

Maribel Perez Wadsworth
Statement for the Record
House Antitrust Subcommittee Hearing, March 12

Chairman Cicilline, Ranking Member Buck, and members of the Subcommittee on Antitrust, Commercial and Administrative Law:

My name is Maribel Perez Wadsworth, and I am the President of News for Gannett Media and Publisher of USA TODAY. My life's work has been in journalism, beginning as a reporter, at the Associated Press in my hometown of Miami and then joining Gannett 25 years ago as a reporter at the Rockford Register Star in Illinois. Since then, I have held various roles ranging from managing editor in one of our local newsrooms to the company's first Chief Strategy and Transformation Officer, a position in which I was responsible for overseeing Gannett's digital strategy and innovation. In my current role, I oversee a nationwide news organization of more than 4,300 journalists in over 250 local communities in 46 states as well as USA TODAY. You no doubt know some of our local news organizations in your home districts and states — The Providence Journal, The Coloradoan, The Pensacola News Journal, The Shreveport Times, The Oconomowoc Focus, the Desert Sun in Palm Springs, to name just a few.

The Gannett Company is steadfastly committed to serving our communities and our nation through the preservation of credible, independent, high-quality journalism. We believe, as the framers of our constitution did, that a free press is critical to the strength and sustainability of our democracy. Many of our newsrooms have been serving their communities for more than a century — for instance, the Detroit Free Press was founded in 1831, a full six years before Michigan became a state, and the Austin American Statesman is celebrating its 150th year this summer. We believe these news organizations have an important role to play well into the future. But the massive digital disruption of the last twenty years has been steadily eroding local journalism, and the time has come to find a solution.

I'd like to start with a bit of background on the unique role that local journalists play. The staffs of local newspapers have a rich and deep understanding of the residents, government entities, businesses and institutions in their communities. Having covered their communities for decades, readers turn to them for trustworthy information and, in turn, they appreciate the news the community will want to know. This knowledge empowers local newsrooms to serve their local audiences on many levels, but particularly in three important ways: when major news is breaking, when wrongdoing needs to be uncovered and when the public interest needs to be served. I'll give you examples which illustrate the importance of each from Gannett's recent coverage.

First, last month, newspapers like the Statesman and our 25 newspapers in Texas (10 are dailies, 15 are weeklies) played a vital role helping residents to navigate the treacherous effects of a once-in-a-generation winter storm. Throughout the coverage of this enormous breaking news story, our journalists provided life-saving information about the resources available in the midst of the emergency, letting residents know where food, water, and warming centers were available and when the ice would melt. And though the cold has now lifted and power and water has been returned, they are staying with the story to help answer the important questions: how did this happen, who should be held accountable and how do we ensure it never happens again? If coverage of disasters elsewhere is any guide, questions will continue to surface for years and finding solutions to avoid future disasters will not be an easy task.

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And here's the thing—whether it be a natural disaster, a school shooting or, yes, a pandemic—coverage of major breaking news events will not show up on anyone's planning schedule. If I had delivered this testimony in January, I could not have predicted the Texas storm. And if I'd been here on March 12 in 2020, I would not have known the resources our company would be devoting to our coverage of the COVID crisis over the last year. And sitting here today, I cannot tell you what crisis may occur next month.

Instead, the only thing that is knowable is that at times of crisis there is a desperate need for knowledgeable local reporters who can provide reliable, timely information to those in danger, and for journalists who will be available to cover the story in its aftermath. This is one of the unique challenges local journalism faces: we must maintain our ability to meet these coverage challenges without knowing where or when the next emergency will strike. And, for the sake of our local communities and for democracy, a solution needs to be found to ensure that resources will be available to support that type of robust coverage.

Second, a well-resourced newsroom is also uniquely situated to investigate local wrongdoing. The Indianapolis Star's reporting on USA Gymnastics exemplifies this point.

The Star had long covered local businesses like the USGA. In 2016, when one of their reporters received a tip that a gymnastics coach had been sued in Georgia for sexually abusing young gymnasts, the newspaper sent a reporter to investigate. The resulting report revealed that USA Gymnastics had failed, in multiple instances, to follow up and alert the authorities of sexual abuse allegations against coaches. That report prompted a second communication: the Star received an email from a reader detailing her experiences with USA Gymnastics and noting that she was not molested by her coach but by the team doctor, Larry Nassar. The Star's reporting had pushed her to set aside her fears of not being believed and come forward to tell her story. It was the start of a long investigation into the sexual abuse allegations against Larry Nassar.

Following extensive and thorough research, the paper published an article focusing on the allegations against Dr. Nassar. From there, the floodgates opened. Over time, at least 265 women came forward to say they had also been abused by Dr. Nassar. Shortly after the story was published, Michigan State University fired Dr. Nassar and a few months after that, he was arrested and charged with multiple sex crimes, while the focus shifted to the wider practices and response at USAG. Larry Nasser is now serving up to 175 years in prison for his crimes.

None of this would have come to light without dedicated investigative journalists, fully supported by their publisher and newsroom. As then-Assistant Attorney General of Michigan, Angela Povilaitis stated in court during the Nassar sentencing: "we as a society need investigative journalists more than ever" and noted that "everyone else had failed to stop Nassar." And in the years since the reporting began, other investigations have uncovered sexual abuse of young athletes in other Olympic sports.

Finally, the public service role a local newspaper can play in even the smallest communities can hardly be underestimated. In Staunton, Virginia, for example, Rojai Fentress, a man who'd been in prison since the age of 16, sent out 50 letters professing his innocence to the media. Brad Zinn, a reporter for the Staunton News Leader (circulation 9,394) was the only journalist to respond. Zinn investigated the prisoner's claims and, during his reporting, uncovered missing evidence in the case. The News Leader's

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coverage led the Innocence Project to take the matter on and, eventually to a governor's pardon. Fentress had spent 24 years behind bars and Zinn was there for the moment of his release: "It was magical to watch. When Fentress was standing out there in the parking lot, looking at the mountains, sitting on the grass, speechless at times, hugging everyone, it was emotional and powerful. Words don't do it justice; it really is something you'd have to experience to understand."

These are but a few examples of the outsized impact local journalism can have: lives can be saved during an epic storm, the powerful who sexually abused hundreds of young athletes can be punished, and an innocent man can go free. Not all stories are this impactful, but all are important to the fabric of our communities. Our newsrooms keep local decision-makers in check by ensuring the transparency of public spending; they make sure that our readers are aware of new planning projects and real estate developments in their cities and neighborhoods; they provide public health information; and they report on school closings, business openings, school lunches, local sporting events and even the weather.

And 2020 provides a textbook example of the unique value local news organizations can bring to their communities. When COVID began taking lives across the country, when local governments reacted with a wide array of shutdowns, school closings and mandates and when Congress authorized a variety of financial aid packages, our local journalists —who'd fought to be deemed "essential workers" -- were on the front lines to make sense of the distressing and confusing developments and to ferret out the truth about the deaths, public safety measures and where medical and financial support was available. And later in the year, when George Floyd's death prompted Black Lives Matter protests across the country, our reporters and photographers rushed to the streets of their communities to report these developments, despite the personal risks.

We do all this while taking the time to ensure the accuracy and truthfulness of everything we publish. We believe in our content and know and respect our First Amendment rights, taking full responsibility for each and every article that appears in our print or online editions.

I am under no illusion that there is a simple solution to the problems that have been years in the making: years during which audiences have become accustomed to freely finding our news on social media and other digital platforms rather than in our newspapers or on our websites, years when the platforms have been steadily accumulating data on our readers who consume our content on their platforms, years when the platforms fine-tuned their ability to use that data to target advertising to our readers, thus garnering advertising dollars that once would have come our way. Years of frequent algorithm changes that make it more difficult for journalists to connect with their audiences with any consistency or predictability. But the fact that solving these long-simmering problems will be difficult does not mean that nothing can be done, and this hearing is an important first step in recognizing and addressing this issue. I strongly believe that Congress has the opportunity – and the responsibility – to give news publishers a more even playing field; an opportunity to negotiate a fairer exchange of value with the platforms.

The Journalism Competition and Preservation Act recognizes the value of news content online and would create a framework for news publishers to develop stronger, more equitable relationships with the platforms, and we fully support its reintroduction. However, based on the recent experiences in Australia and the European Union, Congress should carefully consider whether the bill provides

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adequate safeguards to ensure that online platforms actually do cooperate fairly with publishers throughout the process and respect our right to protect our content.

Competition is good for the news industry. It drives our newsrooms to focus on issues that matter most to their readers, to ensure diversity in the newsrooms to represent and reflect the communities they serve and encourages innovation to develop new and more effective ways of presenting information online. Further, it increases the information available to the public, supporting a healthier democracy. But the good that comes with competition requires a level playing field on which to compete. That is not what we have today. News publishers bear all the responsibility of investing in, producing and ensuring the accuracy, quality and credibility of their reporting. The digital platforms make no such investments. Instead, they leverage the publishers' investment to strengthen their own businesses without fair compensation.

At Gannett, we have embraced technological change and believe that we must invest in and focus intensely on our digital properties — and in journalism — in order to succeed. But our newsrooms can only do so much in the face of an unfair marketplace where a few actors can dominate over the rest.

Our newsrooms are the heart and backbone of our business. They know their communities better than anyone. They are of these communities — they live, and work and worship and raise their families there. They work tirelessly to uncover the truth and to be the watchdogs for their communities because they are not just any place, they are home. And we know, in turn, that our communities depend on the work of our newsrooms — to stay informed, to stay safe and healthy, to ensure their tax dollars are put to good use, to connect to opportunities. Our readers want to know that their local news organization is not just going to survive but also thrive, not just for the sake of our business but for strength of democracy itself.

Thank you again for your care and attention to this incredibly important issue.