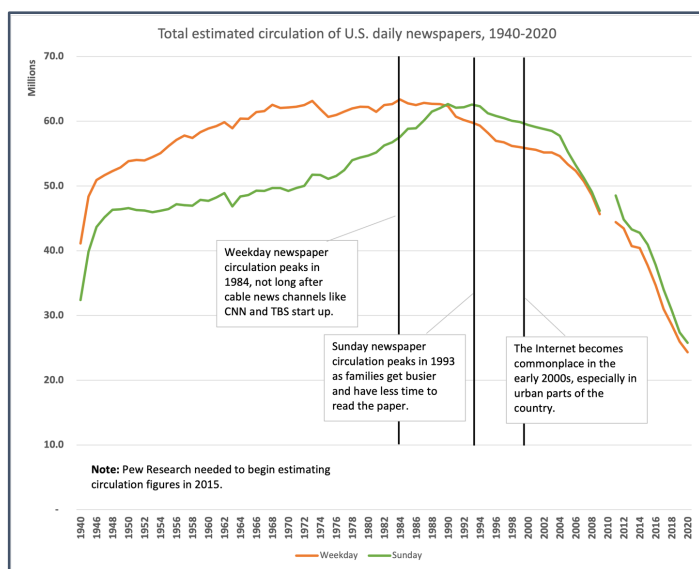


The disappearing rural newspaper

Around 2,500 U.S. newspapers disappeared between 2005 and 2022, according to the University of North Carolina, in recent years, at a rate of about two a week.¹ In Minnesota, between 2000 and 2021, about a quarter of the state's newspapers closed, 60% in Greater Minnesota and 40% in the Twin Cities. At the same time, though, the number of people working at newspapers dropped 70%.

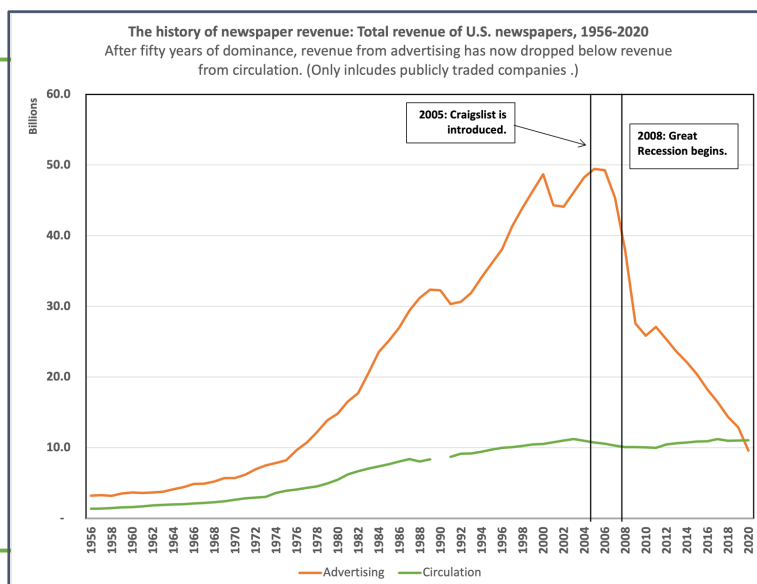


The circulation among U.S. daily newspapers has been shifting with changes in communications technology throughout the 1970s, '80s, '90s, and 2000s.

Circulation among daily papers fell 40% nationwide between 2015 and 2021, while Sunday circulation was down 45%.

The advertising-first business model that sustained newspapers in the past is fundamentally changed, possibly gone altogether.

- Craigslist hollowed out classified ad revenue.
- The Great Recession had the same effect on display ads.
- The pandemic was a third blow in 2020.



The disappearing rural newspaper

Key takeaways from the report

Don't write off small community newspapers yet.

The demand and need are there, and new papers are still starting up. Osakis, Waseca, and International Falls all saw new newspapers start up in the last few years.

People will buy and subscribe to papers they believe are offering quality content and serving their audience. Even small investments could make a big difference.

Diversifying revenue streams is crucial.

Advertising can't be the only source of revenue anymore. Newspapers are experimenting with

- raising subscription rates;
- going to free distribution;
- organizing sponsored events.

Becoming a 501(c)3 nonprofit opens up possibilities for tax-deductible donations and grants, although philanthropic giving to rural regions is quite low.

One revenue source that does not work: digital ads. They sell for far too little to be a meaningful source of revenue.

Don't expect digital to save the day, at least not soon.

- Rural newspapers are less likely to be online, to have sophisticated web sites, or have the money to invest in digital platforms and technical assistance.
- Most investment in digital goes to urban areas with built-out digital infrastructure.

Finding and keeping staff will continue to be a major problem.

Like other industries, newspapers are struggling to find employees. Low pay and a doom-filled atmosphere don't help. Community journalism and part-time reporters are working well for some papers.

The government may have to get more involved.

Bills in Congress and at the state level are aimed at tax breaks for newspapers. Another bill would force tech giants to negotiate with newspapers over the news content those companies present on their platforms.