

Colorado Sun Public Benefit Corporation Evaluation

August 2019

Since its launch in September of 2018, the *Colorado Sun* has contributed in meaningful ways to communities across Colorado by producing local, ethical, well-researched journalism. Its success is illustrated not only by awards from outside organizations but also through tangible effects of public benefit through concrete action—from an investigation that led to the resignation of a doctor on the state Medicaid board to the use of an article in a state Supreme Court decision. In what follows, we offer an evaluation of the *Sun* in light of its stated purpose as a public benefit corporation and informed by third-party standards such as the Society of Professional Journalists' Code of Ethics.

For an organization only one year into its life, we find that the *Sun* has carried out its public-benefit purpose to a remarkable extent, and it is on track to do so even further in the years to come.

Producing high-quality, in-depth journalism

In its first year as a publication, the *Colorado Sun* won multiple awards, including two from Best of the West and a Top of the Rockies award from the Society of Professional Journalists,

“The purpose of the Corporation is to produce high-quality, in-depth journalism that helps readers understand Colorado and their place in it, and to assure that this work is readily accessible to all potential readers in all parts of the state of Colorado (the “public benefit”). Accordingly, the Corporation will rely on member support and sponsorships to sustain its undertakings.”

and the Media Community Health Champion award from the Colorado Community Health Network. Readers regularly contact the *Sun* with praise and stories of how its reporting shifted their beliefs and perceptions. The journalists that comprise the *Sun*'s staff are experienced and credible, and their work has helped fill the gaps left by waves of layoffs among Colorado news organizations in recent years.

In partnership with the Civil network—and exceeding industry norms—the *Sun* uses “credibility indicators” to specify details about the sourcing of its original reporting.

Covering Colorado

Part of the public benefit offered by the *Sun* is its ambition for holistic coverage of all parts of the state. In many ways, the *Sun* met this goal, publishing stories from throughout Colorado, including a majority of region-specific coverage coming from outside the Front Range. Northern Colorado and the Eastern Plains have been comparatively under-covered, which the staff has identified as an area for improvement.

The newsroom of 10 includes 7 men and one person of color, which likely hinders the *Sun*'s efforts to represent the state's full diversity. The staff recognizes this as a shortcoming to improve upon, and it is certainly not a unique circumstance in

a news industry that presents systemic barriers to entry for members of marginalized communities. As a startup still working toward sustainability, the *Sun* is at a competitive disadvantage in recruitment, which compounds the challenge of fostering a more diverse newsroom.

Accessibility

The *Colorado Sun* website does not have a paywall, making it an accessible publication for anyone with internet access. A basic membership costs \$5 per month, and the tiers progress gradually. Free email newsletters are also available to readers. The *Sun's* funding model allows for a website free of advertising clutter and visual distractions, which also makes it congenial for screen readers.

Staff members report that membership and readership are relatively consistent with the population distribution of the state as a whole. Further efforts are being undertaken to increase the *Sun's* brand recognition across Colorado and to ensure that what the *Sun* offers is more widely known.

Member support and sponsorships

With nearly 5,900 paying members, the *Sun* has secured substantial reader investment in the last year. This exceeded initial goals and provides 40% of revenue. Securing sponsorships, however, has been more difficult. Grants remain a major income source, although they are not part of the community-based revenue mix aspired to in the public-benefit statement.

A detailed ethics policy seeks to ensure that funders, donors, and sponsors do not influence editorial matters. Yet as a fully journalist-run startup, the two editors have been heavily involved in managing sponsorships and other income. The separation between business and editorial decision-making thus remains incomplete.

The corporation itself

The *Sun* is currently owned by all of its 10 employees, which grants it unusual independence and local accountability in a region where many leading newspapers are owned by out-of-state entities. The ownership structure may change in the years to come, such as through new capital infusions, but the current owners have demonstrated a commitment to protect the *Sun's* mission through its legal structure, such as with the public benefit corporation status that necessitates this report.

Future evaluations

Measuring impact is difficult for any news organization, as journalism comes with distinct standards and responsibilities compared with other industries. This evaluation is an initial step toward developing a sustainable reporting process in keeping with the letter and spirit of Colorado's statute for public benefit corporations. The *Sun* staff has been cooperative and forthright in this process, demonstrating an eagerness to learn from the evaluation. This is a company that, in its first year, appears to us to have lived by its commitment to provide public benefit to the state and the people of Colorado.

