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- [Talks](#)

## A First Look at NewCo's structure

Dec.  
19

Today Pierre Omidyar announced some details about how his new venture in news will be organized. My summary and explanation... <#>

First, the official release: <#>

### **PIERRE OMI DYAR PROVIDES INITIAL FUNDING OF \$50M TO ESTABLISH FIRST LOOK MEDIA**

Honolulu – Dec. 19, 2013 – The news organization created by Pierre Omidyar (formerly dubbed “NewCo”) has taken another step forward with an infusion of \$50M in capital to fuel operations being established on both coasts.

Omidyar, who provided the funding, will also serve as the organization’s publisher. Omidyar’s first capital outlay represents 20 percent of his initial commitment to the media venture. First Look Media will publish robust coverage of politics, government, sports, entertainment and lifestyle, arts and culture, business, technology, and investigative news.

“This initial capital is the first step of many to bring the vision of this news organization to life,” said Omidyar. “I am deeply committed to the long-term effort to build a new and exciting platform for journalism — one that not only provides the innovation and infrastructure journalists need to do their best work, but that brings their reporting and storytelling to the widest possible audience.”

First Look Media is made up of several entities, including a company established to develop new media technology and a separate nonprofit journalism organization. The journalism operation, which will be incorporated as a 501(c)(3), will enjoy editorial independence, and any profits eventually earned by the technology company are committed to support First Look’s mission of independent journalism. The name of First Look Media’s initial digital publication is yet to be announced.

First Look Media is currently securing space and setting up operations in New York City, San Francisco, and Washington, D.C. The team is actively recruiting in all areas of its operations.

As I previously [explained to readers of PressThink](#), I am an adviser to Omidyar’s company, so I can provide some further explanation and a view of what this announcement says. <#>

1. The placeholder name, NewCo, is going away. First Look Media is the name of the new company. It has by the terms of today’s announcement received an initial capital infusion of \$50 million from Pierre Omidyar. <#>
2. The new company will consist of several legal entities. One is a technology company, a business run for profit, that will develop new media tools for First Look properties and other markets. Another is a 501(c)(3), a non-profit under U.S. law. Its mission will be to publish and support independent, public interest journalism. <#>
3. The 501(c)(3) will house the journalism operation, which hasn’t given a name yet to its initial publication. It will have editorial independence. <#>

4. Profits earned by the technology company will be used to support the mission: independent public interest journalism. #

So that's what the announcement says. Now I am going to provide some of my own observations that I hope will be helpful for those who are following news of the company formerly known as NewCo. This isn't the company's description, it's mine. #

5. As we figure out what the pieces of the company will be, we are announcing them. Today's news settles one of the questions I have been asked a lot: "Is NewCo going to be a business or a non-profit?" Answer: both. The news and editorial operation will be a non-profit. The technology company will be a business run for profit. If the tech company is successful it can help fund the journalism mission, along with other possible sources of revenue. #

6. There are other known combinations of business and non-profit in journalism land. The Poynter Institute is a non-profit [school for journalists](#) that owns a controlling interest in the [Times Publishing Company](#), which publishes the Tampa Bay Times. The [Guardian Media Group](#) is a for-profit company in the UK that is owned by the [Scott Trust](#), which exists solely to guarantee the independence and public service mission of the Guardian, in all of its forms. [ProPublica](#) is a non-profit investigative newsroom, donor supported, that sometimes shares its work with for-profit newspapers. #

7. The First Look set-up is different. Here the journalism operation is a non-profit, housed within a parent company, which may have other entities inside it. The entire operation is designed to: 1.) support the mission of independent public service journalism, 2.) achieve sustainability and 3.) attract talent. #

8. Another way to say it is: public service, mission-driven journalism, including investigative work, has always been subsidized by something: advertising, other kinds of news, donors to a non-profit (as with ProPublica) or a related and profitable business like the Bloomberg terminals that subsidize Bloomberg News. First Look Media is adding to the picture another possible source of support: profits from a company specifically focused on technology for producing, distributing and consuming news, views and information. #

9. A good comparison point for that relationship is a company like [the Atavist](#), which produces narrative non-fiction — also called long form journalism — and hopes to profit from a publishing platform, [the Creativist](#), originally developed to publish the Atavist's own work. Notice I said a "comparison point," not: these two are the same. #

I am going on vacation and off the grid for a while, starting today at 3 pm. But the comment thread is open and I will try to respond when I can. #

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## 80 Comments

1. *Hisham* says:

[December 19, 2013 at 12:05 pm](#)

Who do I contact to be considered for openings in this venture?

[Reply](#)

2. *Jay Rosen* says:

[December 19, 2013 at 12:10 pm](#)

The correct address to write to is **jobs [at] omidyargroup.com**

[Reply](#)

3. *Steve Tuckner* says:

[December 19, 2013 at 12:15 pm](#)

It is great to see how the funding structure is to be set up. A question I have is what is the management

structure (ie. who is in charge of who gets hired/fired/promoted)? This is particularly important in a journalism organization in terms of setting what journalists feel is safe to say/report on and in what activities will be rewarded/punished. Obviously with Pierre Omidyar funding the operation to start with, he will have the most say of anyone in the organization. Who will report to him and so on down? Will this management hierarchy be transparent going forward so that outsiders can understand the influences and their possible effects on the news output.

Remember that trust of the public is one of your most important commodities.

[Reply](#)

- o [Jay Rosen](#) says:  
[December 19, 2013 at 12:23 pm](#)

I said in this post: "As we figure out what the pieces of the company will be, we are announcing them."

The answers to the questions you ask are still being worked on. I think the First Look team is quite aware of their importance, and mindful of the trust issue you correctly identified.

If I could tell you more, I would but it simply hasn't been decided yet.

[Reply](#)

- [peter ramstein](#) says:  
[December 20, 2013 at 9:53 pm](#)

Jay...you people should take your intl allies with you!  
Especially if you like2built credibility+ensure investigative qualities+multiplication reg readers worldwide. As the project of the German speaking FT had proven 10 years. Investigative Journalism needs2b understood as such. Also we would be happy2organize such hub in EU.  
Reg

[Reply](#)

4. [Kitt](#) says:  
[December 19, 2013 at 12:26 pm](#)

@Steve Tucker: Does, "It will have editorial independence" help you at all?

[Reply](#)

- o [Steve Tuckner](#) says:  
[December 19, 2013 at 12:35 pm](#)

Every media organization talks of its news side having "editorial independence". What really matters is who is paying whose salary. An organization that is based on the idea of "editorial independence" baked into its culture will likely have it very strongly to start with. Over time ideas like that can be worn down with the influence of funders.

[Reply](#)

- [Kitt](#) says:  
[December 19, 2013 at 1:38 pm](#)

Actually, no, editorial independence is not in the bragging rights of most news sources. A relevant example that I can give it that Greenwald, not leaving that to chance, demanded editorial independence in his contract with the Guardian; the same as he did prior at Salon. I assume he did that because there was no guarantee of editorial independence any other way. I seriously doubt that he and some of the others who have signed on at New Media are leaving themselves open to editorial independence in word only, or in "Good Faith."

[Reply](#)

5. [Scuzza Man \(@ScuzzaMan\)](#) says:  
[December 19, 2013 at 12:45 pm](#)

Lots of news outlets make noble-sounding statements about editorial independence. The real question is:

What is it about THIS structure that makes that independence more than a noble-sounding statement?

What is it about the structure that ensures that this editorial independence is real, and not merely PR, or subject to arbitrary whims of the major sponsor?

No criticism implied or intended; just a request for information.

Thanks.

[Reply](#)

- [Jay Rosen](#) says:  
[December 19, 2013 at 12:49 pm](#)

Those are fair questions. I think the answers will become clear over time. Right now, this is what First Look Media is ready to say because the rest is in motion.

[Reply](#)

6. [Dissent Now](#) says:  
[December 19, 2013 at 12:48 pm](#)

Awesome, thanks. I look forward to seeing how things come along and go along.

(Also, thank you for publishing this at a place that does not require a telephone number to participate via commentary.)

[Reply](#)

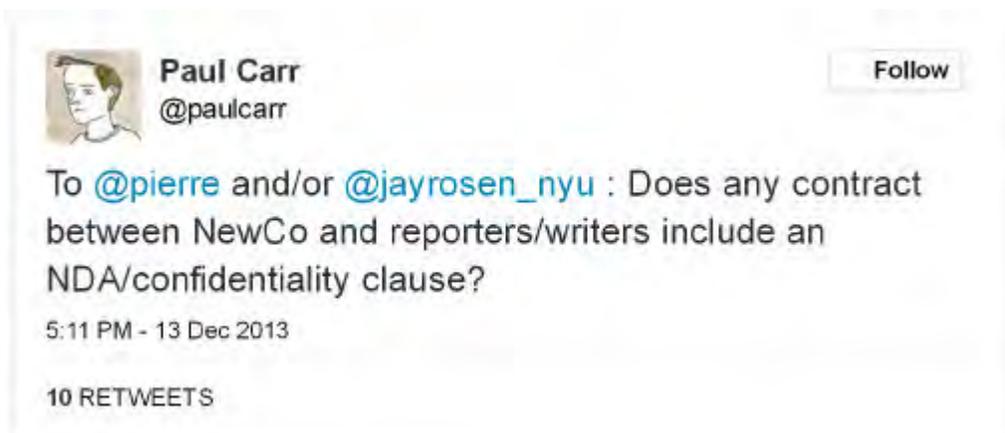
7. [Jefferson Morley](#) says:  
[December 19, 2013 at 12:49 pm](#)

Hi Jay, I'd like to help Newco think through the design and functionality of a full-service news site that is also community with a wide range contributors. Imbuing and updating traditional and worthy journalistic values of accuracy, fairness and verifiability with New Media values of immediacy, voice, data, and commitment is a central challenge facing the enterprise. Creating the functionality to sustain and promote these values is more than just a technical challenge. Its also key to site's enduring appeal.

[Reply](#)

8. [Jay Rosen](#) says:  
[December 19, 2013 at 12:54 pm](#)

On Twitter journalist [Paul Carr](#) posed a question:





I didn't answer him right away, in part because I am still learning how to respond to such questions in my role as adviser to Pierre Omidyar's [news start-up](#)— now called First Look Media. (See my [new post](#).) I have to be more cautious than I would normally be in answering questions about my work because this is a very different kind of work.

But that's part of what I signed up for: unfamiliar situations. So I'm not complaining or apologizing.

The other reason I didn't answer is that I was waiting for final copies of the signed contract to come by Fed Ex. That happened Tuesday.

So here's my reply to Paul: I can't answer for anyone else's contract. That's beyond my knowledge.

About my own: My understanding going in was: "You can't release First Look's trade secrets, if there are any. Other than that, no restrictions." That's not legal language, of course, just what I understood the terms would be. When the actual contract was worked out, that understanding held. "You can't release First Look Media's trade secrets, if there are any. Other than that, no restrictions..." is therefore how I would summarize it.

Since I am aware of things that are in the works at First Look Media but not ready for public announcement, there is much that I cannot talk about. But that's not a contractual matter. It's common sense. It's not any different than people at a technology company working on features that may never get rolled out, or journalists at a news company working on stories that may never pan out. Until they're ready, you don't talk about them. I am not an employee, I'm a freelancer working part time, but the same principle holds.

Since I am sometimes giving advice about things that are in the works, but may never happen, I cannot always talk about my advice, either. In several ways, then, I am constrained. Which is why I said to PressThink readers at my post, [Out of the press box and onto the field](#), when I speak about the company "you are entitled to apply whatever discount rate you find appropriate."

[Reply](#)

9. [Eric Brunner-Williams](#) says:  
[December 19, 2013 at 1:12 pm](#)

i'm restarting a portion of the blogosphere this winter, mb's wampum, refocusing on ip and ag and continuing our ndh focus, and kevin's amstreet. i'd like to run ads for fl, so a pointer to the rss feeds, and graphics would be useful when available. tia, eric.

[Reply](#)

10. [Louise Mensch](#) says:  
[December 19, 2013 at 1:24 pm](#)

Jay, one question the company keeps ducking is the ownership structure. Do Glenn Greenwald, and/or Laura Poitras, have an equity stake in the company and if so, how much.

It is clear enough that Pierre only approached them because they were in possession of the full set of

Snowden documents, the GCHQ documents having been supplied to them by the Guardian. The Rolling Stone story states explicitly that Pierre only approached them because of the Snowden documents.

If they have benefitted monetarily from owning those documents, they have commercialised them. This has vital legal implications and implications for their claim to be whistleblowers. It is clear enough that Pierre did not approach either Poitras or Greenwald because he thought they could found the new Buzzfeed or were the next Jack Dorsey. They were approached and funded because they had the Snowden documents.

To be open, you must state if possession of these documents has personally enriched them and if so, to what degree.

[Reply](#)

- [Jay Rosen](#) says:  
[December 19, 2013 at 1:31 pm](#)

So here's my reply to Louise: I can't answer for anyone else's contract. That's beyond my knowledge. Same as I said to Paul.

[Reply](#)

- [Louise Mensch](#) says:  
[December 19, 2013 at 1:41 pm](#)

but this isn't a question about a contract or a rate of pay. It's a question about equity stake and ownership structure.

Nothing to do with contracts.

There is very clearly a massive conflict of interest in Greenwald and Poitras effectively selling the Snowden cash, for potentially millions of dollars, and your company cannot "do journalism" as Glenn would put it without being open about the effective sale of the Snowden cache for equity in this company.

[Reply](#)

- [Jay Rosen](#) says:  
[December 19, 2013 at 2:00 pm](#)

If Glenn Greenwald wants to tell you about his agreement with Pierre Omidyar that's up to Glenn and Pierre. *I know nothing about it.* Therefore I am not going to comment on it.

That is my reply to you. Do not expect any more. "You are entitled to apply whatever discount rate you find appropriate."

[Reply](#)

- [Joe Stein](#) says:  
[December 19, 2013 at 1:39 pm](#)

You are repeating the same old nonsense, that has been thrown around on Twitter the past few days by Sibel Edmonds and some others.

It is pure conjecture, that Omidyar approached Glenn Greenwald because he had the Snowden papers ( there is nothing in the Rolling Stone story that indicates that).

Furthermore, if you have any information , that either Poitras or Greenwald have benefitted financially from these NSA disclosures, please feel free to reveal that.

If they benefit in the future from the publicity generated by their celebrity caused by their NSA reporting, then, they will hardly be the first journos to do so. Every journalist who has been in that position, has written books etc. I don't know what problem you might have with that.

Greenwald has already stated, that by the time this new media venture starts , most if not all of the NSA reporting would probably be done. So I dont understand how Pierre Omidyar will be benefiting from that.

[Reply](#)

- [Louise Mensch](#) says:  
[December 19, 2013 at 1:44 pm](#)

That is quite false. The story is absolutely explicit on the matter:

“Right now, Greenwald, who says he remains “infected” by Snowden’s heroism, is determined to work in his stead. His first step has been to take the remaining documents, which exceed 10,000 in number, and start a new media enterprise with Poitras and investigative journalist Jeremy Scahill, funded by a \$250 million investment from tech billionaire Pierre Omidyar, the founder of eBay – who came to Greenwald specifically because of the Snowden leaks.”

<http://www.rollingstone.com/politics/news/snowden-and-greenwald-the-men-who-leaked-the-secrets-20131204page=6#ixzz2nwousGDD>

It is a simple question. What is Glenn Greenwald and Laura Poitras’s equity stake in this company, and have they made themselves millions of dollars from commercialising the Snowden documents?

It is not a contractual question at all.

[Reply](#)

- [Joe Stein](#) says:  
[December 19, 2013 at 1:57 pm](#)

Even if we assume , that Greenwald and Poitras have these NSA files when they signed up for this new venture....how will that benefit them or Pierre Omidyar, if all the files have been reported on by the time this new venture starts up ?

[Reply](#)

- [Geoffrey de Galles](#) says:  
[December 19, 2013 at 3:11 pm](#)

Cave:- It is pretty pointless trying to respond in any way intelligently to Louise Mensch, a former Tory (UK) MP and, as a novelist, a shameless purveyor of junk food for the masses. Inspection of her “unfashionista” blog-site is enough to indicate she is so non compos mentis, she imagines The Guardian, not Snowden, provided Greenwald with GCHQ (< NSA) data, and that the newspaper’s editor Rusbridger is hence guilty of treason against Her Majesty’s government. Sorry, I have to break off abruptly — I have to go puke ...

[Reply](#)

- [Mike Masnick](#) says:  
[December 19, 2013 at 2:07 pm](#)

Louise appears to be (1) repeating the false claim that the Guardian gave the documents to Greenwald. This has been debunked multiples times, including just yesterday. (2) Completely misreading the statements from Pierre regarding why he teamed up with Greenwald and Poitras. It is clear that the reporting that both have done on those documents helped drive Omidyar’s interest in hiring the two of them. It’s not that he was “buying the documents” — a moronic assertion that does not seem to be even remotely supported by reality. It is merely the fact that the reporting on the Snowden documents brought their reporting and these issues to Omidyar’s attention, making him interested in hiring the two of them.

Louise should know better than to repeat misleading things or blatant falsehoods.

[Reply](#)

- [Phil Perspective](#) says:  
[December 19, 2013 at 3:35 pm](#)

Mike:  
re: your very last sentence. You expected anything less?

[Reply](#)

- o *RW* says:  
[December 24, 2013 at 9:17 am](#)

"It is clear enough that Pierre only approached them because they were in possession of the full set of Snowden documents, the GCHQ documents having been supplied to them by the Guardian."

There journalistic abilities of no concern then? Do you think the Snowden files are worth even a year's more headlines?

You have a very weird conception of where the GCHQ files come from. Do you not understand that all the files originated from Snowden and that only Greenwald, Poitras and Gellman (some) ever received these files?

So that makes it IMPOSSIBLE for any of the files to have originated from the Guardian. Get it? Do you realize in your vast knowledge that actually selling the Snowden files could be a felony? Do you honestly think Omidyar or Greenwald is that stupid?

You are a very poor witch hunter. I would say thick, but that would be rude.

[Reply](#)

- *RW* says:  
[December 26, 2013 at 7:32 am](#)

" Do Glenn Greenwald, and/or Laura Poitras, have an equity stake in the company and if so, how much."

Louise, if the company is set up as a non-profit 501(c)(3), no one owns the company, therefore no equity can be owned by individuals. Even Omidyar's contributions to the company do not belong to him anymore.

<http://501c3.org/blog/who-really-owns-a-nonprofit/>

So that shoots down you second badly misinformed idea, the first being that the Guardian could have given files to Greenwald that only Greenwald, Poitras and Gellman could have ever "owned".

So you see, Omidyar can never own the Snowden documents, the non-profit would own them if Greenwald ever chose to give them to it. He has never said that was his intention and common sense would suggest otherwise.

So it is impossible for Greenwald or anyone else to profit from a non-profit, they can only be paid employees.

[Reply](#)

11. *bluesky* says:  
[December 19, 2013 at 1:40 pm](#)

I am really looking forward to this new venture and thank all for their efforts in establishing it. I didn't see banking/financial or environment/climate change listed in the second paragraph of the press release. Both are areas I think could benefit from fresh, highly factual but critical investigative reporting to open eyes to more truth and new possibilities once stripped of the insidious lobbyist propaganda and other self-serving structures in order to serve the greater public humanitarian good, reporting in the manner of, for example, Glenn Greenwald in his field.

[Reply](#)

- o *Jay Rosen* says:  
[December 19, 2013 at 2:01 pm](#)

Personally, I agree with you about banking.

Too soon to say what the precise areas of editorial focus will be.

[Reply](#)

- *Steve Horn* says:  
[December 20, 2013 at 8:38 pm](#)

Has there been ANY talk of climate/environmental/energy coverage, given the ongoing climate crisis at all? I hear a lot about national security/civil liberties, but not one peep about having coverage of these topics. Is that because there will be no coverage of it or because it's still being worked out behind the scenes?

[Reply](#)

12. *bluesky* says:  
[December 19, 2013 at 1:43 pm](#)

Sent off comment too quickly. I meant therefore to ask – are there any plans for reporting in these fields?

[Reply](#)

13. *Walter Winkler* says:  
[December 19, 2013 at 2:06 pm](#)

Why the name? “First Look” sounds rather counter-intuitive for a news organization intended to focus (well, at least partly) on +investigative+ journalism. “Second Look” would have seemed more appropriate. Unless of course that will be (part of) the name of only the nonprofit journalism entity...

[Reply](#)

- *Jay Rosen* says:  
[December 19, 2013 at 2:17 pm](#)

We've said that First Look is the name of the parent company. We have not said that it is the name of the product.

Comparison point: “Times Publishing Company” is the name of the legally incorporated firm that publishes the Tampa Bay Times, which is the product.

[Reply](#)

- *Walter Winkler* says:  
[December 19, 2013 at 3:20 pm](#)

Of course. But no matter how NewCo is structured, it's neither intended nor intending to be Just Another News/Media Company, right? (Or is it, ultimately?)

But if it isn't, then why is it essentially called like one – and insofar as its name goes, one without any particular mission?

[Reply](#)

14. *David* says:  
[December 19, 2013 at 2:16 pm](#)

Jay, if you are not aware of Louise Mensch I suggest you do some research.

She has an agenda.

[Reply](#)

- *Jay Rosen* says:  
[December 19, 2013 at 2:20 pm](#)

I am quite aware. But we all have agendas, don't we?

[Reply](#)

- *LitThom* says:  
[December 19, 2013 at 4:02 pm](#)

Yeah, but some are more delusional and all around ugly than others.

Thanks for the update, Jay. Can't wait to see the product. Smooth sailing!

[Reply](#)

- *Tzctpres* says:  
[December 23, 2013 at 5:29 am](#)

It would be interesting to know what agenda is that.

For some reason Ms. Mensch has embraced anti Snowden/Greenwald/Guardian as a crusade against the left, but her lack of facts, legal and political developments in the US (and to some extent, in the UK) and appalling lack of understanding of the technical issues at hand are exposing her so badly that sometimes I feel a bit of pity for her.

She jumped into a pond in which she is clearly completely and utterly out of her depth, but for some reason she has become one of the most visible pro-surveillance advocates, perhaps the media likes her persona, but that shouldn't be enough to give her such a free pass whenever she is interviewed.

[Reply](#)

15. *Jacob Devaney* says:  
[December 19, 2013 at 2:48 pm](#)

Environment/sustainability should be covered if you are wanting to be contemporary in the market. Mineral extraction (for electronics, etc), oil, gas, fracking, nuclear, and increased mega-storms, in the race for resources will continue to play out in every facet of politics, the economy, issues of war/peace and public safety in the coming years.

[Reply](#)

16. *Tom Betz* says:  
[December 19, 2013 at 3:00 pm](#)

I'm surprised, given its public's service nature, that First Look is not incorporating as a B corp. That could give Pierre more flexibility down the road.

[Reply](#)

17. *David* says:  
[December 19, 2013 at 3:01 pm](#)

Investigation of what is really happening at Fukushima (this affects the US West Coast) and recent Japanese legislation curbing press freedom.

The extent of Monsanto lobbying and bullying Worldwide for GMO seeds, including pressure from US embassies as revealed by WikiLeaks.

[Reply](#)

18. *Jonas* says:  
[December 19, 2013 at 3:34 pm](#)

And your agenda is- don't question your new owner, regardless of the many known suicides following his ventures in Andhra Pradesh? Just get your share of the 250 million \$? Or what?

[Reply](#)

- *David* says:  
[December 19, 2013 at 3:46 pm](#)

Well Louise, the agenda has been described above and elsewhere. It will be a long-needed alternative to the appalling corporate media.

[Reply](#)

- *Jonas* says:  
[December 19, 2013 at 4:12 pm](#)

Well, I'm a Swede who goes by my own name, thank you, sir.  
Why do you accept an agenda which leaves difficult questions for the funder/owner out?  
(BTW, he's quite a 'corporate' guy himself)

[Reply](#)

19. *Michaelk* says:  
[December 19, 2013 at 3:42 pm](#)

Oh, to be a billionaire. What a lot of weight one would have to throw around, along with the money. It's rather telling that our system provides outlets for individuals with enormous resources, and power, to influence the times we live in, or at least make the attempt. The empowered billionaire, empowering a select group of journalists, and then empowering their readers, is that the idea? Wait a moment though, I thought we lived in a democracy where the readers, the people were already empowered? I get the feeling this concept is a bit too post-democratic and too neo-fuedal for my taste, though perhaps I'm being a little unfair at this early stage? Only I wonder, in principle, how this reflects on our democracy? I think it's troubling that our system, whatever one wants to call it, neo-fuedal is perhaps too harsh a concept, gives so much power to individual billionaires, compared to all the little people who own next to nothing, have next to no power, have effectively been defranchised, who only have a tiny vote for candiates chosen by other less 'radical' billiionaires; does this kind of venture mean that we are hoping that kindly billionaires will save us where 'democracy' has failed?

[Reply](#)

- *Bruno Marr* says:  
[December 20, 2013 at 1:30 pm](#)

Well, a democracy works when all the little people vote THEIR interests and demand that THEIR representatives do the same. That demands action and intellectual interest from all those little people.

Someone/thing has to provide them with accurate (yo)useful information for all of them to act upon. That usefull information can be acquired first-hand (in some cases) but most times it is relayed via some mechanism (text, voice,video, graphics). That mechanism may be funded by a democratic collective, or a benificent billionaire.

In either case, it needs to be funded.

Cheers.

[Reply](#)

20. *Mathew Lowry* says:  
[December 19, 2013 at 3:45 pm](#)

Setting up in NY, San Francisco, and Washington...? So, I guess as a new \*American\* media operation, you won't be bothering with offices outside the US? 😊

I know, I know ... one piece at a time. Am just putting in an early plea for an international outlook towards a globalised world at a time when US media are retreating from the world.

[Reply](#)

21. *Marcus* says:  
[December 19, 2013 at 3:55 pm](#)

This might be a good time to take a second look at Pierre Omidyar. As a progressive liberal I find myself disappointed, curious and a bit dubious...

By Mark Ames, and Yasha Levine  
November 15, 2013

The Extraordinary Pierre Omidyar

<https://www.nsfwcorp.com/dispatch/extraordinary-pierre-omidyar/>

[Reply](#)

- *David* says:  
[December 19, 2013 at 4:31 pm](#)

That piece concludes with :-

“And corporate America? Ah, don’t worry. Your dirty secrets—freshly transferred from the nasty non-profit hands of the Guardian to the aggressively for-profit hands of Pierre Omidyar—are safe with us”

Time will tell.

[Reply](#)

- *Jonas* says:  
[December 19, 2013 at 4:51 pm](#)

Don’t hope for too much, David. Here’s a link from WSJ regarding Omidyar’s businesses in Andhra Pradesh:

<http://online.wsj.com/news/articles/SB10001424052970203918304577242602296683134>

[Reply](#)

- *Marcus* says:  
[December 20, 2013 at 6:29 am](#)

“Time will tell.”

Or perhaps it won’t.

Glenn Greenwald didn’t say that all of the NSA documents in his possession would be disclosed by the time the new venture started, only that all or most of his reporting on them would be finished.

Disclosure is at his sole discretion. The public will not know what does not get disclosed and who and/or what interests might rightfully or wrongfully be served/protected by nondisclosure.

We may never know what direct involvement or influence, if any Pierre Omidyar or his financial backing may have in Glenn Greenwald’s decisions regarding the disclosing of the NSA documents. We will likely never know the extent to which Pierre Omidyar will ultimately benefit from his new undertaking.

[Reply](#)

22. [Steve Beatty](#) says:  
[December 19, 2013 at 4:28 pm](#)

I wish you all the luck in getting this up and running.

I’d caution, though, about so confidently asserting that the journalism operation will be set up as a 501(c)(3). It may well be...eventually.

As the publisher of a nonprofit news operation in New Orleans, The Lens, I can tell you that our request for tax-exempt status wasn’t just a formality. It took 26 months before we received our official exemption. Peer organizations waited longer.

Let’s hope the IRS has cleared that logjam and that this effort will have a faster time of it.

Regards,

Steve Beatty, The Lens  
TheLensNola.org

[Reply](#)

- [Jay Rosen](#) says:  
[December 19, 2013 at 5:05 pm](#)

Definitely a complication. Thanks, Steve.

[Reply](#)

- [Kevin Davis](#) says:  
[December 20, 2013 at 11:49 am](#)

Just to add to Steve's spot-on IRS comment. As you know, the Investigative News Network (INN) has been deeply involved with the Knight Foundation and Council on Foundations to get the issue of how newsrooms can and should more easily fit under 501(c)3 rules and regulations. Having now studied multiple 1023 applications for 501(c)3 status over the past few years, and seen many responses by the IRS, this is not merely a complication.

While the IRS has been inconsistent in the time it takes to process applications (I know of orgs that have received their determination letter in five months and others that are waiting north of 20 months just to get a response), they are consistent on a few points that will need to be considered by First Look.

Specifically there are prohibitions on political tampering that limit what a nonprofit newsroom can say/do around campaign endorsement. There are also limitations on how the structure of the organization (i.e. no personal gain by any of the employees/board).

While you bring up good examples of nonprofits that either own for-profit subsidiaries (National Geographic is another) or nonprofits that have co-publishing and syndication relationships with for-profit partners, I know of no nonprofit that is a subsidiary of a for-profit in the journalism field. To be clear, I am not an accountant or tax lawyer, so I cannot claim to know all the ins and outs here, but its no small issue. I DO know, that for-profits and nonprofits within the same ownership structure need to maintain separation of management structures and finance.

Point being that while I trust that the new organization is getting good counsel on this topic, INN and others such as the Berkman Center at Harvard are here to help with this issue if needed.

Best of luck.

Kevin Davis  
CEO & Executive Director  
Investigative News Network

[Reply](#)

- [Jesse Holcomb](#) says:  
[December 20, 2013 at 1:06 pm](#)

Wasn't Global Post trying to set up a nonprofit to house their investigative/longform work? I haven't heard much about it lately.

[Reply](#)

- [Jay Rosen](#) says:  
[December 20, 2013 at 12:08 pm](#)

I hear you: This is not a detail. And I have followed the issue over the last years. Thanks for the heads up, Kevin.

[Reply](#)

23. *Michaelk* says:

[December 19, 2013 at 4:39 pm](#)

I just wonder if the entire concept and the 'news', current affairs, isn't just too 20th century? Now this may be a rather radical idea, that the news, all that information, that it's time has passed, and fewer and fewer people are watching, listening, and reading. What if an informed public doesn't matter anymore because the rest of the billionaires don't give a damn about what they think, as long as they don't threaten their rule? What if there's been a big cultural shift and both the billionaires and the tens of millions of non-billionaires don't care much about being informed anymore because they've got other things to do with their time? Making money in the case of the billionaires and being entertained for everyone else. Who needs the news, really? What's it for if the powerful don't care about the opinions of the people? Some people apparently believe that knowledge is power, but is it? What's it really worth in our type of hyper-market system where resources and wealth are so incredibly badly distributed and increasingly based on being born into a wealthy family, or becoming a billionaire, but the vast majority don't have those advantages and the route to upward mobility is closing down for more and more people as the middle-class exits history stage-left.

My point is, we no longer live in a democratic system, therefore, the views of the people don't matter very much, compared to billionaires. Post-democracy is a different kind of system. Here an informed public is not only unnecessary, it's also potentially very destabilising and threatening. Increasingly the people, the demos as the ancient Greeks called them, know their views don't matter anymore, after all democracy, like power and wealth, is the resort of the billionaires, so why bother getting informed, what's the point?

[Reply](#)

o *David* says:

[December 19, 2013 at 5:41 pm](#)

Have you heard of someone called Edward Snowden ?

[Reply](#)

■ *Jonas* says:

[December 19, 2013 at 6:30 pm](#)

Ah, David, you mean the guy who sold his disclosures to a billionaire (via a proxy)? The same billionaire who's the major stockholder of PayPal, that hinders Wikileaks? And who's main venture eBay brags about handing authorities their customer data 'on a silver plate'-without a warrant?

No, you'd never be that naïve...

[Reply](#)

■ *-Mona-* says:

[December 20, 2013 at 12:30 am](#)

No evidence exists for the claim that Snowden — via proxy or otherwise — has "sold" the NSA documents to anyone.

NSA reporting – with accompanying documents — has continued all over the globe since the First Look venture was announced last October. In Le Monde, El Pais, O Globo and many, many other elite papers in numerous countries.

When Greenald reported recently on the Canadian intel services partnership with the NSA, and the spying on the Toronto G20 Summit, he and Ryan Gallagher split \$1500 for co-authoring the story. That is, they were paid a standard journalists freelance fee.

Claims that the NSA documents have been sold are entirely baseless.

[Reply](#)

■ *Jonas* says:

[December 20, 2013 at 3:12 am](#)

There is all reason to be wary of his obfuscation, scare mongering and general inability to review his trove of documents or the technical issues involved. Neither am I so sure Snowden knew exactly what he downloaded. 'Carefully vetted' as they were stated by GG to be, Der Spiegel nevertheless felt compelled to redact sensitive information. GG also emphasizes his own thorough, necessary re-reading before disclosing documents. In no document produced to this date, he has been able to prove his theses of surveillance actually hitting any named innocent citizen. When do we get to see that? And most likely, PayPal's or eBay's dealings will also be left out.

- *Tzctpres* says:  
[December 23, 2013 at 5:36 am](#)

It is amazing how many people can't get their head around the concept of investigative journalism as a business enterprise.

If we want to help journalists of any colour to keep doing their job people should understand how journalism works instead of uttering such nonsense (really, if Snowden had sold anything we would not have known about it and he will be in a sunny place, rich and having avoided what could most likely be the most difficult period of his life).

[Reply](#)

- *Jonas* says:  
[December 24, 2013 at 5:40 pm](#)

No no, you're missing the point. Story was sold by GG (the guy who threw Snowden under the bus) to a billionaire of highly questionable suicide-reputation and anti-leaks stance. ES is on the losing end, stuck in misery in Moscow (but ailing for Brazil- which has a lousy record for personal integrity, BTW). e.g. <http://www.economist.com/node/12060388>

24. *Bill Jones* says:  
[December 19, 2013 at 6:26 pm](#)

I'm amused by the fact that a technology start-up is being established to help fund the core mission. Does anybody know of any successful tech start-up in the past ten years that hasn't had the spooks crawling all over it?

[Reply](#)

- *Jay Rosen* says:  
[December 19, 2013 at 6:30 pm](#)

Is it your impression that the people around First Look would not be aware of this?

[Reply](#)

- *Jonas* says:  
[December 19, 2013 at 6:44 pm](#)

Well, Jay

I don't really know what to say.

I think you've jumped the wrong 'bandwagon' to bring you wealth and fame. (Because of your reluctance to question [or even google properly] your own 'sugar daddy' beforehand).

[Reply](#)

- *David* says:  
[December 19, 2013 at 7:22 pm](#)

Given that the twin myths of Swedish neutrality and justice have been comprehensively destroyed, and Sapó has been criticised for being exceedingly submissive to the NSA, we have to be very suspicious of any Swedish posters here ... just in case.

Also have to be suspicious of this :-

<http://t.co/V0zb2nFWAW>

[Reply](#)

■ *Jonas* says:

[December 20, 2013 at 2:56 am](#)

Concerning suspicions, I'd be vastly more suspicious of Americans (home of the CIA, NSA and FBI) if I were you 🙄

■ *Jay Rosen* says:

[December 21, 2013 at 11:14 pm](#)

Yeah, "housed within" was probably the wrong term.

[Reply](#)

25. *Will* says:

[December 19, 2013 at 7:45 pm](#)

I'm just grateful for what you're all doing. It's exciting and much needed.

[Reply](#)

26. *Grant* says:

[December 19, 2013 at 8:48 pm](#)

Will there be bans against the non-profit journalism operation promoting the for-profit tech side, or is this just The Dearborn Independent part II?

[Reply](#)

27. *@mitchellera* says:

[December 19, 2013 at 10:17 pm](#)

Is this the first not-for profit journalism venture that has a sports beat? Seems an odd fit.

I'm guessing that the not-for profit angle might be a response to the accusation that Greenwald and Omidyar are profiting from the NSA leaks.

[Reply](#)

28. *Jeff Stanger* says:

[December 20, 2013 at 11:25 am](#)

Technology as the financial support of journalism, not a shortchanged newsroom supporting function. Good stuff.

[Reply](#)

29. *Lisa Simeone* says:

[December 20, 2013 at 2:02 pm](#)

Can't wait for this to get up and running. Hats off to Greenwald, Poitras, Scahill, Rosen, and everyone involved in this venture. I hope you scare the sh\*t out of the mainstream press.

[Reply](#)

○ *Jonas* says:

[December 20, 2013 at 5:50 pm](#)

By joining an unquestioned and obviously unvetted billionaire...?  
Good luck to y'all!

[Reply](#)

- *Tzctpres* says:  
[December 23, 2013 at 5:38 am](#)

Well, it won't makes things worse, that is the current scenario anyway.

[Reply](#)

- *Jonas* says:  
[December 24, 2013 at 7:23 pm](#)

Well, Tzctpres  
A somehow refined status quo doesn't really cut it, does it?  
Not in my world, anyway. Sorry.  
And if you'd like some general advice- follow the money. Qui bono?  
(Your're posting at a spot where news are sold before your very eyes- to the highest bidder- by someone who above clearly states he won't ask the difficult questions, but passes them on. A sad way to ruin a reputation.)

[Reply](#)

30. *David* says:  
[December 20, 2013 at 7:18 pm](#)

Will being based in the US expose you to possible legal action if you 'step out-of-line'?

[Reply](#)

31. *Syed Karim* says:  
[December 21, 2013 at 7:37 pm](#)

"The First Look set-up is different. Here the journalism operation is a non-profit, housed within a parent company, which may have other entities inside it"

-Minor correction: A non-profit can not be housed within a parent company; no one or thing can own a tax-exempt organization.

[Reply](#)

- *Jay Rosen* says:  
[December 21, 2013 at 11:17 pm](#)

Yeah, "housed within" was my imprecise term.

[Reply](#)

- *Jonas* says:  
[December 24, 2013 at 7:30 pm](#)

"Paid for and controlled by" would be a more honest description.

[Reply](#)

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