct distribution of videos to schools and community groups, public service announcements, and programming for cable and PBS will have far more outreach in the near term than streaming media over the web. The latter is by comparison, a very immature technology.

Broadband technology represents an important opportunity to reach the public directly, issue by issue. Attracting large audiences will become more challenging, not less, since broadband distribution will tend to balkanize viewing audiences beyond that already accomplished by multi-channel cable and the Internet. The diversity of distribution channels along with the unpredictable nature of associated technology means that a media center client must arrive with a careful communications plan that reflects their skill level, resources and distribution potential.

With respect to distribution, most products generated by the public interest sector are 'self-distributed' to membership, other mailing lists, affinity groups, schools, and the press. A key feature of the media center will be to serve as a clearinghouse for self-distribution efforts.

WorldLink TV

The most promising new media distribution opportunity is represented by *WorldLink TV*, which has enthusiastically endorsed the concept of a media center serving the policy community in Washington, D.C.

WorldLink TV is an international, participatory television channel bringing world events, issues and cultures to audiences throughout the United States. Its mission is to create opportunities for Americans to engage with the world and focus on critical issues that affect us all.

WorldLink TV is currently running six hours of high quality programming using expanded bandwidth afforded by digital satellite broadcasting. It is available in 20 million households and has created strong demand for precisely the sort of high-quality programming that the envisioned media center hopes to create. *WorldLink TV* is also interested in working directly with the media center to develop a weekly news forum that showcases the issues and individuals in the Washington, D.C. public interest community.

[Azimuth Media](#), the independent media production unit created by CDI, currently produces a weekly half-hour TV series on international issues called [Superpower: Global Affairs Television](#). After its primetime broadcast in Washington, each episode is aired numerous times throughout the following week on *WorldLink TV*. Under the media center scenario, *Superpower*, and other studio-based content could be economically produced at the center for distribution on *WorldLink*.

WorldLink has also expressed strong interest in distributing a weekly program produced in Washington that highlights environmental issues. Another organization has contacted CDI about producing a news program on ethical investing.

Other new media outlets include [Free Speech Television](#), a leading broadcast outlet of alternative media and World Vision in West Virginia.

Another very promising area for non-profit communications is web-based radio. The media center's fixed facilities could easily generate radio programs for scores of organizations, which would be available through a media center web site and numerous links to other sites.

Client Services

Potential media center clients envisioned a range of services that the media center could provide, including:

- Access to video services for video taping of events, etc.;
- Editing facilities;
- Low-cost promotional videos and documentary;
- Public Service Announcements – including production, marketing and placement of video and audio;
- Technical support for streaming video and audio on web sites;
- Webcasting events;
- Stock footage library;
- Multimedia meeting space;
- Creative unit to help design new media and other web products;
- Basic classes in press outreach and communications techniques;
- Video feeds to help break news stories;
- Distribution facility;
- Centralized database for press contacts;
- Cooperative purchasing system for technology products;
- Website engineering;
- Consulting service for help with results-oriented messages, e-commerce and assessment of the best ways to achieve goals;
- Insert studio to set up controlled interviews and news mock-ups;
- Still image archive;
- Access to graphics and animation;
- Market research and ability to hold focus groups;
- Access to presentation equipment such as digital projectors, laptops, screens, etc.;
- Blast fax services for national press;
- Facilitating and organizing cooperative documentary projects.

Marketing the Media Center

The media center facility will immediately begin to establish its market by offering organizations training and services at a nominal fee during the start up phase. A fee schedule will be established on a sliding scale of 25 – 75 percent of overhead costs, depending on the nature of the work and the organization's capacity to pay with the stipulation that all clients will be required to pay for services either through fees or targeted grants from foundations. Large organizations with fixed

estimates of their annual media and production costs will be encouraged to become members in order to have access to services and facilities on the basis of a one-time fee calculated as a percentage of their annual media budget.

Traditional marketing activities to build client base will include:

- Events (workshops, training sessions, screenings);
- Direct mail to potential clients;
- Advertisements in trade journals;
- Press outreach;
- Internet listservs;
- Web advertisements and Internet links from client sites; and
- Word-of-mouth.

Independent producers will be recruited to use the center's facilities in the same manner as organizations. An independent documentary film unit will be created within the media center to produce media center brand films and to supervise the distribution of funds from an internal film fund set up to advance the new media center as the best place to bring non-profit documentary projects.

Organizations will be encouraged to hire graduating interns, as well as to send their media staffs to the center for intensive training. Media mentors will be paired with groups seeking to maximize their use of convergent media technology.

The marketing and public relations staff will aggressively promote the center and its philosophy to the mainstream and trade press, including through annual press events at the facility. The media center will publish a monthly newsletter for distribution to client groups, funders, media center members, and the media. The newsletter will highlight interesting media center successes, profile filmmakers and organizations, describe new media techniques, discuss media literacy, etc.

The monthly newsletter will also reside on a state-of-the-art website along with media from works in progress, links to participating groups as desired, media maker news groups, technology reviews, etc.

This attractive periodical would also be the centerpiece of a direct mail fund-raising effort to citizens who recognize the critical importance of media participation by non-profits.

The media center outreach effort will also target foundations that have the potential to contribute annual one-time grants to the media center to leverage access for their grantees. This class of grants is named Media Vouchers because they provide blanket access to the facility. Promotional materials explaining the program and describing formulas for contribution levels will be

distributed to foundations on CD-ROMs. Interested institutions and individuals will be invited to the media center for one-on-one discussions.

Most organizations would require a significant amount of training to take advantage of many media techniques available through the center. Therefore, workshops will be set up early in the implementation period to teach basic camera-work, editing techniques, story telling, digital journalism, use of digital media in a convergent environment, web design and web-casting.

In addition, workshops will be held on new media technologies and their possible impact on public interest work. These workshops, coordinated with existing media groups, such as the Benton Foundation and the Center for Media Education, will be marketed for organizational leadership. Regular demonstration programs will be run to educate board members, funding organizations, and to attract potential client organizations.

Staffing

By the end of phase two (27 months) the media center implementation program will require a staff of ten full-time employees and four paid interns. Staff structure is based on a downsized version of the Bay Area Video Coalition (BAVC), concentrating on those positions that will ensure the highest degree of success in the first phases of implementation. Additional staff can be added as needed. The staff positions are:

- Executive Director
- Director of Administration
- Chief Engineer
- Director of Marketing
- Director of Programs
- Senior Producer
- Studio Director
- Associate Producer/Offline
- Web Engineer/Graphics
- Administrative Assistant

All media center staff will be accountable to the Media Center Board of Directors, through the Director of Media Center Operations.

V. FINANCES AND FUNDRAISING

Revenue Potential of the Non-profit Market

[Brody, Weiser, Burns](#) (BWB), an independent consulting firm specializing in social ventures, conducted an analysis of the market that exists in D.C. for the proposed Center for Progressive Media. The sources of information include:

- Focus groups of large and small to mid-sized organizations in the D.C. area;
- Survey of potential clients;
- Interviews with key informants of the media center field, including current and former directors of successful media centers and industry experts;
- A scan of potential funders and other revenue sources to sustain the Center.

A detailed summary of BWB's focus group and survey findings is attached as Appendix A.

Media Vouchers

Brody, Weiser, Burns conducted a search of potential funders for the Center. Potential funders included grant makers with particular focus in the media, film, television and communications. Our search also included grant makers who could potentially fund CDI's client organizations for their operational or media-specific activities. This pool of grant makers will be invited to underwrite annual media vouchers scaled to the amount of their grant recipients in the D.C. area. The voucher would then entitle the foundation's grantees to use the media center to promote their activities and work. From the grant maker's perspective, the media voucher system enables them to leverage sophisticated, integrated, media services on behalf of the projects they support for a fraction of the cost that would be required were the individual grantee to seek media services in the commercial sector.

Potential Funders for Center Activities

All grant makers in the chart below have a national funding focus and a minimum of \$10 million in total giving.

FUNDING AREA	GRANTMAKERS
Potential funders in specific program areas	
Arms control	6
Civil liberties, reproductive and civil rights	11
Economically disadvantaged	15
Environment	30
Youth development	15
International affairs	13
Public affairs: Citizen participation	17
Total:	107
Potential funders in operational/programmatic support	
Program development	114
Media/communications	7
Television/telecommunications	2
General support	89
Technical assistance	38
Total	250
Grand Total	357

Preliminary search indicates that there is an adequate pool of potential funders for the Center and Center clients to access grant maker support for the products and services the Center will provide. The Center will apply for foundation support directly, and will also encourage clients to request operating, program and technical assistance funding that have components for media activities that are core to the non-profit's message communication.

Financial Snapshot

Based upon the feasibility study and the analysis conducted by Brody, Weiser, Burns, it is estimated that the fully implemented CPM will require an initial budget of \$1.9 million to cover one-time capitalization and marketing costs.

As the CPM establishes its client base within the target market, the annual costs to maintain and operate the center will shift from primarily foundation-borne capitalization and start-up costs to user-supported operational expenses. Core funding commitments from foundations end after three years. After five years,

annual operating costs top out at \$2.5 million. After five years 40 percent of the Center’s budget will be provided by targeted media underwriting and through fees and other identified revenue streams.

Revenue Streams	Year 1		Year 2		Year 3		Year 5		Year 5		
	Expense	Revenue	Expense	Revenue	Expense	Revenue	Expense	Revenue	Expense	Revenue	
Fees		75,000		150,000		200,000		700,000		800,000	
Distribution				25,000		50,000		200,000		250,000	
Royalties				25,000		50,000		150,000		200,000	
Membership		40,000		75,000		100,000		300,000		400,000	
Core Foundations		1,900,000		1,900,000		1,900,000					
Rental Income								25,000		25,000	
CTC Tuition and Grants				25,000		50,000		200,000		250,000	
Vouchers								400,000		600,000	
Carry over				35,000		100,000		340,000		40,000	
Grand Total		1,979,000	2,015,000	2,136,326	2,235,000	1,938,470	2,450,000	2,284,459	2,315,000	2,499,854	2,565,000

A complete expense/revenue budget and budget narrative appear below in the Section V, Finances and Fundraising.

Client Fees: \$700,000

The main purpose of the CPM is to serve the majority of non-profits who do not have ready access to the type of media capabilities necessary to make an impact—politically, socially, and culturally. Conservative estimates based on surveys and direct examination undertaken by BWB indicate that, for the range of services offered by the CPM, 20 percent of the over 15,000 non-profits in the greater D.C. metro area could potentially patronize the CPM at a rate of at least \$5,000 per year. That translates into an immediate target market valued at approximately \$1,500,000 in annual revenue for the services marketed by the CPM.

Once established, the media center marketing strategy is designed to “make its own market” by reaching out to the non-profit community with training and promotion to help it better understand how to successfully invest in media production. The potential revenue from fees will increase as the CPM marketing program makes inroads into the target market. Further, as CPM clients become more sophisticated in their media practices—through training and experience—their annual baseline expenditures at the media center will increase.

As a general proposition, media center services are priced at approximately half of commercial rates in the Washington, D.C. area based on CDI’s finding that this is the price at which most non-profits are willing to pay for media services. A rigid fee schedule for all services will be developed prior to implementation, and all clients will be required to pay fees unless their use of the center is covered by an alternate understanding regarding royalties or through the use of media

vouchers. In any case, the consumption of services will be measured using a uniform fee table.

Media Vouchers: \$400,000

Access to the CPM through a “Media Voucher System” will allow small and mid-sized foundations to leverage the impact of their grants to individuals and institutions. Foundations will purchase vouchers annually that can be redeemed by their grantees for specific services. Participating foundations would be entitled to direct their grantees to the media center for help translating their activities into high-quality new and old media using proven strategies and templates that are economical and effective.

By pooling foundation support as annual pre-paid fees, the Media Voucher System will enable the center to offer large discounts to the non-profits, nearly all of which will have received earmarked funding for media work, whose supporting institutions participate. The entire process of allocating foundation resources for outreach and special media projects would be streamlined and each media dollar would be much more efficiently spent.

A modest media voucher program involving 40 of the 357 foundations identified by BWB above at an average voucher of \$10,000 per year would realize \$400,000 to support the media center.

Direct Mail: \$300,000

Employing the most modern methods, the CPM will reach out to the growing national pool of media-literate private individuals and institutions with a strategic direct mail program. Beginning with a baseline mailing list purchased from the largest participating institutions, the CPM expects to raise at least \$300,000 in membership dues by the end of its third year of operation. As the CPM expands its catalog of media products, the potential of direct mail as a cross-platform promotion strategy for films and other materials is significant.

Direct mail consultant, Anderson Associates estimates that by its fifth year direct mail contributions in the form of tiered memberships and associated sales could reach \$800,000 annually as the CPM output becomes widely used, and public awareness grows.

Direct mail contributors would enjoy discounts for CPM products and receive a newsletter. Within five years, Anderson Associates estimates that CPM will have cultivated at least 500 members to the \$1,000 per year level.

Product Distribution: \$200,000

Market Data Retrieval, the foremost list broker to the higher education market, states that the educational market for software, which includes CD-ROM and videocassettes, is \$9 billion per year. Furthermore, as more schools and institutions computerize learning environments, this market will continue to grow.

Working with its client organizations and on its own, the media center will develop its own brand of media for direct distribution to educational institutions, via print catalog and over the web. The income from these CPM brand products will be derived primarily from sales of films, CD-ROMs, and other media to schools, universities, community organizations, churches, and individuals. Revenue forecasts for this area of media center activity are based on extrapolations from CDI's film series *America's Defense Monitor*, which has grossed an average of approximately \$40,000 per year in [catalog sales](#) with a narrow program list and modest marketing effort.

Royalty arrangements with client producers will favor CPM where producers have benefited from discounted access to CPM services. As CPM's prestige grows and its productions are widely distributed this revenue source will increase, particularly in the educational "direct to viewer" market.

Where desirable, *niche* products and overseas distribution will be outsourced to established distribution companies, such as [CS Associates](#), [MediaRights.Org](#), the [Video Project](#) and the [Media Education Foundation](#).

CPM Brand Films: \$200,000

A modern, fully equipped CPM will be capable of supporting at least four feature length documentary film projects every year. Independently funded projects in the public interest will find affordable access to cameras, editing, graphics, and other production related services. The CPM in-house data management system will provide producers easy and affordable access to archived film material.

Based on Azimuth Media budgets for documentary its documentary productions and comparisons with similar activity at other media centers, four \$100,000 film projects run through the center would yield at least \$200,000 in service fees. Negotiated arrangements in which up-front fees were exchanged for "back end" royalties would create additional income throughout the life of the films produced at the CPM.

CPM would develop its own film products for broadcast and direct distribution through its affiliation with [Azimuth Media](#), the independent production unit started by the Center for Defense Information.

Community Tech Center: \$250,000

For several hours each week during non-peak times, the CPM will be converted for use as a Community Tech Center (CTC). Using grants available through the District of Columbia government, U.S. Department of Education Community Technology Centers Program, and local foundations, CPM staff will conduct courses in cyber-video production, web engineering and design, and computer graphics for students from public schools and other local institutions seeking to prepare the city's young people for high-tech and media careers.

CPM CTC courses will range from one week to six-week courses in duration. At any one time the CPM will be able to serve up to twenty students. Each course will run at a cost-per-head basis of \$350 per week. The CTC should conservatively reach 30 percent capacity by year three, giving an annual income of \$100,000. The courses will also provide a ready source of well-trained interns and, occasionally, staff for the Center. The courses will require one full-time staff position along with part-time engineering and administrative support. In addition, the CPM will be able to attract \$150,000 targeted grants for its community media work by year three.

Additional Revenue Potential

The following list of media center activities are not included in the revenue estimates related in the 3 to 5 year budget narrative. However, they are proven revenue sources at other media centers that could be easily adapted to the operations of the center proposed for Washington, D.C.

Rent

Once the CPM is established, the facility and concentration of talent will provide an excellent rationale for subletting space at the center. Independent filmmakers, producers, interactive media artists and journalists can rent office space at the CPM, giving these professionals a chance to network with peers, utilize a host of media resources and establish a base of operations.

These professionals could function as adjunct staff when larger projects come through the CPM, or hold seminars and conduct training sessions in their individual areas of expertise. Their proximity to the media center will ensure that their own non-profit projects will use the CPM facility. Where necessary, the PMS will act as a tax exempt "fiscal sponsor."

The CPM's effectiveness is predicated not only on housing the latest technology, but also on accumulating and organizing intellectual capital—people from various backgrounds with different interests and media capabilities. Although not technically a campus, the fully functional CPM promises to be a cooperative, educational environment dedicated to quality output and training.

Non-profits using the CPM's assets can stretch the CPM's value by sending employees to gain valuable instruction in the use of media technology. The CPM will train, through hands-in experience and guidance from CPM professionals, the next generation of non-profit media professionals.

Film School

Despite its numerous universities, the Washington D.C. area has almost no formal programs at the university level devoted to documentary film production and related fields. Modeled after the very successful teaching program established by the [Pittsburgh Filmmakers](#) media center, the CPM would lease its facilities during non-peak times to accredited instructors from the region's many universities. This arrangement allows schools to offer their students attractive programs without carrying the high capital costs of establishing the facilities on campus. The CPM would charge a fixed fee to the universities for use of their space, equipment, and archives. After orientation, students would have access to the CPM facility as a part of their tuition payment.

In addition to being a substantial source of income, interaction with the area's professional media educators and students would yield many other tangible benefits, especially in the areas of project and staff development.

Borrowing from the Pittsburgh model, it is estimated that the CPM could potentially offer courses in over 40 areas to 100 students and individuals per semester at a unit cost of \$300 per credit. An average of \$75 dollars per student would be charged to cover items, such as tape stock, consumed during the courses. The participating universities would pay the instructors or hire CPM staff during off-hours. Operating year-round, this arrangement would offset CPM operating costs by at least \$100,000.

Media Archives

A full-time function of the media center will be to acquire and archive existing public domain video available through the various government agencies and to house material generated by media center members and clients using state-of-the-art data management software. All CPM-related media will be searchable in low-resolution imagery over the World Wide Web. Each database entry will include text information regarding the format, its owner, licensing information, and provenance.

CPM members and clients will have access to this expanding source of stock footage and other media for non-profit educational use as a condition for using the facility. Non-members, such as the press, commercial producers, and

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schools, will be charged fees for media storage and for use of CPM licensed images.

Five Year Budget

		Year 1		Year 2		Year 3		Year 4		Year 5	
Salaries and Benefits		Expense	Income	Expense	Income	Expense	Income	Expense	Income	Expense	Income
Executive Director		75,000		75,000		85,000		85,000		90,000	
Director of Administration		65,000		65,000		75,000		75,000		80,000	
Chief Engineer		60,000		60,000		65,000		65,000		70,000	
Director of Marketing		50,000		50,000		55,000		60,000		60,000	
Director of Programs		60,000		50,000		55,000		55,000		60,000	
Senior Producer		55,000		55,000		60,000		60,000		65,000	
Studio Director				55,000		55,000		60,000		60,000	
Associate Producer/Off-line				40,000		40,000		40,000		45,000	
Web Engineer/Graphics		45,000		45,000		50,000		50,000		55,000	
Administration Assistant		30,000		35,000		40,000		40,000		45,000	
Salaries Subtotal		440,000		530,000		580,000		590,000		630,000	
Staff Benefits (20%)		88,000		106,000		116,000		118,000		126,000	
Cost of Living (3%)				19,080		20,880		21,240		22,680	
Staff Salaries and Benefits Subtotal		528,000		655,080		716,880		729,240		778,680	
Interns (@ 1,000/mos)		48,000		48,000		48,000		96,000		96,000	
Equipment and Systems											
Editing and Software		75,000		20,000		10,000		30,000		10,000	
Cameras		95,000		65,000		5,000		5,000		10,000	
Multi-format platforms		75,000						40,000		5,000	
Digital Infrastructure		125,000		25,000		5,000		5,000		5,000	
Studio Interface				125,000		10,000		10,000		10,000	
Duplication		15,000		5,000		5,000		5,000		5,000	
Computer Network		55,000		10,000		10,000		45,000		10,000	
Servers and Storage Array		80,000		25,000		25,000		45,000		10,000	
DVD/CD Authoring		15,000		5,000		5,000		5,000		5,000	
Fiber-optic Link and Fees				15,000		15,000		15,000		20,000	
Satellite Services				90,000		90,000		120,000		120,000	
Internet Connection		15,000									
Internet Fees		60,000		60,000		60,000		60,000		60,000	
System Engineering		75,000		65,000							
Furniture		30,000		15,000				10,000		10,000	
Telephone and Office Equipment		45,000		5,000		5,000		10,000		5,000	
Equipment Subtotal		760,000		530,000		245,000		405,000		285,000	
Overhead											
Rent (12,000 sq.ft.)		150,000		200,000		200,000		200,000		200,000	
Improvements		50,000									

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Office		50,000		50,000		75,000		75,000		75,000	
Legal		30,000		40,000		40,000		40,000		60,000	
Marketing and Communications		50,000		150,000		200,000		200,000		350,000	
Insurance		25,000		50,000		50,000		50,000		50,000	
Maintenance				20,000		20,000		20,000		20,000	
Build-out		35,000		35,000							
Product Development		100,000		200,000		200,000		300,000		400,000	
Overhead Subtotal		490,000		745,000		785,000		885,000		1,155,000	
Grand Subtotal		1,826,000		1,978,080		1,794,880		2,115,240		2,314,680	
Contingency (8%)		153,000		158,246		143,590		169,219		185,174	
Revenue											
Fees			75,000		150,000		200,000		700,000		800,000
Distribution					25,000		50,000		200,000		250,000
Royalties					25,000		50,000		150,000		200,000
Membership			40,000		75,000		100,000		300,000		400,000
Core Foundations			1,900,000		1,900,000		1,900,000				
Rental Income									25,000		25,000
CTC Tuition and Grants					25,000		50,000		200,000		250,000
Vouchers									400,000		600,000
Carry over					35,000		100,000		340,000		40,000
Grand Total		1,979,000	2,015,000	2,136,326	2,235,000	1,938,470	2,450,000	2,284,459	2,315,000	2,499,854	2,565,000

Budget Narrative

Year one assumes major support from at least three foundations each making three-year commitments in the range of \$650,000 each for three years running. Out-year contributions of core support could be less depending on the rate at which other revenue streams materialize.

Eight fulltime employees and four interns are housed in temporary offices with specific duties related to the implementation of the Center, including Board recruitment, market outreach, and product development. This interim facility allows the Center to immediately begin reaping fees from the existing client base of its constituent partners.

After six months, the new space has been remodeled, the infrastructure designed and purchased, and at least two CPM brand films are in development. The Center answers to a 10 person Board of Directors. The initial elements of a strategic membership drive have been implemented. By the end of year one, the new facility is built out and fully operational, except for the studio section/conference facility. Fees and membership begin to defray start-up and capitalization costs.

Activity in year two is distinguished by the completion of the studio facility, amplified marketing and outreach, two additional staff producers to oversee a doubling of content development, including at least two weekly TV series. Media vouchers from participating foundations, fees and contributions flowing from stepped-up marketing and direct mail campaigns accrue and significant royalties are realized from projects put into development the previous year, including media designed primarily for the educational market. The first income from CTC training fees and grants arrives by the end of year two. All capital expenditures are complete.

In year three core funders make their final contributions. Income from all streams is on track to supplant core funding by the end of the year. Scores of foundations have agreed to underwrite media vouchers on behalf of their grantees. At least four major outside documentary projects with average budgets of \$150,000 along with eight films developed internally are underway. Additional computer infrastructure is purchased to meet the demands of remote users, additional media storage, increased production, and data processing. Across the board, overhead increases reflect increasing use of the Center by organizations and individual producers. CTC programs are exploiting non-peak access to infrastructure and staff at full capacity.

Projections for years four and five extend the trajectories of cost and revenue established by the end of the previous year. Modest capitalization takes place to keep the facility current and functional, with the bulk of operating costs associated with staff, marketing and distribution, and product development. As the center's reputation for services, training programs, distribution, and consulting grows, it comes to dominate the market for non-profit media services. Its establishment as the premier facility in Washington for non-profits creates a snowball effect among funders and clients seeking to spend their media dollar effectively and economically. Content produced earlier is earning royalties through direct distribution and international placement.

At the end of the five-year period and beyond, targeted foundation support accounts for roughly 35 percent of income in media vouchers. The balance is derived from other sources outlined above.

VI. OPERATIONS

Together, all layers of this investigation—potential clients, media experts and successful media centers in operation in other cities—existing conditions augured well for the value and viability of a facility for Washington progressive non-profits. A hybrid model designed from the best features of America's most successful media centers and taking account of client preferences, begins to give shape to the center itself.

Governance

The CPM is ideally envisioned as a fully independent 501 (c)(3) non-profit. The start-up phase of the project will continue as a CDI initiative until a threshold of \$1million in funding commitments is reached, at which point the project will be chartered as an independent institution. Mark Sugg, CDI's current Director of Television, will manage the interim phase of the Center's establishment, answering directly to CDI President Dr. Bruce E. Blair and CDI's Board. All funding made available prior to the \$1 million level will pass through CDI's accounts under normal accounting practices. In the event that core funding is available from the outset, the CPM will start its life as a separate institution.

When the Center is independent, a conventional Board of Directors will govern the CPM, and Mark Sugg will be its first Executive Director. The composition of the Board of Directors will be as follows: three seats reserved for representatives of the non-profit community with one seat reserved for a documentary filmmaker. The six remaining seats will be filled according to the candidate's ability to contribute to the CPM, whether through professional experience, fundraising capabilities, or intellectual capital. The Board will elect its own officers.

By the end of the start-up period, board members will be serving fixed terms of two years, with four positions changing every year. The Board of Directors will hold two annual meetings. All board members will be responsible for all aspects of media center current business and future direction. Board members will staff working groups organized around different aspects of center operations and make recommendations to the full Board and center staff. Board members and key center staff will oversee the expenditure of content development funds through quarterly project review.

The Media Center Vision

The complete vision projected for the Center for Progressive Media includes:

- A 12,000 square foot state-of-the-art facility located near the center of non-profit activity;
- 10 full-time staff, eight interns, and numerous part-time teachers and consultants;
- Institutional and individual clients and students;
- A culture of cooperation based on pooled resources and respect for the opportunity to create competitive media;
- Award-winning films and other media products;
- A web portal for public interest media and a newsletter;
- An annually increasing community of sophisticated public interest media makers;

- Direct mail membership in the tens of thousands who recognize and support the mission of the media center;
- An on-line interactive digital archive of stock footage and other valuable media.

As the Center's successes multiply, it will expand its market among both client organizations and funders, thereby ensuring the long-term health of the institution.

Implementation

The CPM facility will be implemented in three careful steps to allow for flexibility and course corrections warranted during the three-year start up period.

Phase One

The establishment phase of the media center will run for nine months. Activities that do not require access to capital equipment, such as training programs, media guidance, and distribution of existing products, will begin immediately. The main features of phase one will be undertaken concomitantly:

- Recruit and hire at least 6 out of 10 permanent staff;
- Initial client outreach and education;
- Engineer media center facility;
- Secure permanent space;
- Promotion of media vouchers to potential funders;
- Begin client services.

At the end of this nine-month period, staff and advisors will assess the center's mix of technologies, fee schedules, marketing efforts, and space arrangements. Adjustments will be made accordingly.

Phase Two

The intermediate phase of the Media Center will continue all of the features of Phase One to the point of completion. Additionally, several major revenue initiatives will be launched. Phase Two will run for 18 months.

- Develop up to four feature-length documentary projects;
- Fill remaining staff positions and commence internship program;
- Fully built-out facility operating at near capacity;
- Commence direct mail fundraising and membership drive; and
- Establish community technology center and outreach to film schools.

Phase Three

During the final nine-month phase of the start-up period, the funding base for the Center will be assured from a diversity of sources, including earned income, member fees, foundation support, and direct mail. During this phase, most of the media center's core functions will be mature operations. Several long-term initiatives would be started.

- Develop strategic plan for the next five-year period;
- Transition from start-up funding to self-funding status.

Throughout this three-year period, regular review of the media center project will be conducted by its governing board, in concert with the staff and representatives of the client base. The objective of this oversight will be to adapt to circumstances while being faithful to the Center's mission and values.

Space and Equipment

Every media center visited considered adequate space for offices, facilities, workshops, and meeting areas essential. While the space itself varied from place to place, the point was to provide an environment for both staff and clients that is conducive to creativity and productivity.

Furioso Management of Washington, D.C. has offered the CPM discounted access to a 12,000 square foot space in a prime downtown location. The Furioso property is equidistant from the Capitol Hill district and the largest concentrations of public interest buildings centered in the Dupont Circle area. The space is convenient to public transportation and easily accessible by car or on foot.

Furioso Properties has agreed in principle to offer the space for \$12.50 per square foot or 50 percent of the cost of office space in the surrounding area. The lease term is five years. The annual savings from this generous offer are over \$100,000.

During phase two (18 months), the new space would be designed and 'built out' including full Internet and intranet capacity, a full-time fiber-optic link directly to the Internet and the Washington satellite teleport, and a fixed-camera studio space.

In addition, the space would include:

- A reception area;
- Staff and executive offices;
- Intern and guest producer offices;

- Several CTC workshop spaces, which will double as conference rooms and a soundproof studio space;
- Digital carrels for editing, graphics and animation labs, and web development;
- A multi-terabyte, searchable stock footage/still image library.
- Stock footage and master tape archive;
- A radio booth;
- Machine room;
- A kitchen; and
- An apartment for out-of-town producers;

The CPM will be built around a high-speed fiber-optic network capable of transporting large media files to desktop editing and graphics platforms, as well as individual desktops. Eventually, outside producers will be able to link via the Internet to the Center's archives in order to create media remotely.

Computerized media servers will be partitioned to perform the tasks of storing media that is in production and storing archival material.

An *AVID*-style workstation will be the core of the high-end digital editing operation capable of sourcing media from all videotape formats. Smaller projects and CTC training activities will be run on four *Final Cut Pro* systems. All edit lists will be cross compatible.

Additional equipment engineered into the media center facility:

- 1 digital Betacam camera package
- 4 DVC Pro studio camera packages
- Studio master control and switching
- 4 Mini-DV camera packages
- Multimedia computer network and associated servers
- Studio and field lighting kits
- Multi-format playback platforms
- 1 digital Betacam mastering recorder
- 1 DVC master recorder
- Audio equipment and field mixers
- Cabinets & consoles
- Inter-format video duplication center
- CD-Rom, DVD, and audio duplication

VII. ISSUES AND RISKS

While most potential clients and media experts interviewed for this study expressed a great deal of enthusiasm about the potential media center, they raised several good questions and areas of potential concern, as well.

These issues centered around questions of:

- Access
- Capacity
- Governance and decision making
- Timeliness
- Quality
- Fees
- Independence of productions
- Financial viability
- Competition for funding

Feedback from Potential Clients

Overuse

On the assumption that the media center would live up to its potential—cooperative, committed to the public interest, supportive, affordable, cutting edge, highly competent—several prospective customers interviewed worried that the media center could fall prey to its own success; that is, they imagine it being overwhelmed by demand. Since access is tied to either fees or pre-paid media vouchers, in the event that demand exceeded capacity, the capacity could be increased accordingly to accommodate the expanded client needs.

Determining Access

Almost everyone questioned how the proposed media center would decide who has access to the available resources. While groups seem very pleased that the center would provide a springboard for the public interest agenda, they also wanted to know if there would be a litmus test for using the facility, and if so, what it would be. Regarding this issue, once again, access to the media center is determined by either direct payment of fees or subsidized access from an outside funder. As a general proposition, the client base of the proposed center is all 501(c)(3) educational non-profits. The experience of all of the centers surveyed for this report indicated that the concerns raised above are almost never an issue in practice. In the rare cases where they are, the CPM Board of Directors would make final resolutions. All clients referred by foundations that have underwritten media vouchers will be entitled to media center access at

some level. The CPM Board will decide which foundations are eligible to underwrite vouchers.

Production Values

Several of the potential clients and media experts stressed the need for extremely high production values and competent staff. One group interviewed said that unless the available production values (lighting, background, graphics, and sound quality) met industry standards, they would not be likely to use the center for productions.

This particular concern reflects the media sophistication of many in the non-profit sector. In conversations with other media center directors, it was clear that staff and equipment decisions had to address this consideration, but in such a way that the operational facility match its capacity to the client's needs and the ability to pay. The design, staffing, and equipment list for the CPM has been carefully conceived to accommodate the full spectrum of potential clients, from the most modest services to the most sophisticated productions.

In-house consulting services will advise clients to pursue media strategies that are realistically scaled to their desired outcomes. The fully digital design of the facility infrastructure will afford the most flexibility and control of media output.

Fees and Competition for Funding

Cost to clients was another recurring concern. Small groups have almost no production budget, though they would dearly like to add content to their website, and to reach the media more effectively. Several organizations expressed concern that foundations would not fund them to produce video content. Others stressed the cost to organizations of committing staff time to training in media production skills.

Several media experts raised sustained financial support as the key question. Several of the media center site interviews stressed the importance of at least one key partner or champion that made initial subsidized operations possible. This help was most critical in the early stages of a media center's establishment.

Most people interviewed felt no sense of competition from the media center *per se*, since few potential client organizations are desirous of, or in a position to, produce video and audio in-house. A few interviewees, however, expressed some concern about the center dipping into the same pool of foundation resources as its potential clients. They wanted to know more precisely how projects would be funded.

This class of concerns is the primary inspiration for the media voucher concept. Due to the relatively high cost of, the scope of media making within individual non-profits is too small to effectively amortize the relatively high cost of media access and expertise. As a consequence the funds that are consumed in this important part of any institution's work are expended inefficiently or the products themselves suffer. On the other hand, by pooling scarce foundation resources for media work in the media center framework, the effect of the same amount of funding is multiplied many times. The capital costs, staff salaries, distribution costs are spread out over scores of projects, and each successive projects brings new learning and greater economies to the process.

In this scenario, the smallest institutions can have access to the best technology, training, etc., as long as their supporting institutions have contributed at an appropriate level to the voucher pool. The captured economies of this are so great that very little competition for overall resources results. Foundations will continue to fund the critical in-house media capabilities of grantee institutions, such as salaries and administration, but the funds otherwise applied to half-hearted media projects at these institutions, will now leverage enormous capacity in the media center context. Most media center vouchers would fall in the \$30,000 to \$100,000 range.

As is clear from the budget and its accompanying narrative, until this revenue and voucher dynamic is established after three years, virtually the entire media center is financed by major grants from large public interest funders. Ideally, three foundations would provide \$650,000 per year for three years, at which time a diversity of funding streams and the voucher programs would relieve these larger institutions of core funding commitments.

Availability of Funding

Paramount risks related to funding fall into two categories. The first is the risk in the initial stages that the Media Center initiative will lack sufficient funding to be able to afford the significant capital and overhead expenditures necessary make a meaningful return on investment in subsequent years. The second major risk involves a future scenario in which there is insufficient revenue to sustain the core level activity and services without additional general funding from foundations.

Both these contingent risks are anticipated in the design and program of services. Inherent in the both the start-up and fully operational phases of the media center is the element of scalability. A minimum level of funding commitments that are sufficient to cover core capital, overhead, and marketing costs will trigger the build-out and staffing of the proposed center.

Under the \$1 million threshold established as the minimum level of three-year funding for a fully independent facility, the Media Center will remain situated within CDI albeit at an enhanced level. As host, CDI provides the Media Center with a safety net that reduces short-term costs and long-term risks otherwise inherent in a start-up organization. This risk-reduction approach increases the prospects for attracting funders who might otherwise not see this venture financially feasible. In general, all Media Center activity, whether part of CDI or independent, will be scaled to the amount of available start-up funding.

Over the long-term, CPM operations will be similarly scaled to available and projected resources based on careful tracking of revenue flows. When possible, revenue will be set aside to create an incoming generating endowment account to cover funding shortfalls and maintain operations.

In the direst scenario, where insufficient resources are available to launch the media center at a minimum level of effectiveness and return on investment, the project will be postponed until a more propitious time.

Independence

A basic issue that surfaced at every level of the initial feasibility study was the relationship of the new media center to CDI. Several potential clients of the center expressed a strong need for independence. That is, they did not want, in any way, productions they undertook to be seen as being ideologically stamped or otherwise affiliated with an advocacy agenda. This point was most crucial for groups that considered themselves as independent analytical voices or news organizations, for example the Center for Public Integrity.

The composition and structure of the media center's board of directors is straightforward in the event that the facility is established as an independent 501 (c)(3) from the outset. However, during its start-up period, as described in the previous paragraph, it is likely that the center will operate under the auspices and structure of CDI. CDI has agreed that the Media Center will conduct all of its activities un-licensed by CDI. Under this arrangement there is the risk that the Media Center's clients will perceive the Media Center as a CDI project that may impose its agenda on CPM activities or that requires a litmus test for clients seeking use of the facility. Such a perception could reduce demand for the Media Center's services.

While this concern is valid in theory, in practice it is a matter of small concern because CDI has well established governing mechanisms for media projects in development under its roof. Specifically, *Azimuth Media* and *Washington Profile* are two innovative projects nurtured at CDI that by their nature require full independence of operation. In both cases an editorial firewall exists between the projects and CDI's governing board and senior staff. *CNN* and *PBS Frontline*,

recent co-production partners of Azimuth Media, have certified this system with respect to journalist independence. *Washington Profile*, a Russian/American news agency, has become the third most widely cited news source in Russia.

During the interval in which the media center remained a part of CDI, a similar firewall arrangement would be in place. CDI would act, in effect, as a fiscal sponsor with a representation on the governing board, but otherwise would allow the center to fulfill its stated mission without interference. Once an adequate level of funding commitment materialized, the media center operation would split off from CDI as an independent organization, CDI would relinquish its primary relationship to the project and become a participating organization like all the others.

CDI would release any monies restricted for the development and operations of the Media Center discounted by CDI's outstanding overhead and other costs.

Mergers and Partnerships

Joining forces with the existing organizations and consultants listed in Appendix B. will give the CPM a significant boost towards financial self-sustainability within three years. The advantages come primarily from the consolidation of the existing competitors to the CPM under one roof and from access to the extensive client lists and good will these organizations have established over the years. The mergers with existing businesses are also a source of high quality, proven staff. However, none of the combinations with these organizations are necessary to ensure the success of the Center.

While every individual and institution cited in this report has agreed to the manner in which their future relationship to the CPM has been characterized, whether that be a formal merger or as a consultant, in the event that any of the proposed partnerships does not materialize, the prospects for the center remain very strong. The Center's inherent strength is based on its capacity to provide a complete spectrum of media services to all eligible non-profit organizations, as opposed to the limited boutique-type services offered by CPM's potential partners, and to do so at rates that will be very attractive to non-profits of all sizes. All of the staff positions for the CPM can be filled by conventional recruitment methods, if that became necessary.

VIII. CONCLUSION

After more than two years of intensive investigation, it is apparent that a broad demand exists within the non-profit sector of Washington, D.C. for economical, effective media production and related services. Further, a combination of revenue streams flowing from stakeholders within the sphere of non-profit, public interest activity including organizations, individuals, grant makers, and media

outlets will generate sufficient fees, royalties, direct contributions, and targeted grants to make the provision of media services to this market self-sustaining within three years.

The advent of more accessible, user-friendly media technology has lowered the technological barriers to content creation at the same time as new distribution opportunities appear on the near horizon. Advances in computer software and networking make cooperative accounting, scheduling, file sharing, and outreach an achievable goal.

A talent roster of media professionals has been recruited from the public interest community to staff and support the CPM. Several existing media organizations with overlapping activities will be combined with the media center to reduce competition and capture talented staff and client lists.

The Center for Defense Information, with its extensive experience in non-profit media production, distribution, and media services is an excellent starting point for the implementation of center.

The cooperative, synergistic approach to media making at the heart of the media center model is especially useful during a period when foundations and potential supporters are stressed for philanthropic resources. Every dollar spent building and sustaining this center will leverage significant extra media capacity within the non-profit sector it is designed to serve. Further, all of the resources contributed by the initial funders, and all of the fees and contributions realized later, will remain within the non-profit community where it will further amplify its public voice and outreach.

There are many complex issues related to this undertaking, but throughout the entire course of this feasibility study and business plan development, there has been almost universal enthusiasm expressed for the kind of facility proposed here by potential clients and non-profit media specialists—an audience notorious for its caution regarding cooperative endeavors—is a very strong signal that the media center will overcome the challenges before it to become a powerful and effective source of public interest media. The United States will be a stronger and more enlightened democracy for the effort.

IX. APPENDICES

A: Summary of Findings by Brody, Weiser, Burns

Focus Group A: Larger Non-profits:

- Taxpayers for Common Sense
- Zero Population Growth

- Institute for Policy Studies
- Center on Policy Attitudes
- Government Accountability Project
- Institute for Energy and Environmental Research
- Coalition to Reduce Nuclear Dangers
- Physicians for Social Responsibility

As shown by the summary of findings below, this group of organizations is rather sophisticated in the use of media to communicate messages to constituents and other stakeholders. Services desired by this group are advanced media activities and quality, cost-effective products for a broad range of communications needs.

- Training on advanced hardware and software and other technical assets currently not provided by public relations firms;
- Media training and self-instruction on press outreach;
- Development of strategies, messages and coordinated action, including a component that allows organizations to work together;
- Distribution, placement and development of ways to reach audiences;
- Assistance in combining message development with production and distribution;
- Concentration on communication venues such as web (including streaming media web services), television and radio, and assistance with technical outreach for each;
- List management to help organizations with day-to-day press outreach and evolving mechanisms for outreach;
- Media guides that promote all of the Center's non-profit clients;
- Services of professional bookers or media buyers, and advice on how to make stories that are visual and impressive enough to entice broadcast outlets;
- Consultation to help organizations find the resources needed to do the work they want to do;
- Access to a databank of visual material.

Additionally, this group emphasized the need for quality services and clarity on how the proposed center's resources would best be put to use; the center must understand that it cannot be all things to all people. The group also voiced the concern that for organizations without staff, the lack of ability to implement the products and services of the Center would be an issue.

In terms of cost of service, the group acknowledged that price should be a function of quality, and should vary by service; i.e., the cost of a filmmaker's time will differ from that of an editor. In terms of structure, the group was not adverse to the Center as membership organization, with a number of groups paying a cooperative amount for Center services.

One of the challenges of having CDI lead the media center initiative is that the organization will need to penetrate the wider D.C. non-profit community and aggressively market its services. This may be an adjustment for CDI. There was some fear that the structure and culture of CDI may be too restrictive to effectively serve outside groups, although the survey group agreed that some on-going relationship with CDI would be important, especially because CDI's archives offer unique appeal. The Center would have to be distinct from CDI's mission, and as a solution, the focus group participants suggested it could have its own advisory board to offer governance guidance. In any case, there would have to be some level of autonomy and framework for stakeholders to ensure that the Center's mission is about serving the community. The advisory group, for example, will help increase demand and interest in the Center.

Currently, the survey group's media services needs are not sufficiently being met. Many of the organizations outsource everything, either using different vendors or some combination of in-house services and vendors. Some of the groups stated that while the communication needs listed above are accurate, their capacity for implementation is another issue—often, there is none.

Focus Group B: small to mid-sized progressive non-profits:

- New Voyage Communications
- Back from the Brink
- Peace Action
- World Federalists
- Project on Government Oversight
- Safe Energy Resource Council
- Student Pugwash
- British American Security Information Center

While there was demand by this group for many of the needed services identified in Focus Group A (e.g., consulting services, community training), these small to mid-sized non-profits voiced demand mostly for less sophisticated media products and services.

- Access to video services for video taping of events, etc;
- Editing facilities;
- Low cost promotional videos and documentary;
- Public Service Announcements, including production, marketing and placement of video and audio;
- Technical support for streaming video and audio on web sites;
- Webcasting;
- Stock footage library;
- Grants writer services;
- Multimedia meeting space;

- Creative unit to help design new media and other web products;
- Basic classes in press outreach and communications techniques;
- Video feeds to help break news stories;
- Distribution facility;
- Centralized database for press contacts;
- How to design press campaigns;
- Discounts for technology products;
- Website engineering;
- Consulting service for help with results-oriented messages, e-commerce and assessment of the best ways to achieve goals;
- Small insert studio to set up controlled interviews and news mock-ups;
- Still images for publications;
- Affordable access to graphic designers and software;
- Market research and ability to do focus groups;
- Loan program for computer projectors, laptops, digital and other equipment for making presentations, including software;
- Discounts for buying equipment;
- Blast fax services for national press;
- Facilitating and organizing of expertise of community into cooperative documentary film projects.

In discussion, the group acknowledged that no one in the room currently had access to many of the services mentioned, or could afford the services. Most of the organizations admitted to having only the most basic media skills, if any.

Current media services utilized include broadcast faxes to journalists; a “pathetic web site that no one maintains;” e-mail lists; a storytelling video; and monthly teleconferences for members. The group was hopeful that in the Center, they would have a good media strategy partner to elevate their media knowledge and expertise.

The most equitable way for the group to have access to the Center’s products and services would be for the Center to employ a sliding scale and/or in-kind payment option, such as loaned employees. An assumption was that the CPM would have to be heavily subsidized or none of the organizations in this group could afford the services, even at “non-profit rates.” There also was concern about how the Center would be sufficiently capitalized in its first three years.

In terms of location, the group felt that the Center should be Metro-accessible, preferably downtown. However, the group was willing to travel to the suburbs if it meant saving money on costs.

The idea of the Center as an extension of CDI was widely accepted, with members of the group citing CDI’s stock footage library as a perk. There were concerns however, regarding the mandate of CDI, and the participation of

outside groups in the ongoing media center decision-making process. The structure of an independent advisory board or council comprised of a broad base of groups appeared to be an appealing way to tackle the issue of outside voice and concern.

The notion of a media cooperative was warmly embraced. One design model offered a collective with “an atmosphere of barter and creativity.” The group also suggested a model in which clients pay base membership fees, and then pay additional fees to purchase special services.

There was no concern about the Center’s ability to attract users; however, the group was sure that promotion of the Center among D.C.’s non-profit community must include the most basic of outreach mechanisms, such as a website and e-newsletter; a functional video production unit; statistics about how people get their information; and education about the need to diversify approaches; cost comparisons to show value; and promotional pieces about how individual groups are using media to achieve their goals.

Survey Findings

Brody · Weiser · Burns conducted a survey to which 50 non-profit organizations responded. Table 1 below contains a summary of key findings from the survey. The survey echoes many of the findings of the focus group:

Table 1. Key Results

Reasons why media services may not be used: Too costly Quality concerns Workload Lack of skills Insufficient staff
Level of funds dedicated to media services: Less than \$5,000
Greatest source of funding for media services: Operating budget
Top five services of an ideal media center: Distribution Trainings/Workshops Strategic counseling; Message development Public Relations
Level of communications media used: Television – less than 10% Radio – less than 10%

Internet/Digital – 26-50%
Print – 26-50%
Events/Conferences – 11-25%

Five most essential media communications services

Media for e-mail distribution
Web design and production
Audio/video events coverage
Fundraising media
Stock footage and photo archive

Number of times media services have been used over the last year:

	1-5 times	none
Communications consultant	21	17
Public relations firm	15	27
Media production company	11	23
Web/Internet consultants	24	7
Media training providers	18	21

58% of respondents think it is somewhat likely that they would be able to pay for the services for an ideal media center.

In addition to actual survey responses, respondents offered enthusiasm for the proposed center and made it clear that they were eagerly awaiting its arrival.

Representative Comments

“Thank you for considering this. You would be doing the non-profit movement worldwide a great service.”

“A one-source center would be extremely useful, especially for smaller non-profits. A great visionary idea, I hope it doesn't stay a vision.”

“UCC Congregations and activists are becoming more media savvy and more Internet focused... We are behind the curve in responding to media and Internet opportunities – but strengthening.”

“I think that this media center is a great idea that would result in a lot of community use. I hope it works out!”

Although respondents were eager for the Center's services, a recurring theme was concern about the cost of services and possibilities for funding.

“We are a very small non-profit with a very large membership and an ambitious agenda. Media outreach slips to the bottom of our priority list again

and again because other activities demand almost all of our resources. It would be wonderful to have some low-cost assistance on media outreach to help boost us into the information age. Our number one priority is the web, and being able to sign up members online and have members help us maintain our mushrooming database. I think media center is a great idea!”

“This type of media service is extremely useful for non-profit organizations; however, most non-profits cannot afford a service that provides these things. If there were a way to keep costs low for non-profits, this service would be very helpful. Trainings and workshops are extra beneficial!”

Industry Practitioners and Experts

As part of our market research, BWB also met with leaders of the successful media centers, Bay Area Video Coalition and Film Arts Foundation about their media center programs, operations, customers, and success and challenges. BWB also met with Helen De Michiel, Executive Director of the National Alliance for Media Arts and Culture (NAMAC), and spoke with industry experts and practitioners including Michael Litz, Sally Jo Fifer, Steve Ladd and others about the media field in general and what approach/structure might work for a media center in D.C.

Successful media centers (Pittsburgh Filmmakers, BAVC, Film Arts Foundation) do certain media activities very well, and have a *niche* that very specifically meets the needs of the local community. Media centers can have as a primary services production, distribution, training, strategy and/or access to equipment. Primary services help to define the center, attract specific users and ensure sustainability. Rather than recreate the wheel, the proposed media center should aim to take best practices of existing media centers and tailor the products and operational approach to its D.C. market.

Serving only progressive non-profits in D.C. would limit the revenue stream. D.C. has many large, mainstream non-profits (e.g. Red Cross) that can pay a higher cost for services and subsidize the cost for the smaller non-profits. Sustainability is not achieved easily, regardless of approach when access, efficiency and effectiveness are the desired outcomes. Grants, either generated by the Center for specific projects, or generated by the user for specific projects, are a large source of support. For example, BAVC has managed to use community training as a source of revenue that primarily provides the organization’s cash flow. BAVC uses financing as a source of revenue to purchase state-of-the-art equipment not covered by donations.

Additionally, BWB heard from experts that the establishment of a media center is “such an obvious thing” for non-profits in D.C. Most organizations know very little about how to create effective media or how devote time and energy to it. All of

the media experts consulted confirmed that the essential use of the Center will be to access practical tools, information and encouragement on how to use media to communicate by range of D.C. non-profits.

B. Merger Partners and Consultants

The Center for Progressive Media will partner or merge with several existing organizations in Washington and elsewhere that provide non-profit media services. In addition to the extensive intellectual resources of these organizations, they bring well-established client lists and relations with funders. Short of full mergers, cooperative arrangements with other organizations will ensure that all of the basic functions of the CPM are quickly and capably performed. The following is a list of partners who have agreed to either merge with or consult with the proposed media center.

Public WebWorks: www.publicwebworks.org

Public WebWorks specializes in turnkey solutions for public interest groups seeking to spread their message using rich media tools on the Worldwide Web. Exploiting the economies of contemporary digital media enables Public WebWorks to offer the latest multi-media web services at a fraction of the prices charged by commercial firms.

Planet Vox: www.planetvox.com

Planet Vox is a commercial production company catering to non-profit, public interest clients. It specializes in satellite and fiber-optic distribution, media tours, graphic animation, and studio productions.

Azimuth Media: www.azimuthmedia.org

Azimuth Media is the independent documentary film unit established by the Center for Defense Information under the supervision of an outside advisory board. To date, Azimuth has completed projects with *CNN Presents* and *FRONTLINE*. Under the media center scenario, Azimuth would administer the CPM film fund and oversee production of branded media center films. Azimuth will also bring its weekly TV series, *Superpower: Global Affairs TV*, to the media center facility.

WorldLink TV: www.worldlinktv.org

As described earlier, WorldLink TV will be a primary outlet for Media Center content, especially studio-based programs on public interest topics. Their interactive DBS satellite feed is available in 20 million homes, increasing by approximately two million homes annually. In addition to news programs, WorldLink TV features documentary films.

Anderson Associates

Eric Anderson is a leading direct mail consultant specializing in long-term strategic direct mail funding for non-profit organizations. His former clients include Zero Population Growth and the American Association for the Advancement of Science.

Thomas Harding

Thomas Harding is the author of the definitive Video Activist Handbook and a founding member of a successful media center in England. His consulting business specializes in community technology training centers, including several CTC projects with the District of Columbia Government.

Singer Associates

Singer Associates will oversee all technical issues confronting the media center's design, layout, build-out, and maintenance. Singer Associates clients include the National Institutes of Health, The Democratic Technology and Training Center, and the U.S. Association of Homebuilders.

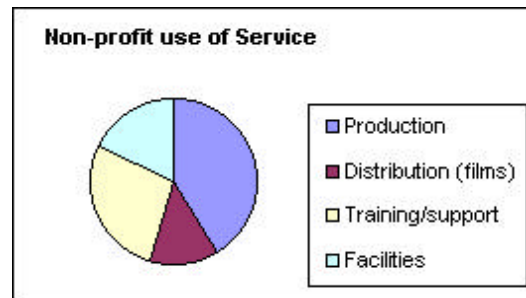
C. Work Charts

Activity	Client per year	Activities per year
Production		
Access to services for video taping of events	150	150
Low cost promotional videos and documentary	100	100
PSA	50	50
High-end co-productions	4	4
Webcasting and engineering	50	50
Small studio feed for news broadcasters	80	80
Graphic design/support	50	50
Weekly studio shows	4	4
Total	488	488
Distribution & Marketing		
Stock footage library	50	500
Distribution of educational videos	10	4000
Market research	50	50

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Still images for publications	50	350
Total	160	4900
Training/support		
Grants writing services	20	20
Media skills and outreach	250	50
Consultancy services	50	50
Technical training (camera/editing/web)	250	250
Total	570	370
Facilities		
Editing facilities	100	500
Multimedia meeting space	50	250
Blast fax capability	65	400
Total	215	1150
Grand Total	1,433	6,908

Non-profit use	
Production	488
Distribution (films)	160
Training/support	570
Facilities	215
Total	1,433

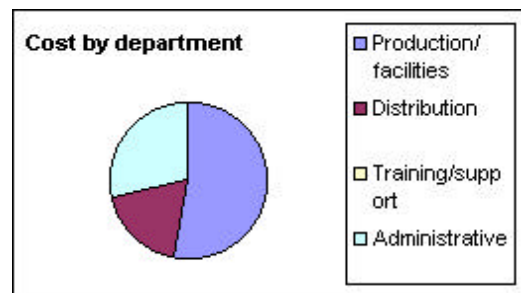


Number of activities per year	
Production	488
Distribution (tape sales)	4,900
Training/support	370
Facilities	1,150
Total	6,908



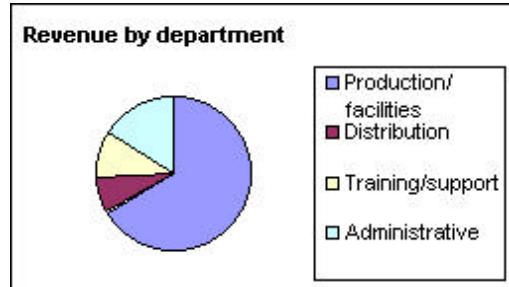
Year Five

Cost by Department	
Production/facilities	1,317,362
Distribution	458,093
Training/support	0
Administrative	724,399
Total	2,499,854



Income of Department

Production/facilities	1,750,000
Distribution	200,000
Training/support	250,000
Administrative	425,000
Total	2,625,000



D. Testimonials from Experts and Potential Clients

When we survey our membership around the country, we've always wondered why there is so little media arts activity in the Washington, DC area. If there's one city, in this era of spin and punditry that could really benefit from an independent media arts center, it's the capital of the United States.

Helen De Michiel, Executive Director
The National Alliance for Media Arts and Culture

There are forces in the country that are determined to crush progressive movements and they are increasingly schooled in the use of modern methods of communications to influence large audiences. We on the other side need to level this playing field and the media center described would be of enormous help in doing that.

Alan Metrick, Director of Communications
National Resources Defense Council

We really need to begin building our capacity to create quality content because it will help leverage the argument for setting aside broadband space for public interest broadcasting. This leverage is key because vested interests will try to create an artificial scarcity as they have in the past.

Jeff Chester, Executive Director
Center for Media Education

While it is true that there is a major shift in technology and delivery possibilities, the primary broadcast and cablecast networks will continue for some time to come. Most nonprofits have never used media well, even in its old form.

Steve Ladd, President
Ladd Media Associates

We made a thousand videotape and CD-ROM copies of our video clip on missile defense, plus we stream it on our web site. The CD-ROM has been most popular, as we can package the video and the accompanying report both on the

disc. It was easy to distribute to all of the major networks plus CNN used our video on national news broadcasts.

Tom Collina, Director
Arms Control and International Security Program, UCS

The point is all these technologies keep evolving, and the only way to advance with them is to work with them. We cannot wait to find out what happens and then invest - we need to be at least ,fast followers—quickly using new media and seeing what benefits it brings

Mark Steitz, President
Target Systems Development

I could use this center today. I would love to have it now and would buy tens of thousands of dollars of services right now. During the 1970s we had all kinds of cooperatives. Cooperation is the only way we can win on the issues.

Joe Cirincione, Director
Non-Proliferation Project, Carnegie Endowment on International Peace

It is fantastic that a media center is being considered for development. There are good opportunities for cooperation with Witness. For example, we could help conceptualize and map video action plans for media center projects. In turn, the center would be extremely useful to us if it offered training in video post-production for Witness partners and other activists.

Gillian Caldwell, Director
Witness Program, Lawyers Committee for Human Rights

It would be extraordinarily helpful to get sophisticated advice on high-tech communications: What's out there and how can we use it? ...We're looking to be more pro-active... we'd love to augment our website with video and audio streams where relevant. There's a lot we would do with such a center's help.

Terry Walz, Media Director
Middle East Research and Information Project

In today's environment any operation that caters only to the need to create content is doomed to failure. The key to success is marketing and distribution. Cable and satellite TV, as well as the Internet and public television are all viable modes of dissemination.

Jack Willis, former Senior Fellow
Soros Foundation

Any content provider that can create quality programs that encourage discourse and understanding between people from different countries is welcome to submit material to WorldLink.

David Michaelis, Director of Current Affairs
WorldLink TV

Graphics provide a great, gee whiz factor as well as serious illustration. We need a capability to create good video graphics that the networks will use. Right now the only source is the Pentagon.

Dan Plesch, Director
British American Security Information Center

A Washington media center that could provide independent filmmakers with the means to upgrade production values to the level expected by major media outlets and help them with content development and distribution would meet a real need within the public interest media community nationwide.

Jerrold Starr, Executive Director
Citizens for Independent Public Broadcasting

From Benton's point of view, a media center presents the opportunity to show the public interest community the potential of coordinated communications campaigns; how to use TV and the internet to create interactive content; and ways to repackage existing materials; in effect, how to make and move new products through new instruments.

Larry Kirkman, former Director
Benton Foundation

Students get it, and they are demanding this stuff. Chapters of our organization love video. It's so easy to organize around for building chapters, and educating members. Likewise, they are asking for audio programming off our website that they can use locally. We need help to achieve these goals.

Sandra J. Ionno, Executive Director
Student Pugwash, USA

You must be entrepreneurial. Charge something to everyone, not only because it is an important source of revenue. Having a real, “buy in” from your clients enforces a respect for the process, the schedules, and a demand for higher quality that’s just not there if you give it away for free.

Sally Jo Fifer, former Executive Director
Bay Area Video Coalition

You would be providing an incredible service just by having an on-call crew available to cover and web cast events. We’d love to begin to produce multi-media events; we’ve only just begun to experiment with the possibilities.

Roger Hickey, Co-Director
Campaign for America’s Future

The proposed center would be tremendously useful to a range of groups struggling to break into audio, graphic and video production in support of their advocacy goals. It’s a great idea.

Jerry White, Co-Founder and Executive Director
Landmine Survivors Network

This center would be valuable to us in our work. We would use it at least once a month to help promote our findings.

Tom Blanton, Executive Director
National Security Archives

A small investment in some visual—graphic, animation or video—can leverage what you are already doing tremendously. Think of the hundreds of hours that you put into organizing a rally. The investment in streaming some compelling coverage of that rally off your web site is trivial in comparison. And the impact can be galvanizing.

Steve Rickard, Director
RFK Memorial Center for Human Rights

E. A Case Study in New Media Convergence

The experience of the Union of Concerned Scientists (UCS) provides a good example of how public interest groups can use a mix of old and new media techniques creatively and quickly to have real impact on the national policy debate.

In April 2000 UCS staff scientists prepared an extensive technical report detailing the vulnerability of strategic missile defense to low-cost countermeasures. UCS hired a producer to create a short animation that visualized the arguments laid out in the report. This simple computer animation, created with off-the-shelf software, was picked up by every major news service (networks and CNN) and accessed by many other people and institutions from the [UCS website](#).

The UCS story reflects a trend toward ‘convergence’ strategies of media outreach that will increasingly define the way organizations influence public policy. Once a vague buzzword, convergence—the manipulation of nearly all forms of print and audio-visual media as computer code outputted across a variety of formats—is now a mainstay of communications strategy for organizations possessing the sophistication and technical expertise to exploit it.

The UCS example shows how high quality, multi-media content combined with careful distribution can have real influence on a national debate. Their story demonstrates the potential of digital convergence as a way for non-profit groups to enhance their impact dramatically as they bring attention to their work.