DONALD W. REYNOLDS JOURNALISM INSTITUTE

Missouri School of Journalism 🐯 **University of Missouri**

"From Paper to Persona to Payment: Considering a New(s) Ecosystem for News, Information and Privacy"

CONCEPT AGENDA

Thurs., May 7, 2015 / Chicago O'Hare Hilton, Room 2051 (2nd floor above mezzanine) **(all times CDT)**

Start	Description	Facilitator(s)
8:30 a.m.	*Coffee / juice; networking; meet pre-convening discussion partner*	*All*
9:00 a.m.	*Pre-convening dialogue about materials; what's missing?*	*Bill Densmore*
	START / TELCONF: 866-357-7737 CODE: 632-078-6936#	
9:30 a.m.	WELCOME: Plan for day: Confirm problem definition, answer strategic, tactical questions involving content, revenue, identity/privacy, tech	Bill Densmore
9:35 a.m.	OPEN: Why RJI invited us here / "ideas to action"	Randy Picht
9:40 a.m.	Roundtable: Each participant speaks briefly . . . • What do we bring / want to learn-achieve • Should RJI lead creation of an ITE ecosystem?	Bill Densmore
10:30 a.m.	SUMMING UP: Key points of consensus, divergence	Robert Picard Bill Densmore
10:45 a.m.	Consensus networking / bio and coffee break	
11:00 a.m.	Solutions/CONTENT / Public Media Platform? *(Calhoun via Skype)*	Kristin Calhoun Amy Shaw
11:15 a.m.	Solutions/IDENTITY/PRIVACY / Respect Network? Internet2-Shiboleth? OpenID? and personal data	Drummond Reed Scott Bradner
11:30 a.m.	Solutions/REVENUE / Direct: Persona to Paywalls to Click Three approaches: Piano Press+ /TinyPass /Clickshare?	Kelly Leach, David Restrepo Rick Lerner
11:45 a.m.	Solutions/REVENUE / Advertising: Agency and association requirements	Ron Blevins *(Skype)* Tom Drouillard
Noon	Working Lunch: Four work tables: Content, revenue, identity/privacy, technology	All
12:45 a.m.	Collect lunch ideas / task lists for RJI from four study circles	Randy Picht
1:15 p.m.	Guiding principle(s) for sustaining journalism (not newspapers)	Brant Houston Josh Stearns *(Skype)*
1:30 p.m.	Business-model requirement for sustaining journalism	Dave Gehring *(Skype)*
1:45 p.m.	Aligning principles, and business with structure -- Not government, not Wall Street: Is the answer a non-stock collaborative?	Sean Bohan Dan Sinker
2:00 p.m.	Aligning mission with return – Requirements for helping legacy and entrepreneurial enterprises	Tom Slaughter Greg Swanson
2:30 p.m.	Consensus networking / bio-coffee break	All
2:45 p.m.	Who must bell the platform cats? How?	Reg Chua, Dan Schultz Larry Birnbaum
3:00 p.m.	Tasks creation / what should RJI do next?	Bill / Randy
3:30 p.m.	Table summary: Did the day meet your needs? What will you do differently on Monday? (Drucker)	Bill / Randy
3:45 p.m.	Lost ideas capture / or the reporter's wrap	Yossi Lichterman
4:00 p.m.	ADJOURN / post-event networking as desired	

""From Paper to Persona to Payment:
Considering a New(s) Ecosystem for News"

A LEADERSHIP WORKSHOP

http://newsecosystem.org
9:30 a.m.-4 p.m. / Thursday, May 7, 2015 /
O'Hare Hilton, Chicago, Ill. , Room 2051

PARTICIPANTS

1. Larry Birnbaum, professor, computer science/journalism, co-director, Intelligence Information Lab, Northwestern Univ. / co-founder Narrative Science Inc., Evanston, Ill.

2. Ron Blevins, VP digital strategy, Novus Media Inc./ portfolio lead, U.S. partnerships and platforms, Omnicom, New York, N.Y. *(via Skype)*

3. Sean Bohan, strategic development principal, content services, the Mozilla Foundation, Brooklyn, N.Y.

4. Kristin Calhoun, executive director, Public Media Platform, Washington, D.C. *(via Skype)*

5. Reg Chua, executive editor, editorial operations, data & innovation, Thomson Reuters, New York, N.Y. (VIDEO) / (BLOG)

6. Kevin Davis, digital publisher/ former executive director,Institute for Nonprofit News, Encino, Calif.

7. Bill Densmore, Reynolds Journalism Institute fellow/ co-founder, Taxonometrics Inc., Williamstown, Mass.

8. Bill Donnelly, director, Respect Network / senior VP, Merrill Lynch, Seattle,Wash.

9. Tom Drouillard, president & ceo, The Alliance for Audited Media, Arlington Heights, Ill. (INTERVIEW)

10. David Gehring, VP partnerships, Guardian News & Media, Palo Alto, Calif. *(via Skype)*

11. Brant Houston, director, Institute for Nonprofit News /professor Univ. of Illinois, Urbana, Ill.

12. Michael Jenner, Houston Hart journalism chair, Missouri School of Journalism, Columbia, Mo.

13. Jo Ellen Green Kaiser, executive director, The Media Consortium, San Francisco, Calif.

14. Gary Kebbel, Center for Mobile Media/former mass-communications dean, Univ. of Nebraska, Lincoln, Neb.
15. Kelly Leach, CEO, Piano Media (Press+), New York
16. Richard Lerner, Ph.D., president/CEO, Clickshare Service Corp., Amherst, Mass.
17. Yossi Lichterman, staff writer, The Nieman Journalism Lab, Nieman Foundation for Journalism, Harvard University, Cambridge, Mass.
18. Denise Malan, interim director / data services director at Institute for Nonprofit News, Encino, Calif.
19. Linda Fantin Miller, director, networked journalism/innovation, American Public Media, St. Paul, Minn.
20. Robert Picard, North American advisor, Reuters Institute at Oxford Univ., Brookline, Mass.
21. Randy Picht, executive director, Donald W. Reynolds Journalism Institute, Univ. of Missouri, Columbia, Mo.
22. Drummond Reed, CEO-founder, Respect Trust Framework, Seattle, Wash.
23. David Restrepo, chief strategy officer, TinyPass Inc., New York
24. Dan Schultz, co-founder, HyperAudio Inc., RJI Fellow, Brooklyn, N.Y.
25. Amy Shaw, SVP community engagement, Nine Network of Public Media, Saint Louis, Mo.
26. Dan Sinker, director, Knight-Mozilla Open News Project, Chicago, Ill.
27. Tom Slaughter, executive director, Inland Press Association, Des Plaines, Ill.
28. Josh Stearns, director, journalism sustainability work, Geraldine R. Dodge Foundation, Morristown,
29. Greg Swanson, general manager, strategy & development, 10/13 Communications, Phoenix, Ariz.

ADVISORS

- Scott Bradner, senior technology consultant, Office of the CTO, Harvard University, Cambridge, Mass.
- Roger Gafke, program-development director, Donald W. Reynolds Journalism Institute, Univ. of Missouri, Columbia, Mo.
- Mizell Stewart III, managing director, content, Journal Media Group, Milwaukee, Wis.
- Peter Winter, author, "Choosing to Lose: Inside the Fight for the Future of News." Georgetown, Maine *(via Skype)*
- Henry "Buzz" Wurzer, Wurzer & Associates, Vero Beach, Fla.

PART ONE

ACTION CALL

Mass-market advertising is not sustaining journalism. Public engagement with the news is more and more happening on digital platforms that support sharing and comment on the news but do not do enough to underwrite its creation. News organizations are losing touch with their readers. RJI believes it can help with a solution. We want to help the industry, technologists, foundations and citizens to create a new, public-benefit platform for trustworthy sharing of valuable news and information, while helping the public manage privacy and identity. The Reynolds Journalism Institute has convened this meeting seeking guidance on whether it should proceed with an initiative with the working title – the Information Trust Exchange.

- Could a non-profit collaboration to share technology, users and content help set standards for convenient web/mobile information sale?

- Could it provide the public with more trustworthy information choices, and better privacy control?

- Is organizing such an effort feasible now?

- Should a steering committee be formed to establish a public-benefit collaboration for fostering identity, privacy and information commerce?

    o On what issues might a steering committee focus: Governance, membership, structure, security, content, commerce, privacy, identity, payments, other? (see: http://newshare.com/ite/steering-subgroups.pdf

    o What are the major deliverables for its work?

    o What is a realistic timetable for the work?

- If not a privacy-identity-commerce collaborative, then what?

PART TWO

PROPOSED OBJECTIVES

- Provide the public convenient access to trustworthy, valuable customized content packages and services without multiple accounts and logins

- Provide one or more new business models for publishers that "level the playing field" vs. tech platforms like Google and Facebook

- Enable a range of privacy/identity trust alternatives for the public:

  Offering an alternative between government regulation and investor-owned platform monopoly for online identity

  Reducing by market force the proliferation of opaque, proprietary, unaccountable cookie-based tracking

BUSINESS-MODEL QUESTIONS

If we can reach rough consensus on the answers to the questions below, then out of that will come an ITE business model that stands a reasonable chance of gaining the necessary support of publishers and users— **and that is what RJI needs to move to the next step**.

FIVE PROBLEMS, FIVE DESPARATE SOLUTIONS FOR THE NEWSPAPER INDUSTRY?

(source: http://newshare.com/ohare/dire-straits-winter-wurzer.pdf

PROBLEMS

1. Lack of scale - no single newspaper company, no single newspaper, can compete on its own
2. Lack of money - fear of risk led to a policy of managing decline and low investment
3. Low competitive value - news is a commodity, local is a weak differentiator
4. No digital culture - products reflect low digital sensibility and are failing in the marketplace
5. Diminishing leverage – transaction throw-weight is declining every day

SOLUTIONS

1. Need a single voice and platform
2. Must be willing to put current traffic at risk
3. Must hire different people to build new digital products unencumbered by parent newspaper company interest
4. Must build shareable databases of local-registered users for our own product development, marketing and ad sales use
5. Must put in place our own sales force

PART THREE

STRATEGIC QUESTIONS

- Can a royalty-pool model be well adapted to news and other content (vs. song plays) when the perceived value of objects varies widely (MST vs. magazine vs. news, long vs. short, investigative vs. spot news)?

- Must a service support both bundled subscription, and per-item access to content?

- To gain marketer/advertiser participation, must the model include a mechanisms for monetizing personal data? If so, will users have control over the process? Must freemium be an option?

OPERATIONAL / TACTICAL QUESTIONS

- NETWORK SUBSCRIPTIONS -- Should the service allow publishers to be paid for providing digital content across an ITE network without having to have one-off relationship with each reader/user?

- DYNAMIC SERVICING -- Would publishers want to be able to have real-time personal, demographic or interest attributes of a user/reader at the time the user makes an online/mobile request for information, so they can respond with targeted, customized advertisements or messages or services?

- POOL PRICING -- Will publishers participate broadly in a system which does not allow them individually to control the value assigned to their content or services other than contractually on an aggregate basis as part of a system-wide royalty pool? (see: "Spotify" model)

- WHOLESALE-RETAIL PRICING – Will publishers appreciate and use a method for allowing them to establish the price they wish to receive (and be assured of payment) for a discrete digital object (or bundle), and be able to vary that price dynamically in real time based upon the attributes of the user requesting the object? (Amazon books model)

- ONE BILL/ACCOUNT – Should the service enable a user/reader to have one bill/one account/single sign-on access to information from (virtually) anywhere, by subscription or by click/action?

- UNIVERSAL TRACKING – In order to gain the participation of publishers and advertisers, is it necessary that the system enable a user's activity to be tracked across the ITE network and that activity aggregated – only -- to the user's home-base service provider for billing and analysis – all with permission of the user?

- CONTENT PACKAGING – In order to gain the participation of end users, is it necessary that the system permit custom assembly by the user of information services from a variety of topical and geographic-oriented sources into a personalized subscription package?

- FREEMIUM vs. FREE – In order to gain participant of both privacy advocates and the advertising industry, is it necessary that the system allow the public user to chose among a range of options from (1) no-advertising and no disclosure or use of their tracked activity in a subscription-based approach to (2) receipt of highly customized commercial messages and the wide, background marketing of their information preferences in a rewards-based approach?

- SUBSCRIPTION OR PER-CLICK – In order to satisfy the requirements of a plurality of publishers and service providers, does the service need to be able to offer end users both sale or receipt of digital items within a pre-paid subscription package as well being able to dynamically query the user if they want to purchase a particular resource on a one-time, one-item basis?

THESE LAST TWO QUESTIONS SHOULD BE CONSIDERED IN PARALLEL:

- PROFILE DATA FOR PUBLISHER – Will publishers be content to sell information resources to anonymized incoming casual or "drive-by" users (a la "newsstand customers") at a reasonable price they establish, or will they insist upon knowing detailed information about users other than their own users?

- PROFILE DATA FROM USER OWNER – Will ITE service providers who establish accounts and manage the persona and privacy of their users be willing to provide detailed demographic and interest information about those users to third-party publishers as a condition of those publishers being willing to provide services to someone else's users?

end of strategy / tactical questions

PART FOUR

A "stalking-horse" system description

May be read in conjunction with:
http://newshare.com/ohare/ite-summary-description.pdf

If the participant answers most of the business-model questions, above, with a "yes", then a reading of the rest of this document provides an operational approach.

   A. System attributes
   B. Visa/telco analogy
   C. Some specific system elements
   D. Two stakeholder groups

A.   STALKING HORSE SYSTEM ATTRIBUTES

1) System tracks all clicks (that involve value exchange) in background, aggregating them, settling aggregated value exchange.

2) Each user service provider gets clickstream data about that user which it can use subject to TOS with the end user auditable and enforceable by the ITE as a condition of system membership.

3) Publishers (content providers) do NOT get identifiable information about any user (at least not from this system); they just get assurance that the person is authorized to view the resource requested and that, if money is involved, the money is going to be handled and they will get or give what they expect.

4) This does not stop publishers from setting their own cookies or doing other things to identify users, unless or until the Information Trust Exchange prohibits such behavior as a condition of membership.

B. ANALOGOUS TO VISA/MC OR PHONE COMPANIES?

What is proposed is similar in some respects to the Visa/MC model, but in one key way it is more like the way the phone companies settle their calling traffic -- they settle aggregated debits/credits among each other based on numbers of calls exchanged -- but their consumer customers may be paying for minutes in bulk. The system tracks every call because that is necessary even to provide unlimited calling packages to the public. This system as described permits a plurality of subscription packages with pricing as in a free market for digital information -- set by the service provider who holds the end-user's account, and also set by the publisher who wants pricing control over their content.

Where those two come together -- content sold at wholesale and subscriptions sold at retail -- is where the business opportunity lies -- arbitraging the cost of content against the subscription charge.   Actually that's the same thing newspapers did -- arbitraging the cost of syndicated content, wire service and original reporting and advertising production costs against what was charged advertisers and subscribers. It seems simple and obvious today because it settled out over a 100 years or more. It's what every business figures out -- how to mark up your ingredients to make a profit at retail. We simple have to work out the arbitrage in this new world. This system provide the mechanics; the arbitrage is up to the market.

So in this system, Big Brother is blind for other than session authentication and billing purposes.

This approach may not be supported by some publishers, who will want what Dave Gehring would call "second-party data" about who the people are clicking on their content. See: http://newshare.com/ohare/gehring-voices-alignment.pdf
http://newshare.com/ohare/gehring-voices-alignment.pdf
However, if a publisher chooses to become a service provider, then they get access to all of the activity of their OWN users across the network, giving them, in effect, "First Party" data vastly broader than they have access to today -- but only for those people they have account relationships with. This provides a hook for accountability as to use of personal data, and a hook that can be audited by the ITE administration if necessary.

C. SPECIFIC ELEMENTS OF THE SERVICE

It follows the principle that if you want to "own" and get data about a user, you have to maintain an account relationship with them which makes you accountable both to them and to the ITE's rules. Otherwise, they are anonymized to you beyond their service class and home base and perhaps some other attributes shared on a permissioned basis.

1) Every click across the network that involves an exchange of value (a payment for an article or a reward for viewing or doing something) is logged to an authentication and logging service, which is seen by the system participants as a "central shared service" although in network practice it may be distributed and hierarchical as with DNS.

2) The logging service knows the user only by a unique alphanumeric identifier supplied by the user's "home base" at the start of that particular session. As a matter of policy, it the logging service shall not sell or provide clickstream data to ANYONE (including one hopes, the NSA, though I don't know how that can be assured) and provides it only to the user's home service provider for their purposes (and for audit purposes to the publishing content provider if requested). The identifer -- to anyone other than the home base itself. -- reveals nothing more than the identity of the user's home base to anyone else in the system other than the user's home base account manager.

3) There may be a plurality of home-base account managers in the service (as their are thousands of home bases in Shiboleth/Internet2), providing end users a high degree of choice regarding business terms, especially as to identity and privacy.

4) At settlement time, the settlement service bundles all the clicks -- sorted by home-base of the users on the one hand and by the vending publisher on the other hand -- and determines an aggregate debit or credit to charge the home base and an aggregated credit or debit to charge the publishers (note that a "publisher" could be a brand which is paying for a user to view a commercial message). This all is done periodically -- daily, weekly, monthly -- probably weekly in prototype -- across the bank ACH network.

5) The home base gets these bundled log reports and is free to sort them or use them as they wish (subject to their terms of service with the end user as to usage and privacy protection or not); in some cases there may be a discrete charge or payment to the end user for a particular access; in the vast majority of cases (I think) , the home base will use the click-stream reports for demographic, marketing and business-model analysis but the end user will merely be paying a monthly subscription for some class of service.

6) The publisher (or information service provider), also gets bundled log reports of total usage so they can audit their payment or receipts, and the only sorting they are capable of doing is by the source of the end-user (i.e., their service-provider ID). Conceivably they might have methods to associate these anonymized usage reports to specific users, but the ITE would be in the business of making business rules governing this practice and the rules would be enforceable by anything up to the ultimate sanction -- cutting the offending information service provider off the system.

7) The provision for non-regulatory sanctions is one of the reasons why the governance and ownership of the service is so critical. The cutoff decision has to be the result of well-documented interchange rules (consider Visa as a model in this regard), and the entity making the decision has to have no competitive business interest one way or the other but rather ony an interest in the fair administration of the service and due regard for evolving identity and privacy rights of end users. Hence, the need for a non-governmental and non-investor-owned entity with a mission to efficiently oversee and operate a service and not profit from it. Profit is for the publishers and service providers who use the service.

D. TWO STAKEHOLDER GROUPS

We might thus see two sets of stakeholders in the ITE:

- Technology and business service providers who operate ITE-sanction services under contract with the ITE, for which they pay some relative diminimus transaction- or volume-based license fee. These might include operators of the authentication and logging services, and providers of ancillary services that must interoperate with all auth and logging services. These might include financial-service firms which do settlement on records providing by the auth/logging service, as well as entities who act as authorized agents of either publishers or end-user service providers to perform business-case services on network data.

- Publishers/information service providers, and billing/subscription end-user service providers who wish to be authenticated across the entire ITE service network. Most of their cost would be payments to the tech and business-service providers of their choice (above) at free-market prices. But they would also be asked to pay an "interchange fee" based on transaction volume to the ITE, again solely sufficient to fund the ITE's governance and any necessary R&D. What they get for the interchange fee is a unique, ITE-wide identifier and the assurance they and their users will be "authenticated" globally so long as they play by the ITE's rules.

A summary
of the Information Trust Exchange idea

This five-page summary of the Information Trust Exchange proposal is an excerpt of Part Two of the draft report: "From Persona to Payment: A Status report on the News Ecosystem, and a Challenge to Create the Next One." This summary is stripped of arguments for -- and interview quotations about -- the idea. We assume each participant has digested the full repport draft, which is found at **http://newshare.com/ohare**. *This summary is designed to be sufficient to remind the reader of the ITE's mission, goals and operation. Governance and structure are covered as a footnote for now. We ask you to consider whether you think such a service might well serve the public interest, convenience and necessity. If the sense of our O'Hare meeting is that it will, we will then consider ongoing work to determine who should build it, and how it might be structured, funded and lead.*

Consult the "Consumer Scenario" for what services operating through an Information Trust Exchange could enable: http://www.rjionline.org/privacypersonalizationpayment/part02

CAPSULE SUMMARY OF WHAT IT DOES

The Information Trust Exchange would create a set of transparent, rules and technology for sharing the handling of user identity, privacy and value exchange, whether payment for content, or rewards for viewing commercial messages.

We seek **consensus that there is value in creating an infrastructure** for Internet value exchange which is:

- Easy and generally fun to use
- Enables sharing of users, and payments for content and advertising
- Maintains ownership of user bases for publishers
- Is capable of supporting multi-media, copyright-protection mechanisms
- Broadens dynamic market competition on price, service and terms

And which delivers to the public:

- PRIVACY: Protect, share demographic and usage data
- PERSONAL: "Persona" yields custom information
- CHOICE: Many "info-valets," price/service competition
- RELEVANCE: Ads more effective, direct compensation
- CONVENIENCE: Easy sharing, selling, purchasing of online content; one ID, one account, one bill

Result . . . TRUST

Ite-summary-description.pdf

A consumer user should be able to have one account, one ID and one bill with which to acquire a wide variety of content from multiple, otherwise independent sources. A content provider should be able to establish and vary pricing for discrete information objects in real time based on the the user's identity, relationships and use. A service provider should be able to make money by purchasing content at lower wholesale prices and reselling it at higher retailer prices to its users, managing the spread as a business exercise. An advertiser should be able to precisely reach relevant consumers with a personal message, and should be able to reward the user service provider – and even the user directly – for the privilege of delivering the message.

PRE-MEETING ASSERTIONS

1) The Internet needs a system for tracking, exchanging and settling value (including payments) for information commerce (text, music, game plays, entertainment, advertising views etc.) One challenge is how to create a system that can be ubiquitous yet never be owned or controlled by either the government or a dominant private, for-profit entity. It needs to be massively distributed and - in some fashion - collaboratively owned.

2) Solutions that are broadly applicable across journalistic, publishing and entertainment enterprises will require the existence of a neutral organization that can avoid antitrust issues. Think of it as akin to establishing the gauge of the railroad, or the grid frequency of alternating current, but not the size of boxcars, the schedule or price of freight, or electricity.

PRE-MEETING PREMISE: Neither, nor, both, and

The most enduring collaboration among America's news media is The Associated Press – a non-profit collaborative.   Since 1995, at least two efforts at for-profit collaboration – the New Century Network and NewsRight LLC, have failed.   The Information Trust Exchange proposes neither a non-profit nor a for-profit approach. It proposes:

- BOTH, at governance level of technical standards, business rules, privacy and identity, a non-stock collaboration – association, co-operative or foundation – to establish a level playing field, a common market for digital information and user sharing.

- AND, at the operational level, a free-market for competitive information products and services with unbounded innovation in personalization, marketing, news and technology, and the freedom of public users to choose and switch among a plurality of service providers.

MISSION

The mission of the Information Trust Exchange is to lead and collaborate with news media, information technologists, entertainment and other enterprises, the public and public-focused institutions to discover, enable and champion viable networked business models which help sustain, update and enrich the values and purposes of journalism.

The ITE does this by enabling the building and operation of a network ecosystem that delivers value to the public and to news and content creators, respecting the privacy and identity of users.   The Exchange makes a marketplace; it does not compete with its members.

OBJECTIVES

ITE specifically could act to enable these business objectives:

- Migration of the news industry to a new trust relationship with users of multimedia platforms, leveraging the value of deep, unique, local or topical information.

- Social networking that operates through news and information content web sites at all levels from local to international.

- Delivery of contextually relevant content resources to networked site visitors through persistent search and other methods.

- Easy, low-cost access to "Deep Web"[1] and other content now stored behind pay, registration, membership and proprietary barriers.

- Delivery of effective, precisely targeted advertising and other commercial content relevant to a reader's expressly shared demographic profile, social networking connections, ad content preferences and browsing history.

- Convenient, secure access to paid content.

- Create a news social network that operates through news and information content web sites at all levels from local to international.

Broadly, ITE should:

- Lead creation and operation of a free market for digital information
- Develop technical and information-service protocols
- Initiate and build on standards for trust, identity and information commerce
- Ensure consumer choice and trust
- Enable price and service competition at all levels
- Guide the marketplace with a global perspective
- Benefit journalism, democracy and freedom ahead of private interests
- Find, spotlight, aggregate and share content strongly relevant to the mission.
- Give unprecedented control for users over their demographic and financial data
- Offer a means to share, sell and buy content from multiple sources with a single account.

Specifically, it should offer:

- Single-sign on identity management (one account, one ID, one bill)
- Data exchange for permissioned user-identity information to enable trust, reputation management and personalization
- Aggregation and exchange of value for advertising and content
- Rules exchange for privacy standards
- Mechanism for content sharing that enables copyright

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[1] -- A "vast Web of hidden data: financial information, shopping catalogs, flight schedules, medical research and all kinds of other material stored in databases that remain largely invisible to search engines." (The New York Times, Feb. 22, 2009, "Exploring a deep web that Google can't grasp," by Alex Wright.)

Ite-summary-description.pdf

A FEW OPERATIONAL CONSIDERATIONS

The Information Trust Exchange will establish voluntary standards for sharing user information and commerce across TCP-IP networks. This would open the door for an innovation revolution of entrepreneurial opportunity. Here are just three possibilities:

- One or more entities might emerge to handle the authentication, exchange, logging, sorting and settlement of access events across the web or mobile devices.

- Others might provide a foundation for consumers to barter the information they own – demographics, preferences, writing, observations – seamlessly across networks.

- Still others might be able to improve the security and portability of medical records.

TACTICAL ROLES FOR AN ITE ORGANIZATION:

- Establish governance structure
- Facilitate board formation, membership
- Fund protocol and standards development
- Research, test, commission key technologies
- Create voluntary privacy, trust, identity standards
- Protect privacy: Anonymous, yet trusted users
- Sanction protocols for sharing users/content and license their use
- Sanction multi-site user authentication services
- Facilitate web-wide microaccounting/subscriptions
- Support "atomized" content, wholesale/retailing pricing
- Broaden "deep web" access; not on web today
- Enhanced-CPM, precisely-targeted marketing
- Enable consumer choice for commerce, privacy
  - One account, one bill, one ID, purchase anywhere.
  - But no single owner of all users

IDEAS ABOUT THE ITE'S STRUCTURE AND FORM

Making a new marketplace for digital information -- and attention – suggests creating a unique ownership and governance framework, specifying the required technology to be built by for-profit licensees, and assessing the impacts on law, regulation, advertising and privacy.

The Information Trust Exchange, whether chartered as a non-profit association or a co-operative, would not compete with its members in news or advertising, because it is proposed not to be a direct operator of anything – rather, it will develop standards, protocols and business rules, and license operation of authentication and logging services – data exchanges – by one or more private, for-profit operators.

It might be a non-stock association, owned by its membership, whose interests may not be divided or sold except pursuant to the bylaws and whose assets, upon dissolution shall be contributed to charitable or education institutions in furtherance of journalism in conformance with the laws of its state or incorporation.

Any individual could apply to join the Information Trust Exchange upon payment of annual dues established by the Board of Directors and approval of their membership application by the Board of Directors. Members shall be entitled to attend and vote at any Annual or Special meeting called by the Board of Directors or by petition of at least one-third of the membership.

Corporate or institutional members might be divided into classes, with varying voting rights in order to assure governance of the ITE shall not be dominated by a single class. Classes might include publishing members, contributing members, technology members, participating members and supporting members. The board will be composed of members from various membership classes.

At the discretion of its board, the Information Trust Exchange might form or acquire one or more operating companies to operate services related to the ITE's mission.

ITE should be supported by major technology, publishing, advertising, consumer and philanthropic organizations. It should guide the creation of new standards and be a platform for exchange of user authentication and transaction records which enables a competitive market for information, respecting and enabling consumer privacy and choice. Some of the same entities – especially those whose businesses will benefit – could also capitalize an ITE Operating Corp. , with the possibility of an investment return.

Protecting, extending the silos

Would players in a trust and information commerce ecosystem have interests that might compete with the network approach?

An important design criteria for the protocols is that nothing stops a participant from continuing to operate within his or her silo. A good analogy might be a department store that accepts Visa or Mastercard, but also continues to offer its own store revolving credit card. To be blunt about it, Apple is not going to play in a new ITE ecosystem if that ecosystem requires them to shut down the iTunes tore or alter how it operates. Ditto with Amazon and with Facebook Credits and Connect. The ITE protocols have to be additive to their business, a way for them to expend from their three-party services into a true four-party trust network.

Worth noting here is Google executive chairman Eric Schmidt's comments in 2012 when interviewed by Kara Swisher and Walt Mossberg. He said that the generally Internet infrastructures are open and that multiple players can participate. In that context he sees it as not a good thing that the identity space is practically being managed at this point by Facebook Connect. And he observes that it would be a good idea if that were done in an open networked, collaborative way with a bunch of companies doing it.

So here you have one of the biggest web players understanding the need for a collaborative approach to identity.

When you click on that article as a *New York Times* user, the exchange should record a payment to *Le Figaro* of five cents and record a charge to *The New York Times* of five cents. But whether you as a consumer ever pay anything other than that extra $1 -- ought to be up to *The New York Times.*

The ITE protocol would create the opportunity for a new kind of entity which would help consumers manage their personas across a variety of information services – some paid and some that pay, or

And imagine, as with the advertising exchanges, that this happens instantly. The originating publisher, if it knows something about you, might vary the offer (price and terms). Your home-based publisher, the retailer, might chose to give you some of the items as part of a subscription bundle. Your home-based publisher, the retailer, might chose to give you some of the items as part of a package, and ask you to pay for other pieces a la carte.

For 20 years, the news industry has largely stood apart from Silicon Valley, and watched as a new generation of entrepreneurs and investors brilliantly devised new and remarkable applications for ubiquitous networks. . . .
As the Public Media Platform's Kristin Calhoun, quoted earlier, said: "Who is the coalition of the willing, who wants to get something going? I am not going to give up. I'm going."

ITE at a glance:
Platform for publishers

- Single-signon facility
- Data exchange for user-identity information
- Payment exchange for advertising and content value
- Rules exchange for privacy standards
- Ensures market competition on price, service, terms
- Exchange itself is a marketplace, not a competitor.

Thus the Information Trust Exchange may have the potential to be a largely self-funded effort with the potential to facilitate revenues and profits for operators. Commercial entities can make their own business decisions about how much to spend to enable and connect to the network. They can't do that now is because there is no interconnect -- a private, yet public-benefit, system of unified policy, governance and sanctions. There is no non-profit exchange facilitator which, like the Internet itself, transcends any single government or enterprise.

Ite-summary-description.pdf

Apple is not going to play in a new ITE ecosystem if that ecosystem requires the company to shut down the iTunes store or alter how it operates. Ditto with Amazon and with Facebook Credits and Connect. The ITE protocols have to be additive to these businesses – a way for them to expand from their three-party services into a true, four-party trust network.

**ITE a glance:
Convenience for users**

- Choice of providers
- Trustworthy sources
- Deep personalization
- One ID, multiple services
- Manage 'personas'
- Persona/privacy control
- One account, one bill
- Subscriptions, per click

"Newspapers need to get registration systems in place, profile users and then deploy technology which allows for self-selection and high-tech selection of interests," says Greg Schermer, vp-strategy for Lee Enterprises, of Davenport, Iowa, one of the nation's newspaper chains. "What's important is the profile and the use cases. The profile can be kept anywhere.

Newspapers may be dead but journalism is more alive than ever. Journalism has never been healthier. The pipes that deliver journalism have become more simplified and competitive. What is complicated is the personal management an information a user must undertake with 15-20 different content providers, their passwords, payment charges and privacy concerns.
                    -- Buzz Wurzer