

Universities and news organizations: two institutions with
hugely conflicted attitudes towards change and innovation.

In the laboratories and libraries how revolutionary the
experiments and the discoveries are!

In the common rooms and the senate halls, how reactionary
the rhetoric is when cherished traditions are threatened!

So too with journalists:

In the news stories and the opinion columns, huge space for
the new and clarion calls for change.

In the newsrooms, angst and anger and agitation when that change is directed inside.

Universities and news organizations: two institutions arguably vital to society's advance. Two institutions with a conflict between inner and outer, a conflict between the self and the other, when it comes to change and innovation.

To what extent is their ambivalence towards change a necessary precursor for their objective success til now? To what extent is their ambivalence towards change a hindrance for success in the 21st century, when the conditions, stresses, strains and demands are significantly different than before?

They are two institutions that have survived well with evolutionary change in years past.

Yet they are two institutions, I believe, that have limited time to resolve their conflicts and reshape themselves radically for the years to come.

I am very pleased to be here today at a university with nine centuries of continuous existence representing a news organization with a century and a half of proud history.

I am here to talk about the need for radical change in my profession and craft – and the need to preserve something fundamental.

I won't set out a manifesto for change in the university, though I do believe that some of the issues are exactly the same.

The real issue, I believe, is around hierarchy and status.

We are in the midst of a profound change in the relationship people have with their institutions.

The age of the patriarchy of information is over. The age of the simple news organization that exists solely to transmit information is over. The age of the omniscient and omnipotent editor is over too.

But the age of exciting communion with the audience is here. The age of collaboration is here. The age of community is here.

Just think of the Media world we're living in!

Murdoch forges an empire that joins My Space, the Wall Street Journal, Fox and BSkyB in one group. Google aggregates voraciously. Facebook newsfeeds about friends' lives eat up more time online than learned expositions on political discourse. Web consumers are information sluts, hopping from news source to news source with little loyalty. MSNBC, owned by MSN and NBC, buys [Newsvine](#), a citizen journalism, blogging and news-sharing site – but in the process perhaps taking away from the site the very

outlaw, anti-establishment, iconoclastic ethos that was one of the things making it popular.

Good, bad or indifferent – it's the way it is, and we have to react to it. We have to be part of it.

Last month, the Project for Excellence in Journalism released a study on what the world without editors would look like – examining closely the behavior of readers on user-news sites.

The news agenda of users was hugely different from that of editors. Users selected stories that weren't on the literal or metaphorical front pages of the main stream.

And while we in the main stream follow up and rehash and stay with stories, most stories on the user-news sites appeared but once.

Even more interesting to me, fully 70% of the stories selected by users came from blogs or web sites like YouTube and not from Reuters.com or The New York Times or the Guardian Unlimited.

So that which we may call news, by any other name **does** smell as sweet if not sweeter to readers of today.

Where does that leave us, purveyors of this commodity?

Forced to innovate, needing to innovate, dependent on the changes in society to form community with those who pay us to do what we do. Or they will stop.

Our audiences are changing and challenging us...
sometimes our audiences even desert us – and worse yet, they desert our traditional industry entirely.

Our means of creating content, distributing content and monetizing content are all in flux.

Let's take one example.

April 16. Blacksburg Virginia. A place where Reuters doesn't have, never had and never will have a bureau. A place where we didn't even have a stringer. And yet, news

happened. Awful news happened. News happened that hit the front pages around the world, made the magazine covers and become the number one topic of conversation from Beijing to Bratislava.

The students at Virginia Tech who were lucky enough to escape the mad gunman were able to get across live reports to their worried friends and families over their mobile phones, by blogging, You Tube, flickr, twitter and wi-fi to tell their stories as they occurred. These same live reports ended up being what the worldwide media used in their coverage of the tragic story.

The mainstream media went to these people for on-the-spot coverage of the shootings and the aftermath – on-the-spot

coverage that was far more vivid than what would have been intermediated by a correspondent.

But the mainstream media was also dis-intermediated completely. Self publishing by individuals. And self publishing by Wikipedia, where the online encyclopaedia within minutes had a vivid, detailed and complete coverage page evolving that still today stands as a monument to a moment in time, a moment in history – published with the stature and yes, the authority of a special edition of a magazine or an extra edition of a newspaper. .

The era of one-way journalism, journalism by the omniscient narrator, journalism of hierarchy with the writer above the reader – that's over.

According to a Pew survey, 37% of Americans have done something user generated content related – from sharing photos and posting comments on websites, to writing their own blogs and repurposing photos and videos found online.

When something becomes that ubiquitous, the boundaries of profession and craft are truly tested. Those who profess to be special – and to make money from the production of content – had better be truly adding value.

That's as true for “professionals” as it is for amateurs – worthless writing won't get eyeballs whether it is on reuters.com or my personal blog dot com. The “long tail” of user content is extremely interesting as it isn't a continuous tail at all - value is in spurts and starts with long

areas of wasteland between. The trick is for the valuable parts to get noticed and to take on a life of their own.

Ironically the mainstream media has a key role in this: I think of what I believe is the best China-watching blog, East South North West, which has come to prominence in part because it is quoted so often by “professionals”. That’s a great achievement for the work of one unpaid man!

At best we’re moving to a collaborative model: journalist, subject and audience working together with elements of value in the parts, in the aggregation and in the community.

At worst, we’re moving to a model of fragmentation and dis-aggregation, where value becomes increasingly difficult to tease out.

That technology is the key factor in this revolution in news was brought home by the recent turmoil in Myanmar. The internet was key to getting stories and images out, but the Generals know that by turning off the internet they could blackout the country again.

Technology gives, control of technology takes away.

We are battling over the production of information, the control of information, the means of production of information and the means of dissemination of that information.

And the winners and losers are by no means obvious.

Let me talk a bit about how Reuters, this venerable 155 year-old company I've worked at for 20 years is dealing with the challenges.

For one thing, we're in the midst of a takeover by the Thomson Corporation, currently going through the regulatory process on both sides of the Atlantic.

So I can't say much about the latest challenge, of consolidation in the industry that is leading to the frenetic M&A activity.

But I can talk about some of the changes in tools, attitudes and approaches that is creating the current atmosphere.

For a century and a half, we've been a news agency.

Founded by the far-sighted Paul Julius Reuter, we've always known the value of fast and accurate news – news that people can use to make decisions, to understand their world, to make sense of the bewildering choices in front of us.

Even back in 1851, the spirit of news was similar – the drive to find that exclusive story, the urge to tell it in the most compelling way and the compulsion to get it to as many people as fast as possible.

Methods of production and delivery, of course, have changed:

Julius started with the help of his famous carrier pigeons, soon followed when Reuters built our own telegraph network, which brought our readers in London and The Old World the first news of President Lincoln's assassination. It was our teleprinter in the White House that informed President Kennedy of Khrushchev's proposal for a deal that ultimately defused the Cuban Missile crisis.

The beats, exclusives and scoops continue to today – but today most wins and losses are measured to the split second, so competitive has the world of journalism become.

Reporting the news has been in our blood for along time.

We were the first with bringing news to people on screens in their offices, and we pioneered the use of digital cameras in newsgathering. Now in pictures we're creating a new

paradigm with remote editing of major events – our US pictures editor routinely edits sports events from his kitchen in New Jersey as photographers speed their digital files to him from hundreds of miles away over the internet.

Today, we have over 2,400 journalists worldwide in 196 Bureaux in 131 countries – touching in one way or another one billion people each day, through thousands of newspapers and websites and hundreds of broadcasters who rely on us for the news and thousands of professionals waiting to move billions of pounds based on the information they get from us.

We supply the world's banks and brokerages with super-fast, reliable news and information to help them trade and

invest. Our financial data networks carry more than 50,000 updates EACH second of the day.

At these sorts of speeds it is impossible for humans to detect the myriad of price changes that are occurring in the market – so, not surprisingly perhaps, machines are increasingly being drafted to trade at ultra fast speeds in their place. The black boxes are programmed with trading strategies, and these “algorithms” are executed at lightning speed, exploiting minute inefficiencies in the market which the machines can recognize millisecond by millisecond.

To do this the machines require a continuous stream of news and price data to feed their inexhaustible quest for the perfect arbitrage. Reuters is taking the lead in this growing developing area of “algorithmic trading” which is

becoming an increasingly important factor in the make up of modern markets. Even the New York Stock exchange has recently closed half of its trading floor, with just 1,700 floor traders left from a peak of 3000 just a few years ago.

Recently we at Reuters launched new software which allows these trading machines to actually “read” news stories and incorporate that into their trading strategies.

Machines read the news. In some cases they may write the news.

How different that is from the old newsrooms clattering teleprinters and billowy waves of paper stories that dominated my first years in the business.

So we have always innovated. But for the most part it has been innovation within a model. It has only been very recently that we have started to break that model, and bring the audience inside with us.

What I have to tell myself every single day is that for the generation behind me -- and now there's a generation behind them as well -- my world of news and news brand loyalty seems pretty quaint.

The whole definition of news is up for grabs.

Take Twitter.com for a moment -- one of the hot web sites where people just twitter; "A global community of friends and strangers answering one simple question: *What are you doing?*"

Sure, we may scoff and dismiss this as a fad... but the random twitters of life can be as mesmerizing as a spell, as lovely as a haiku, as revealing as a stripper's routine, as compelling as any window onto another world.

The hours even I spend on Facebook following the peregrinations of the lives of my friends, colleagues and acquaintances may be hours frittered away. Or they may be hours spent in a revolution of social networking, helping to forge some kind of shared consciousness about the world and our environment.

So unless we fold the hand we've been dealt early, we have to objectively examine what we have and place our bets accordingly.

And bets they are, with no guarantee of ever paying off.

One key fact about today's world is the fickleness of the internet age. Myspace rises and then fades; Facebook is the site of the moment, but will it continue; Gawker seems so 2006 and tired. In some cases the very act of becoming part of the wider media landscape – I think of Murdoch's buying MySpace or eBay buying Skype – can in itself kill the iconoclastic spirit of the community and signal the start of the decline.

While it is true that faith in the mainstream media is falling and the percentage of people trusting the “professional” newsmen and women is declining, “trust” is, in fact, the one strong suit we can play.

And by “we” I mean that small group of the best of the mainstream: Reuters, AP, New York Times, Guardian etc.

This is becoming a game for the individual to win and for the best of the big groups to win; the mediocre middle has no chance.

Our challenge at Reuters, for example, is to take our traditional and immutable values of independence, accuracy, freedom from bias and make them relevant for the 21st century and beyond.

We believe each and every generation should trust us. Our values are generation-less, just as they are state-less. The challenge is making those words real, and making sure they ring true.

We are targeting the individual consumers with news through our own reuters dot.com and reuters dot.co.uk websites as well as our more traditional media and business clients. We have our nearly 200 bureaus in the real world; we have the industry's first bureau in the virtual world of Second Life.

We believe that we at Reuters can define ourselves by providing high quality, trusted news across all platforms – be it in words, pictures, mobile or even in the virtual world.

Second Life is a strange and wonderful 3D virtual world on computers where real money is made and lost and real stories happen.

We cover Second Life for Second Life, but also for our main, real-life customers because of its importance as a phenomenon and as an economic creator -- and sometimes destroyer – of value.

Our Second Life reporter went to The World Economic Forum in Davos this year, and he must have been one of the busiest and popular journalists there, with access to the very top people who were lining up to be interviewed in Second Life with their avatar being grilled by our avatar!

Is this a gimmick? Or is it the future?

I have no idea. I do know it was news; it generated news; it created stories and provides just one example of how we adopt new technologies and ideas.

You see our challenge: We need to write the news so teenagers will read it. We need to write and code the news so computers can trade on it. We need to cover the real world so it's relevant for those more comfortable in the virtual world. We need to cover the world so those who make the geopolitical decisions have the data they need to evaluate risk and plot a clear course.

We have no choice but to be innovative in reporting and delivering news across so many different platforms, across so many realities, covering so many needs.

Until recently, technology as a massive cost barrier made publishing the reserve of a select few, but now that same

technology has made publishers of almost everyone overnight.

This ever-evolving new technology is a massive challenge to established media but also represents huge opportunities to those prepared to engage, learn, listen and blend the best of the old with the best of the new.

Change, however, never comes without pain, and we journalists need to rethink and redefine our relationship with the world – we need to embrace our audience and the myriad voices, opinions and views coming from all directions.

In abandoning the hierarchical transmission of information, we must move from a linear model to an anchor model,

moderating content and views – some of which we will create, some of which we may buy, some of which we may aggregate and some of which we may just point to.

The editor as dictator may be dieing, but the editor as conductor, moderator and anchor is alive and well.

The challenge for everyone is to navigate the raging torrent of information overload.

The key task for a Media professional is not just to produce news but to order information: select, prioritize, link to, aggregate, rank.

Our rankings and prioritizations may be very different from the audience's.

But the audience actually wants our point of view; they want a professional to help them fish the raging torrent of random information.

They may disagree with our prioritization. But if we show that what we do has value, if we show that we have added some of our intelligence, insight, experience and understanding to the process, then our ordering can stand proudly alongside the audience's, giving a key perspective, a professional's perspective, that should be worth something.

It is a torrent of information out there. But in that torrent there are gems.

Value belongs to those who can find it for themselves.

Riches belong to those who can help their readers find it.

Innovation is key.

But innovation on its own is not enough.

Innovation must come on a platform of trust.

The Reuters Trust Principles that mandate that the integrity, independence and freedom from bias of Reuters shall at all times be fully preserved are powerful, steady medicine in a world where so much is in constant flux.

Technology may change. The audience may change. The platform may change. Means of extracting value from publishing may change.

The importance of trust – keeping trust with our audience, keeping trust with our own values, keeping trust with a world in constant motion – that will never change as the prerequisite for a publisher and for a journalist to enter the universe of the reader, to interact with the reader and to create both new content and new economic value for the enterprise and for the world.

News organizations and universities. Two institutions under fire. Two institutions finding a place for themselves. But two institutions that can use their history as a base to innovate fearlessly and in that innovation find meaning.

Thank you