



Caroline Little '81 in the electronic heart of WashingtonPost.Newsweek Interactive

BILL BURKHART

RAISING SITES

The Growth of Online News

By William L. Holder '75

Caroline Little '81 holds a top position at Washington Post.Newsweek Interactive, where she's crafting the world of online news. The Web is changing the news business, leading once standoffish media giants into alliances that can deliver a seamless page of print, video, and audio content to demanding users.

Caroline Little '81 broke the rules. The rules, for example, that say a woman starting a high-powered career would be crazy to get married and have children at the outset, never mind deciding to work part time. But that's exactly what Little did. She married at age 22 ("my friends were appalled"), then she had her first child when she was a year out of law school and newly employed with a D.C. law firm.

"This was the '80s," she says. "The model was that a successful woman was just a man in a skirt."

Little broke that rule too, co-founding an emergency

daycare center at the firm and working part-time for a year so she could care for her newborn daughter. These were career moves that virtually screamed "mommy track" even before the phrase was coined.

Yet, none of this stopped her from becoming the chief operating officer of Washington Post.Newsweek Interactive (WPNI). The job gives Little, a soft-spoken, self-described "empathetic good-listener," responsibility for the 280 employees who maintain The Washington Post Company's award-winning online sites, including washingtonpost.com and Newsweek.com (now at Newsweek.msnbc.com). It's a 24/7 operation that, along with a few competitors, is seeking to determine whether a business can make a prof-

it by providing information to the world for free.

Pursuit of that goal is leading her into new territory. The once-distinct worlds of print and electronic media are blending on the Web. For the user, a news story and a video clip are mouse clicks on the same page. For providers, such as WPNI and NBC, marrying the two requires large media organizations to back off their competitive postures and figure out how to cooperate before some other entity—AOL Time Warner, for example—eats their lunch.

Unlike dot-bombs, media giants such as the *Washington Post* and *The New York Times* have the financial muscle to nurture their online sites through years of unprofitable development. Patience is re-

quired. From the constantly shifting world of media mergers to the on-again, off-again progress of broadband, to cyclical downturns in advertising revenues, the online world is in constant flux. The potential payoff, however, is considerable. Online publishing gives the *Post*, a paper with worldwide brand recognition but more limited circulation, a chance to extend its reach without reference to geography, and hence its appeal to advertisers.

In an Arlington, Va., office building, just a few Metro stops from the *Post's* downtown headquarters in the District, Little is envisioning a Web site that will be so important in the lives of users that they will treat it as they do the printed pages of the *Post*: an essential point of reference in daily life. The work puts her in charge of tech guys, which is a long way from where she began her career.

When she was first applying for jobs, in fact, she slipped into the habit of carrying around her husband's résumé because so many would-be employers revealed biases by asking about him—sometimes before they asked about her. She, however, had her own litmus test: a note she'd written in law school outlining the need for a national maternity leave policy. "I'd judge a lot about them and their firm on that, actually," she says. "If they thought it was a ridiculous idea, I didn't want anything to do with that firm."

She found a position with the firm of Arnold & Porter. Along the way, despite the firm's willingness to allow her to work part-time, she learned that this was not an attractive option. "There is a perception at many law firms," she observed, "that you are not a full player."

No one told her that part time would be problematic because discussion about how to balance family and work life never took place. In retrospect it seems astonishing to her that an issue so central to the well-being of women was a conversational blank, a gap in the tape.

"It was funny," she recounts; "I was two years older

than most people in my law class and no one ever said, 'How are we going to manage it all?'"

"I can't live professionally in a way that's divorced from the rest of my life. If I'm going to be in a workplace for 12 hours a day, I have to be who I am: a wife, a mother, myself. I'm not going to pretend I don't have two daughters; that's a bad message. I try to tell this to the people I work with, that you can be yourself."

Her credo is, "Love your life and do what you want to do."

The strategy eventually paid off. After six years of working for Arnold & Porter, she was able to realize a career ambition of combining law and journalism when she was hired as deputy general counsel for *U.S. News & World Report*. Then the opportunity to work at the *Post* arose.

"Washington is my hometown," she says. "I've grown up with the *Post*. I respect the brand and have deep respect for the people who run the *Post*. I thought it would be really exciting to come to a 24/7 news operation."

Exciting, yes, and unpredictable. The business model for the online sites of media organizations is still developing. Some are charging for their services, such as *The Wall Street Journal* or *Salon.com*, which provides a revenue stream but narrows the base of users. More common is the approach adopted by WPNI: offering free access paid for, hopefully, by advertising revenue. To attract advertisers, WPNI is trying to leverage the ability of electronic communication to reach highly targeted audiences.

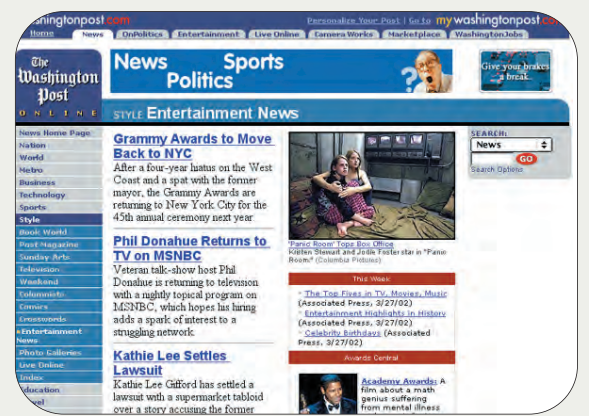
The concept gained momentum in late 1999 with the redesign of the site to shift its focus toward lifestyle, though news from the *Washington Post* remains the signature content. A \$6-million ad campaign accompanied the redesign with television spots that emphasized strengths of the site such as restaurant reviews and job postings.

The washingtonpost.com site led newspapers in the

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development of "chat" rooms, giving participants a chance to talk online to celebrities such as Amazon.com CEO Jeff Bezos—except the frivolous-sounding "chat" was stricken from the *Post's* lexicon in favor of "live discussion." Each week the site offers additional interactive forums on sports, relationships, gardening, books, and more.

Within the past two years Little and her associates have pushed the development of an individualized portal: "mywashingtonpost.com." The personalized home page feature allows you to view washingtonpost.com through a series of personalized "modules." Each module can be moved around on the user's page and customized to get the specific information—whether it's local D.C. content or information from around the nation—that interests a user. For instance, the sports module allows a user to get sports news and information for professional teams anywhere in the country, while the weather module allows users to get the forecast for their home area, or any other location nation-



Features such as individualized portals and live chats with authorities on topics from gardening to politics makes washingtonpost.com much more than simply an online newspaper.



Little enhanced washingtonpost.com by brokering a partnership with MSNBC.com.

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ally. The washingtonpost.com site also offers salary surveys, downloads of MP3s, report cards on schools in the D.C. metro area, job advertisements, even a home price report that enables users to find out how much someone paid for a house.

The strategy is to provide content and services that go well beyond what's available in the newspaper and, in doing so, to create a bond with readers that will elicit advertising dollars. Is it working? The washingtonpost.com site has the highest home market penetration of any Internet site (32.8 percent of the entire adult population of the Washington, D.C., area, according to the Media Audit). Little demurs from making comments about profitability, but points out that increasing revenues is a top priority.

Another part of the strategy is building the strength of the site through deals with other organizations. Little brings negotiating finesse to the table, the kind that enabled her to broker an agreement with NBC and MSNBC to join forces with WPNI.

The *Washington Post* is sharing content with a major competitor because in the online world, big is better, and brand is everything. For delivery of news, the Web, which once promised democratization of publishing, is consolidating around a limited number of sites that can deliver extensive content and respected, trusted brands. The *Post* is hardly alone in this endeavor. For example, CNBC partnered with the *Wall Street Journal*, and *The New York Times* and ABC News have worked together online. Anyone who doubts the extent to which the Web is reshaping the media business should consider the purchase of Time Warner by America Online.

When MSNBC first raised the prospect of a partnership in 1997, the *Post* was not ready, according to Alicia Shepard, writing in *American Journalism Review*. By 1999, however, MSNBC.com was receiving more than 6.6 million unique visitors a month, an attractive number for a newspaper looking to extend its global reach.

With four parties at the table—the *Post*, WPNI, MSNBC (owned jointly by Microsoft and NBC), and NBC—negotiations were complex, says Little. The deal required the *Post* to commit journalistic heresy: reveal its content to a competitor in advance of publication.

Every day at 2 p.m. the *Post's* confidential news budget flashes across the country to the Microsoft campus in Redmond, Washington. For the rest of the day staffers at each organization talk about stories and video availability. The arrangement provides MSNBC.com with stories from the *Post*, while giving the *Post* video and audio to buttress its online offerings. The system relies on respect for confidentiality, but so far it seems to be working.

The relationship between *Newsweek* and MSNBC

is even closer, says Little. As part of the agreement, *Newsweek.com* migrated to MSNBC.com. *Newsweek* preserved its editorial independence, but gained access to MSNBC's Internet audience. MSNBC.com, in turn, gained *Newsweek's* highly prized editorial content and extensive original material for the Web by *Newsweek's* prize-winning journalists and columnists.

"We're always looking for innovative relationships that benefit both parties," she says. "The MSNBC relationship is a perfect example of that spirit, and we have many others as well."

No manual exists for implementing deals such as the one with MSNBC. Little and her colleagues learn by doing.

"You have to take risks, you have to be able to make mistakes," she says. "The Internet business is still very much an R&D business. You have only so many resources, and you have to allocate them in a way that will keep the business going. Sometimes you launch something that users just don't want or don't use enough to justify their existence. You may think it's great, but you can't support everything." For example, the company decided not to offer retail e-commerce solutions on washingtonpost.com.

As she has learned how to run a technology-based enterprise, Little also has learned much about how to lead people, particularly as a woman in charge of a technology-based staff. She trusts her instincts, and she relies on humor to defuse difficult situations. She doesn't seek out confrontation, but doesn't evade it when an important point is at stake. She's quick to nip sexism in the bud.

"One time a guy totally cut me off when I was talking to a superior. That reflected badly on me, on the company. I said to him, 'I feel like you're doing that because I'm a woman!' He said, 'I had no idea I was doing that! I didn't mean to.' I was mortified when I heard myself blurt that out, but saying it was the best thing; I hit it right on.

"There's a lot of discrimination out there, and when we see it, our obligation is to fight it, to teach and educate. I've been very lucky to work for people and companies that have been enormously supportive." She thinks of her two girls and hopes that they won't have to fight the same battles she has fought.

To younger people who ask the secret of her success, she has this to offer, which is particularly apt in the tumultuous world of online publishing: "It's a mistake to think you can plan it all and control everything. You need to have faith that your life will work out."



MSNBC.com's Formula for Success

Lynn Povich and her colleagues at MSNBC.com realized from the beginning that they were creating a new form of journalism on the Web.

Povich, parent of Sarah Shepard '03, spent five years as the head of East Coast programming for MSNBC's Web site. Formerly a senior editor at *Newsweek* and then editor-in-chief of *Working Woman*, she joined MSNBC in 1996 "knowing nothing about the Web" but convinced it would be the next big thing in journalism.

The site had not yet launched when she accepted an offer from MSNBC.com editor-in-chief Merrill Brown to join a group of individuals who normally would not cross paths, such as techies from Microsoft and producers from NBC. The mix produced some culture clash, according to Povich, but also a spirit of adventure and a willingness "to make it up as we went along."

Early on, they discovered a key to success with the Web. NBC's *Dateline* aired a story about the most dangerous road in the world. With the help of Microsoft programmers, MSNBC.com posted the story with a link to a database that would give readers the most dangerous road in their own locality. Users flocked to the site. Povich and her colleagues quickly began applying the principles of interactivity and personalization wherever they could. During elections, for instance, they used NBC's vast data gathering capability to give readers up-to-the-moment news about local races.

Meanwhile, NBC was driving traffic to the Web site by, for example, airing an interview with *Today* host Katie Couric and Tom Clancy, then informing viewers that they could read the first chapter of Clancy's latest book on MSNBC.com. The integration with NBC was no accident; from the beginning MSNBC.com had arranged to have an interactive producer on every NBC news show.

These strategies paid off. Within a year of launch, MSNBC.com had outstripped CNN.com as measured by unique visitors each month. Since then MSNBC.com has dominated the competition. In February 2002, Media Metrix reported that MSNBC.com had 20 million unique visitors for breaking news coverage. With 18 percent of the home/work audience, it has a clear lead over its nearest competitor, CNN.com at 14.1 percent, and also leads Yahoo! News, AOL News, ABC News, and NYTimes.com.

The MSNBC.com site exemplifies the trend in Web journalism to amalgamate several highly respected news brands into one multimedia purveyor. Video from NBC's news stories, news and features from the *Washington Post* and *Newsweek*—thanks to a collaboration begun in 1999—plus original content and stories from other sources such as AP—create a news environment that is unique to the Web, and, according to surveys, seen by readers as equally credible compared with print and television news sources.

Though Povich is now engaged in other pursuits, such as co-chairing the International Women's Media Foundation, she believes that the Web and journalism are a powerful combination that will become even more attractive to the public as technologies such as broadband improve.



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