

Round 1: Networks

Submitted at: http://newschallenge.tumblr.com/post/19451582834/the-infomation-trust-association-enabling

The Information Trust Association — Enabling shared-user network for trust, identity, privacy and commerce

1. What do you propose to do? [20 words]

Form/identify public-benefit association to develop business rules and operating protocols of shared-user network for trust, identity, privacy and information commerce.

2. Is anyone doing something like this now and how is your project different? [30 words]

No. Network identity services like Facebook Connect are proprietary. OpenID doesn't address commerce or user-persona sharing. The World Wide Web Foundation might be able to lead this effort or collaborate.

3. Describe the network with which you intend to build or work. [50 words]

A federated-authentication network would allow end-users to have account at one web service with which they can authenticate to a plurality of other services, optionally sharing persona information and accruing debits or credits for information services that are periodically settled. See: <u>http://tinyurl.com/2wtlpu</u>

4. Why will it work? [100 words]

As U.S. newspapers rapidly adopt siloed approaches to registration and subscriptions, consumers face a broken experience of multiple logins and accounts to access information. For an historical analogy, see: http://tinyurl.com/85mt5ev Applications creating exceptional user experiences such as FlipBoard require access to "atomized" content at a plurality of sites. A shared-user network will permit publishers to be paid, users to access valuable content and aggregators/curators to continue to operate.

5. Who is working on it? [100 words]

The Reynolds Journalism Institute funded study of this idea See: "From Paper to Persona." <u>http://www.rjionline.org/news/paper-persona</u> / RJI might join in convening a founding meeting for an Information Trust Association if joined by a critical mass of publishing, information-technology and foundation collaborators. (See Page 41 of "Paper to Persona" for an aspirational list). The idea of a non-government, non-private collaboration to address web identity and trust is advocated by Eric Schmidt, former CEO of Google Inc. (See: <u>http://tinyurl.com/43g3xyo</u>) The Obama administration's NSTIC initiative is addressing identity, but not commerce.

6. What part of the project have you already built? [100 words]

Clickshare Service Corp. prototyped from 1994 a shared-user network for microaccounting, user identity and profile transfer, obtaining a 2008 patent. (See: <u>http://tinyurl.com/2wtlpu</u>) It's proposed that an Information Trust Association license Clickshare's patent rights, if necessary. This project proponent founded Clickshare and is a stockholder. Today, Clickshare provides user authentication, registration, contentaccess control, integrated multiplatform subscription management and credit-card services to network information services, particularly news organizations. Clickshare's enterprise customers include the New York Times Co., at Worcester, Mass., and The McClatchy Co., at Lexington, Ky. (See also March 2, 2012 application No. 782 to the Knight Enterprise Fund.)

7. How would you sustain the project after the funding expires? [50 words]

A broadly-used shared-user network which enables a commercial exchange of value for advertising, news and other content could institute interchange fees similar to the Visa or MasterCard model which would readily sustain the oversight role of the Information Trust Association. Commercial operators of the network infrastructure, authorized by ITA, would be free to establish in the free market appropriate charges for their services. At no time would the ITA be involved in pricing or service offerings of the users of the system. It would only require income sufficient to maintain its business-rules and operating-protocols oversight role.

Requested amount from Knight News Challenge: \$150,000 Expected amount of time required to complete project: Nine months.

Total Project Cost: \$300,000

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My background is bank I.T. and transaction processing. In my industry we could not operate without our many cooperative networks.ACH, Wire Transfer, VISA, MasterCard are just a few of the many money-moving networks that make the banking world as we know it operate. Bill Densmore has correctly surmised that a similar approach for the news industry is the best chance for economic survival. Bill's approach of calling for the development of a mutually beneficial system of business rules and operating protocols of shared-user network for trust, identity, privacy and information commerce is, in my opinion, the last and best chance for meaningful change. The key element will be for leadership in the news industry to step up and accept the challenge of a new business model based on cooperation and trust amongst themselves.ere.

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I agree with Jeb Bladine of Oregon, who commented earlier this week. An ecosystem of reliable information, in which all contributing value are compensated, has never been more critical. I would hope that this effort could be in conjunction with NewsRight http://www.newsright.com/About

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Chuck: Thanks for your comment. It strikes me that NewsRight's focus on managing content in behalf of its owners and affiliates makes it an idea commercial partner to an Information Trust Association, and perhaps the first and most key "content provider" to a trust, identity, privacy and commerce network. Like Reply 2 weeks ago in reply to Chuck Peters



The idea that for-profit companies are seeking to occupy this space to me is chilling, not just in an empty my pocket-book quicker sense. The various rule changes at Facebook, as they seek to collect, package and distribute for fee more and more personal information is to me an even greater reason to establish a quasi-public entity to make this market. Bill, this is an idea who time has come ... and unfortunately may pass if not acted upon with some urgency.

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arbutus1440, All along the waterfall

This reminds me of the City of Osmio Vital Records Department.

The City of Osmio was founded at the Geneva headquarters of the International Telecommunication Union in 2005 to apply worldwide duly constituted public authority to attestations--in this case attestation to the reliability of identity claims of individuals, as embodied in x.509 digital identity certificates.

Might be something worth checking out.

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Jeb Bladine Collapse

This project needs support and funding to move our industry forward on this important front.

Community newspapers by the dozens, soon hundreds, are going behind pay walls in self-defense of their print circulation numbers. Local ownership – a key to community

journalism – is at risk unless the industry can develop a strategy that allows small publications to become part of an easy-to-access network.

It's complicated and challenging. I've watched this effort by the ITA organizers evolve over the past several years, and I'd like to support their funding request.

Jeb Bladine President, News-Register Publishing Co. McMinnville, OR Former Director, National Newspaper Association Like Reply 3 weeks ago F



A commentator emailed me privately with this question: What might the Information Trust achieve in wider participation by publishers that Clickshare isn't? I didn't see this issue addressed in your application?

Here's an answer:

Clickshare (or any technology/financial services vendor able to build and run the network), can operate the network user authentication, logging and settlement services that would be required.

But it's important that no for-profit company **own** the network, make the business rules, or define protocols that control access or enable service offerings.

That's the role for the Information Trust Association, or an equivalent public-benefit association or non-for-profit. We want governance and technology protocols to be defined and enforced by an entity which is not primarily focused on maximizing profit for **its** investors. The best way to ensure that is for it not to have any investors or financial stakeholders -- only members.

Profit is good and necessary -- we would expect the network operators to be able to profit nicely through transaction and interchange fees. User agents and content providers participating in the network could make lots of money -- we are enabling a free market for digital information after all.

Imagine as an analogy the formation of the New York Stock Exchange. For all but the last few years of its existence, the NYSE was a non-stock entity. It's goal was not to maximum profit for NYSE, but to facilitate an orderly market so that brokers and their clients could make money.

That's the purpose of an Information Trust Association, or equivalent marketplace maker.





I welcome the idea of a "governing body" if you will. My concern is adoption in an industry desperate for answers but not yet eager for leadership. It would take the Knight Foundation and RJF together as suggested above to bring enough folks to the table to accept and launch.

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> **K** Bill Densmore

Anne: Thanks for commenting.
You are absolutely right that this will need a collaboration of important thought leaders. I have spoken to dozens of industry leaders over several years and the universal reacation is:
1) This is a great idea, it needs to happen.
2) Who is going to step forward and make it happen?
It's time to just do it. People will follow. Can you help?
Like Reply
<u>3 weeks ago</u> in reply to Annegordon



Central repositories of financial information like this are very very expensive to maintain. They are what is called in information security circles, "a honeypot," a lure for hackers and social engineers who want to arrange a breach through electronic or traditional means to compromise that much financial and personally identifying information (PID).

The PID would require safeguards both legally and ethically and also for liability reasons that would be at bank or better standards. This is a very labor intensive proposition, at a very high per-hour cost. The cost of a breach, on the other hand, could be catastrophic,

especially if other entities are feeling nasty about the incursion of your project into their traditional territory.

As a nonprofit, you will have to work with legal to clear what structure you need to adopt to not be just a for-profit in sheep's clothing, as it were. The exempt organizations branch used to be, at least, pretty testy about this. (She massages old scars...) I would recommend talking to folks like IdentityWoman and other folks with long experience in the online identity bureaucracy in the US about lessons learned in this area. I'm just one of them. ;) Microsoft and several other groups have launched and withdrawn efforts in this direction with considerably beefier capitalization, but market conditions have changed.

<u>Like</u> <u>Reply</u> <u>3 weeks ago</u>

> <u>M Subscribe by email</u> <u>S RSS</u> Bill Densmore Hi Shava: Your make an important point and I respect your years of experience in this arena.

Look at the New York Times yesterday, with their business-page story about the way the iTunes store is beginning to attract bad-actor commerce. Or consider the deep challenges PayPal has had with fraud over the years. These are centralized systems with honey pots of data.

On the other hand, the banking industry, writ large, seems to move a lot of money around and you don't hear of major hacks on the transaction infrastructure or fraud. It may well be happening and we just don't hear about it.

But, I digress. Because I think your criticism doesn't apply to what we have in mind for two reasons:

1) I don't see the Information Trust Association as running anything. I merely see it as a standards and sanctioning organization. Network operations would be run by for-profits (think the likes of IBM, CitiBank, Amazon, Google), under contract to the ITA. They would have the security-risk challenge.

2) More important, I don't see these network operators holding any large honey pots of data for any significant period. They merely need to aggregate log reports of accesses, and manage to run settlement on that data for periodic credits and debits to network participants. Sensitive user demographic and usage data should only be aggregated and used by parties at the edges of the network -- the plurality of "infovalets" -- identity service providers in NSTIC vernacular -- who competitively vie to be the agents of consumers.

The only thing the ITA services do centrally is the only thing necessary to be done centrally -- passing along authentication of users and logging reports of activity for settlement. ITA service operators should have no right to hold such data

beyond use for timeout authentication and periodic (at least monthly, probably much more frequent) settlement.

One final point: I would envision that the ITA network operators would never know the name of a user. They would only know a user by a numeric key that is only linked to a real person by that person's Infovalet. Think if it as a credit-card number that is not accompanied by a name or address, or at least if those things are included, they are all hashed up.

-- bill densmore <u>Like</u> <u>Reply</u> <u>3 weeks ago</u> <u>in reply to Shava Nerad</u>



Joe Shea

This perhaps is the ultimate model that would result from what Clickshare sought to create back in 1994. It integrates some of that model and most of the constructive developments that have been introduced in the ensuing years, while adding new ones that are the cutting-edge of this technology.

<u>Like</u> <u>Reply</u> <u>3 weeks ago</u>

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Barb Hipsman

Individual media companies try to re-invent the wheel on this. I'd welcome the continued push for ITA that could be a shot in the arm for non-mainstream media looking to keep the public's faith financially - and yet stay in business.

<u>Like</u> <u>Reply</u> <u>4 weeks ago</u>



At RJI this year, we have five projects underway whose outcomes will provide important supplemental information to this ITA project in the area of paid content. We recognize the ITA as essential to making reliable, contextual information widely available and enabling its creators to be paid.

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Tom Murphy Newswire21

Bill Densmore's insights into such a shared-user network would greatly help to resolve a key stumbling block in the advancement of new journalism platforms, finding a commercially viable way to support one another. In essence, it would help bring together siloed efforts -- a goal I strongly support. Like

Reply 4 weeks ago

<u>M Subscribe by email</u> <u>S RSS</u> Tom Stites <u>Collapse</u>

Anything that increases trust and decreases friction for people seeking their best news experience on the Web strikes me as a worth pursuing, and this proposal has some important allies to ease the pursuit.

<u>Like</u> <u>Reply</u> <u>4 weeks ago</u> <u>F</u>



Mike Gravino

I like the idea, the work already accomplished is significant, the availability of partnerships is very high, and the likelihood of success would seem very positive.

However, creating a new global operating infrastructure-organizing entity can be very time-consuming and expensive. I would like to see a better break-down of the actual costs and critical-path process. Good luck!

<u>Like</u> <u>Reply</u> <u>4 weeks ago</u>