

Arkansas Democrat Gazette

121 E. Capitol Ave., Little Rock, Ark. 72201

David Bailey / Managing Editor / 501-378-3594 / [dbailey@adgnewsroom.com](mailto:d Bailey@adgnewsroom.com)

Re: The 2020 Mega-Innovation Award

To the judges:

Faced in 2018 with his newspaper's first unprofitable year in two decades, *Arkansas Democrat-Gazette* publisher Walter E. Hussman Jr. knew he had to do something bold if he was going to keep alive the 200-year-old legacy of Arkansas' statewide newspaper.

"One logical option was to cut back on unprofitable circulation in remote areas of the state, something most newspapers had done years earlier," Hussman wrote in a May 2019 letter to subscribers. "But realizing that newspapers are not just a business, but a public trust vital to our democracy, we tried to determine some way we could continue to be a statewide newspaper delivered to all 75 counties."

That "some way" became what is known now as the "iPad initiative." This gamble to return to profitability and save a journalism institution started in early 2018 in Blytheville, a town of 15,000 in far northeastern Arkansas where the newspaper had just 200 subscribers.

Hussman, accompanied by a team of marketing and circulation people, spoke to groups of subscribers explaining that his company could no longer profitably deliver the newspaper to their community. In place of the home-delivered print newspaper, he offered free iPads on which they could read digital replicas of the paper — provided they continued to subscribe at the full monthly rate of \$34.

When a majority of Blytheville subscribers accepted his offer, Hussman expanded the program one region of the state at a time, starting in the outer reaches and working inward toward the paper's home base in Little Rock.

Eventually, he settled on a model that includes digital replica delivery via the iPad daily, with Sunday home-delivered print newspapers. Speaking scores of times before subscriber and civic groups large and small, Hussman explained the newspaper's predicament and its solution for the future.

He explained that if an average of 70% of subscribers kept their subscriptions once print delivery ended, the program would succeed. He invested in an expanded customer service team that traveled to each region and the company provided one-on-one instruction for those unfamiliar with reading a newspaper on a screen. In many cases the company's employees made house calls to subscribers who faced technical difficulties or who couldn't attend the community gatherings.

Hussman has been forthright with readers about the importance of the iPad initiative, not only to his

company's bottom line, but to the newspaper's commitment to maintaining a robust newsroom and delivering the news without bias. The ADG currently has 106 newsroom employees, more than many larger newspapers.

In a November public radio interview, Hussman observed "most newspapers in America shrink, having less news, having less staff. We didn't want to do that. We tried to figure out is there any way we can keep the quality and continue to provide a complete comprehensive newspaper. This seemed to be the way we could do it because we can take enough cost out of it, but still keep the same number of editors and reporters and the same amount of news and probably even have more news in the paper by doing it this way."

As 2019 ended, Hussman reported that the *Democrat-Gazette* had met its subscription retention targets, exceeding 80% in some areas of the state. As the end of daily home delivery comes to its Little Rock base, the publisher said on a well-respected local cable show that the conversion rate in some parts of the city surpassed 100%, meaning that new subscribers are also coming on board.

Undergirding Hussman's approach to the business of publishing is his longstanding public pronouncement that readers come first. Serve the readers well, and everything else will fall into place, he says, quoting his publisher father's admonition. The credo is so well ingrained that newsroom leaders regularly ask themselves when making coverage decisions "what would be best for readers."

Hussman is not only an astute businessman, he is also committed to supporting the newspaper's duty as a defender of the public trust. In the "Statement of Core Values," published daily on page 2A of the *Democrat-Gazette*, Hussman explores what that means. He notes that "credibility is the greatest asset of any news medium, and impartiality is the greatest source of credibility."

"Basically," he said in May, "I've devoted most of my life to publishing a newspaper in this town. I think that society and our democracy are going to be so impeded if we don't have newspapers."

Hussman has been engaged in an existential fight for his newspaper's survival before, in a circulation war that ended in 1991 when Gannett, the owner of the *Arkansas Gazette*, threw in the towel and Hussman's *Democrat* bought its competitors assets and name and began publishing the combined *Democrat-Gazette*.

In both these situations, he employed tactics that were creative and daring and looked impossible to succeed. Free classified ads? Free iPads? He won that first war. We are cautiously optimistic that we might win this one too.

For all of the above reasons, we believe the Arkansas Democrat-Gazette deserves to be considered for the 2020 Mega-Innovation Award

<https://www.arkansasonline.com/adgontoday>

https://www.youtube.com/watch?v=CVTfq-8_M5w

<https://youtu.be/wpOZsqiLAFg>

<https://youtu.be/0SiL2zKLF0s>

View photos: <https://www.arkansasonline.com/photos/hussmanipad/>

Sincerely,

David Bailey