

NATIONAL PRESS CLUB LUNCHEON WITH VIVIAN SCHILLER

SUBJECT: NPR AND THE VISION FOR THE FUTURE OF PUBLIC RADIO

MODERATOR: MARK HAMRICK, PRESIDENT, NATIONAL PRESS CLUB

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MARK HAMRICK: (Sounds gavel.) Good afternoon, and welcome to the National Press Club. My name is Mark Hamrick, I'm a broadcast journalist for the Associated Press. We are the world's leading professional organization for journalists and we are committed to our profession's future through our programming and by fostering a free press around the world. For more information about the Press Club, I'd ask you to visit our website at www.press.org. If you care to donate to any of our programs, you can visit the website maintained by our library, and that's at www.press.org/library.

On behalf of our members worldwide, I'd like to welcome our speaker and attendees of today's event, which includes guests of our speaker as well as working journalists. We'd also like to welcome our C-SPAN and Public Radio audiences, as well as those listening to our Podcast. After the speech concludes, I'll ask as many audience questions as time permits. And I'd now like to introduce our head table guests from your right.

We begin with Richard Strauss. He is President of Strauss Radio Strategies, and a member of the Press Club, as are most of our head table guests. Barbara Cochran, she is Curtis B. Hurley Chair in Public Affairs Journalism for the University of Missouri. She also, should be noted, oversaw creation of NPR's "Morning Edition," and she also mentioned that she's written a white paper on public media, a little visual aid for today's presentation.

Next, we have Misty Ray, Editor for *Research Saves* magazine, the Foundation for Biomedical Research; Patrick Butler, President and CEO of the Association of Public

Television Stations, and a guest of the speaker; Mike Palmer, Director of Journalist Tools Design and Strategy for the Associated Press; and Paula Kerger, President and CEO of PBS, and a guest of the speaker.

We'll skip over the podium and we next go to Alison Fitzgerald. She's a Vice Chair of our Press Club Speaker's Committee and she is government and enterprise reporter for Bloomberg News; skipping over our speaker for just a moment, Marilyn Geewax is Senior Business Editor for NPR and the Speaker's Committee member who organized today's event. Thank you, Marilyn. Patricia Harrison is President and CEO of the Corporation for Public Broadcasting, and a guest of our speaker; Andrea Stone is senior Washington correspondent for AOL News; Jamila Bey, freelance journalist; and Darren Gersh, Washington bureau chief with the "Nightly Business Report" on PBS. How about a warm round of applause for all of our head table guests. (Applause)

NPR usually delivers the news; but in recent months, the media organization has been making news itself. Last October, NPR's decision to cut ties with Juan Williams infuriated conservatives who accused NPR of left-leaning bias. Now, NPR is in the news again because some in Congress are working to eliminate federal funding for public broadcasting. Wiping out federal financial support would be a blow to local member stations and destabilizing for NPR itself, which celebrates its 40th anniversary on the air next month.

This federal funding battle is not the first crisis that the NPR President and CEO, Vivian Schiller, has faced. When she came to NPR in January, 2009, the U.S. economy was unraveling as we all know painfully well. Companies were slashing jobs, the stock market was plunging and consumers were hunkering down. Schiller had to start her NPR career just as corporate underwriting was shriveling, and dozens of NPR workers were being laid off, programs were being eliminated and budgets were being cut to the bone.

But even as she helped NPR retrench, Schiller began pushing hard for innovation and excellence in our digital world. And her efforts seem to have paid off. NPR is stabilized financial and flourished both on the air and in the mobile and digital spaces. Under her leadership, NPR has continued to haul in top awards for journalism; twice named by *Fast Company* magazine as one of the world's most innovative media companies.

Her job is to insure the fiscal, operational and journalistic integrity of NPR whose programming reaches nearly 30 million people a week. Before joining NPR, Schiller serves as general manager of the *New York Times* website, the largest newspaper website of its kind; previously, she headed up the Discovery Times channel, and served as senior vice president of CNN Productions.

Since coming to NPR, Schiller has made some controversial decisions; but one may seem particularly strange to long-time listeners. Last summer, she pushed to quietly change the name; the organization itself no longer refers to radio as being known for so many years as National Public Radio. It is now just NPR, the abbreviation. She says the

media outlet delivers news to so many digital devices, the word radio doesn't quite fit anymore.

As a personal aside, I'd like to note that I worked for public radio stations early in my career in both Lawrence, Kansas, and Buffalo, New York, and filed both spot and long form stories to NPR. And I remember fondly when satellite radio network distribution was new and NPR was on the cutting edge even back then. It was very amazing to hear the voices of the likes of Bob Edwards and Carl Castle coming into the studio as if they were in the booth next door.

One of my goals this year as NPC president is to use this forum, that of the luncheon series, to engage in a more robust discussion about journalism. I think it's something both the public, and I know our members, are eager for us to do and I'm grateful that our guest speaker has agreed to grace our podium once again today. Please give a warm National Press Club welcome to Vivian Schiller. (Applause)

MS. SCHILLER: I want to begin by reading an email from NPR reporter, Lourdes Garcia-Navarro, Lulu we call her. She sent it to her editor after she and a newspaper colleague made their way into eastern Libya. They were the second team of western journalists to make it through. She writes, "We basically pushed our way in. We walked across the border and were incredibly lucky to find people to drive us and guide us. Yes, we had an unfortunate incident at a looted army base where people were nervous about being photographed, and we were surrounded and a photographer from the *Wall Street Journal* had his camera smashed. But that has proven to be the exception."

She writes, "Everywhere else we've gone, we've been greeted with tears and shouts. This is a country that hasn't been exposed to western media. And everyone just said they were so relieved to see us, they were desperate to have their story told. In Baida, we were led to a huge hall that used to be the people's revolutionary council building where the first meeting of the new local government was being held. Everyone was stunned to see us. They gave us a standing ovation and started shouting and crying. I know it's corny," she writes, "but I have never been prouder to be a journalist."

Lulu's note is a potent reminder of the meaning and impact of a free press, and it is at the core of NPR's mission: powerful journalism in the public interest. This is what I'd like to talk about today, what NPR and public radio stand for, how we think about our audience, the nature of our funding model and a vision for the future.

For well over a decade, the media conversation has been dominated by reports of shrinking newsrooms, collapsing business models, game changing technologies. But the breathlessness over the shifting media landscape can blur what the work of journalists is really about; reporters on the ground working sources and chasing leads to tell stories that have meaning and impact, and bearing witness often at great personal risk. All good news organizations, whether public or private, share in that critical work. For those of us in public media, it is our only mission.

It's been 44 years since the passage of the Public Broadcasting Act, which established the Corporation for Public Broadcasting. For those of you too young to remember, that was a time when the big three broadcast networks had foreign bureaus all over the world, not to mention deep reporting staffs and slots on the network schedule for hour-long documentaries. And yet, even then there was concern that commercial interests would drive the networks away from quality news and cultural program. And so public broadcasting was born.

I don't need to tell this audience about the changes that have happened in our industry in the last 10 years, let alone the last 40. The economics of the news business are undergoing seismic change. Demand for the news has never been higher, and yet mainstream news organizations continue to cut back the number of journalists available to report the news, particularly at the local level. And so NPR has worked to try to fill that void in news gathering, and we're working with our member stations who do the same.

What does that look like today? Seventeen bureaus overseas; that is far more than any of those big three has today. We are opening new bureaus while still retaining a full time presence, full time, in Iraq, Afghanistan, Pakistan, Jerusalem, Cairo, East Africa, West Africa, China-- we actually have two bureaus in China-- and other spots around the world. And over the last couple of weeks, NPR journalists have been in Tunisia, Saudi Arabia, Bahrain, Qatar, and as you heard a moment ago, Libya covering the world-altering events unfolding in the Middle East and North Africa. We may soon be in Algeria and Yemen.

Closer to home, we have reporters on just about every beat imaginable; race and demographics, food, education, religion, rural affairs. We have entire units dedicated to science, to the arts, to books, and to music. Last year, we launched NPR's first investigative unit. It now has nine full time staff. We stay on the story when everyone else moves on. NPR's Howard Berkes is still reporting on the Upper Big Branch mine of West Virginia, where 29 workers died nearly a year ago. NPR's Debbie Elliott lives near the Gulf of Mexico and continues to follow developments since the BP disaster. Danny Zwerdling has stayed with the story of returning soldiers suffering from traumatic brain injury. We are the opposite of parachute journalism. Our reporters have subject matter expertise built up over years, sometimes decades.

And member stations have the same, filling the growing void in local reporting. Over 900 journalists spread across nearly 800 member stations; that's in addition to NPR's journalists. They serve communities large and small and very small. In fact, one-third of the stories you hear on NPR, on NPR programs, are produced by member station reporters. They define the very character of public radio.

In Nashville, WPLN's Blake Farmer covers Fort Campbell and the role it has played in the Iraq and Afghanistan conflict. In Stillwater, Oklahoma, KOSU's Gail Banzet has reported on the resurgence of meth labs in the Midwest, cutbacks in rural police departments, and cattle rustling which has made a comeback in this tough

economy. Frank Morris of KCUR in Kansas City is NPR's go-to guy for agriculture, reporting on land prices, ethanol and the rivalry between family owned and corporate farms. But stations contribute more than just reporting. They also provide critical, life-saving information in times of disaster on the gulf coast, tornado alley and the landslide zones of California.

This past January, a severe winter storm blanketed much of northern Arizona with as much as six feet of snow. NPR member station KUYI, on the Hopi reservation, lost power for 48 hours. The Flagstaff station 120 miles away was knocked off the air. But, in fact, KUYI was able to continue to deliver broadcasts to their audience. They stayed on the air thanks to two diesel generators that were funded with federal dollars. Without it, nearly 100,000 people over four counties would not have had access to vital information on emergency relief efforts, weather and road conditions. This is just one story, there are hundreds more like it. With journalists on the ground and transmitters that reach far beyond major population centers, they provide the kind of vital service that only free over-the-air broadcasting can deliver.

The result of this work is an extraordinary and deeply engaged audience. Almost unique in American media, NPR's audience, this is the audience for our traditional core service radio which we have not abandoned radio, Mark, I might add. It is core to everything we do and it is more relevant than ever, as witnessed by the fact that audience to radio is growing, to NPR radio is growing, and has been growing for the past decade. We just got our ratings for last fall and I am pleased to report they mark another all-time high in the top 50 markets. That's now four consecutive quarters of record ratings for NPR. Thirty-four million people listen to an NPR member station every week, 34 million people, and they listen, on average, six hours a week.

In the digital arena, we now reach 17 million people a month. That is a 100 percent growth over the last two years. They come to us on NPR.org, on the iPhone, on the iPad, on the android and mobile to both read and to listen to the radio. And they connect to us on Facebook where we have a larger audience than any other American news outlet; and on Twitter, where we reach over three million. And it's not just about the numbers, but also about the impact. NPR's social media strategist, Andy Carvin, who is here with us today somewhere in the audience, has become something of a one-man news platform serving-- it's true. I hope you're Tweeting this, Andy-- serving as a hub for eyewitness report out of hotspots like Libya and Egypt and anywhere else that news breaks.

We are also growing in audience trust. According to a recent Pew report, NPR is the only national news organization to see a meaningful increase in public trust over the last decade. NPR's audience is not a left and right coast phenomenon; we are urban and rural, north and south, red state and blue state. Our listeners are equally distributed throughout every part of America because of our unique network of local member stations rooted in their communities, locally owned operated and staffed. These are citizens serving citizens.

Our listeners feel a personal connection to what we do. Not long ago, I was walking around a reception with NPR Morning Edition host Steve Inskeep. By the way, his co-host, Renee Montagne, is out here somewhere, I saw her earlier. Of course, people don't know who Steve is by looking at him, we are radio after all. But as we mingled and we introduced ourselves, I was struck by the reaction people had when they realized who he was; not merely a media celebrity, but someone with whom they feel a deep personal connection. And then, of course, always the same joke. "Steve Inskeep? I wake up with you every morning." He's a good sport about it, he laughs each time like it's the first time he's ever heard it. And by the way, Steve is headed to Cairo tonight so you'll hear his reports from the region over the next two weeks.

Our listeners tell us they appreciate the fact that our reporters report, and as you just heard, so do our hosts. Our listeners tell us they come to us for the craftsmanship, the civility of our programming, and the range of opinions and diversity of stories. Our reach has its limits, of course, and our coverage has its critiques. We are working to expand the diversity of our audience, our staff, sources and stories, to do a better job speaking to people across the spectrum of thought, experience and background. And we're paying aggressive attention to our ethical decision making; the standards and practices that journalism at our level demands. In doing so, we hope to deliver an even larger following in the country and better serve our mission to enlighten and inform.

Let me now shift to our funding model. I do this not because I think you're so fascinated with our balance sheet, but because it points to the depth and variety of our public support. It is a success story, though often a misunderstood one. NPR is successful not because we're smarter than anyone else, we certainly aren't. Nor because we have different values, we don't. And certainly not because we don't have to worry about the bottom line. Believe me, as you heard in the introduction, we most certainly do. We are successful because of the investment that the American public has made in public media over 40 years, and this is critical, the way in which we have gradually been able to leverage that investment to build other sources of support. Those sources include listeners whose contributions make up the largest share of station revenue. Corporate underwriters, whose support is not simply a transaction, they want to be associated with the credibility and the value of the NPR name.

We are also supported by philanthropic individuals and institutions who share our vision of an informed society. And finally, we rely on continued government funding. Grants to stations from the Corporation for Public Broadcasting represent, on average, 10 percent of the public radio station economy. It is not the largest share of revenue, but it is a critical cornerstone of public media. This money is particularly important for stations in rural areas. Their government funding can be a larger share of revenue, 30, 40, 50 percent or more. These are areas where listeners may have no other access to free, over the year, news and information.

Modest as it is, government funding is critical because it allows taxpayers to leverage a small investment into a very large one. It is seed money. Station managers tell me that 10 percent, average of 10 percent, again, plays a critical role in generating the

other 90 percent that make their broadcasts possible. The fact that we have four sources of revenue; listeners, philanthropy, corporate and government, helps insure that public media is not beholden to any one source of revenue. Indeed, it is through this diversity of funding that we are able to maintain our journalistic independence.

With a nation facing continue economic uncertainty, it is both right and necessary to scrutinize all federal spending. But if the public value for the money spent is the prism through which spending decisions are made, public broadcasting stands strong. The American people believe in federal funding for public broadcasting. A national survey conducted last month by a bipartisan polling team shows that 69 percent of Americans oppose the elimination of federal funding for public broadcasting.

At a time when our industry is cutting back, when punditry is drowning real news and thoughtful analysis, NPR is moving continuously forward with quality reporting and storytelling delivered with respect for the audience. What columnist James Wolcott recently called, “The sound of sanity.” When original reporting is in increasingly short supply, we continue to build and not retreat from that 44 year investment. As guardians of the public trust, we have an obligation to address the current crisis in journalism and not simply fall victim to the turbulence of these times.

I'd like to acknowledge that NPR is not alone in this mission. Here at the head table, as you heard in the introductions, are some of my colleagues from public broadcasting; Paula Kerger, the President and CEO of PBS, which presents programming unique in the television landscape, programming that expands the minds of children, documentaries that open up new worlds, and cultural content that exposes America to the world of music, theater, dance and art.

Patrick Butler, the President and CEO of APTS whose job it is to advocate for public television, and why it is even more vital now than 44 years ago. More recently, Pat has also taken on the mantle of President of the Public Media Association, which represents both television and radio stations.

And Pat Harrison, the President and CEO of CPB, the Corporation for Public Broadcasting, the private corporation created by Congress to serve as a steward of the federal government's investment in public media. I'd like to thank all of them, as well as my many NPR and public media colleagues, and my colleagues throughout journalism, for joining us here today.

In closing, at NPR we have charted a vision for the future, one built around high quality journalism, radio craftsmanship and storytelling, smart use of social media, a seamless user experience across platforms, one that combines strong local, national and global reporting. It is a work in progress and always will be. But our growth in audience tells us we're on the right track.

I'd like to end where we started, in Libya. Recently on “All Things Considered,” host Michele Norris spoke to an entrepreneur named Mohammad in the midst of a major

protest in Zawiya, about 25 miles outside Tripoli. Throughout the conversation, you could hear gunfire and chaos unfolding. It was riveting to listen to and brought the story home with clarity and immediacy. When the interview was finished, Mohammad asked Michele what radio station he was talking to. Michele told him, "National Public Radio." "Oh," said the man, "NPR? I listen to that station most of the time. I have it on my awaking clock." This is in Zawiya, Libya. I really love that phrase, awaking clock.

Every day, the men and women of NPR get up and go out into the world to bring back news that matters to people like Mohammad and people like you and me. That is both a privilege and a responsibility. And sometimes good to have a waking clock to remind us that what we do matters. Thank you very much. (Applause)

MR. HAMRICK: Thank you. We've had, I don't know, a good months, six weeks, something like that, before we knew you were coming and we're grateful that you have. That's also meant that the internet traffic has been spiking to my inbox, our Twitter account, et cetera, which is a good thing because we want to engage the public in a discussion about matters of import, and particularly those that have to do with journalism.

So as you might imagine, there are some subjects that are particularly of interest to these people who've sent a number of email questions in, as well as those who are in the audience. And it seems as if the one that has garnered the most amount of traffic involves someone with whom you no longer share a professional relationship, and that's Juan Williams. So, it seems we have to get that subject dealt with before we can go on down the list and talk also about the issues of government funding and the critical issues facing journalism these days.

So I guess you've had about five months to reflect on how that whole episode transpired. It has caused, I take it, some pain to the organization in the sense that it's shifted the discussion away from the important issues that you'd like to talk about as you did today. As you reflect on that episode now and you've had one key employee who is no longer with NPR, Ellen Weiss, who to some degree suffered because of that, what can you tell people about the way that that transpired now, about how you might have done it differently and then ultimately there are a number of other questions that get to the issue of the perception of left versus right bias with NPR which we can get to after you address the first issues.

MS. SCHILLER: All right, thank you. We handled the situation badly. I mean, on reflection now, it's been several months, I stand by the fact that we handled the situation badly and we acted too hastily and we made some mistakes, and I made some mistakes. And the key thing now is to reflect on those mistakes and to fix some things that some of our systems that fell down on that day and to make sure it doesn't happen again. And so that is the learning experience from the experience with Juan Williams.

MR. HAMRICK: And so is there not a process that you have in place where you're reviewing that, and can you tell us about how that works and how ultimately either you'll be enlightened by that, or perhaps even your stakeholders?

MS. SCHILLER: Well, as I said, we didn't handle it very well. There were some processes that were not really in place or followed on that day, and we have fixed this.

MR. HAMRICK: So from that standpoint, the public interest notwithstanding, you think that you've moved past it and you've fixed whatever the issues were in place that caused that problem to occur?

MS. SCHILLER: Yes, the process issues are fixed.

MR. HAMRICK: And you just give an example of what the processes might have been? Because it sounds a little hard to understand what that might mean?

MS. SCHILLER: Well, there were some just communications and process issues around the events of those couple of days that didn't work quite as they should have, and we've put those in place.

MR. HAMRICK: So obviously as--

MS. SCHILLER: A lot of ink has been spilled about this issue.

MR. HAMRICK: Indeed. But by virtue of the questions we got, either people feel as if there are some questions that linger and so this is an opportunity for you to perhaps not have to have them linger anymore?

MS. SCHILLER: Well, one thing I would love to spend a minute talking about, which I think is more interesting, frankly, than personnel processes about who calls who when, is that since October, we have undertaken a thorough review of our news code of ethics. This is something that any news organization should do from time to time, and it was high time for us to do that as well, to make sure that our news code of ethics is clear, is up to date with the reality of media in 2011 and is consistently applied.

The fact is, our news code of ethics was created in 2004 and hasn't been-- it's been tweaked, but it hasn't been fully updated then. So we've just finished a process whereby a task force of 13 people, some of them inside NPR, outside NPR, journalist citizens led by Bob Steele, the DePauw University professor and one of the experts in journalistic ethics, led a review and there are some recommendations that are coming out of that taskforce that I'm very excited about, we'll be making some changes to. We're not quite done with our drafting. But when we are, some time this spring, we'll release that document publicly.

I'll just give you one example. For instance, is that we are going to be creating a new position at NPR, that of a standards editor. And the standards editor is really on top of all the other checks and balances that we have at NPR. We have, for instance, an ombudsman who's here, today, Alicia Shepherd, who represents the listener. We have editors, we have editors of editors. We have a corrections policy, we have a comments

section on our website and we think that the addition of a news standards editor will help be yet another critical check in our process. So look for more about that soon.

MR. HAMRICK: Well, there was actually a question anticipating that issue, given the well informed nature of our audience here. It says, "The task force reviewing your ethical standards has called for an end of the practice of allowing NPR journalists to appear on other media outlets under long-term contracts." And then there's a specific question, and I don't think it's any of their relatives here, "But how will this affect Mar Elias and Nina Totenberg and Cokie Roberts?"

MS. SCHILLER: One of the recommendations of the task force was that-- well, first of all, the task force embraces the notion of NPR journalists sharing what they've learned, what they've reported, with an even broader audience than the audience we have on NPR. So we embrace the notion of reporters appearing on other media and we need to make sure that our processes are in place for approvals and that we're all coordinated.

But indeed, the task force has recommended that having a longstanding permanent relationship with two different news organizations can be confusing, so we're going to be taking a look at that.

MR. HAMRICK: Can you expand on that, because that's confusing to me.

MS. SCHILLER: Well, as you said, a couple of our reporters have relationships with other news organizations that have been long-term. And what you will see is that we will likely not have any NPR journalists have relationships, longstanding, long-term relationships or contracts with news organizations going forward. With regard to the specific individuals, they've been doing that for years and we're not really ready to make any specific statements about them.

MR. HAMRICK: Sounds like there might be a grandfather clause there possibly?

MS. SCHILLER: Could be.

MR. HAMRICK: Over the years, NPR has been criticized for not having enough minority voices on the air. At the time of his dismissal, Juan Williams was the only black male regularly heard on NPR. What's being done to open up NPR to more diverse voices?

MS. SCHILLER: Well, this is a big priority for us and I'm glad you brought it up. In fact it's true that at the time that he left the organization, he was the only black-- not the only African-American, but the only male African-American reporter on our air. That was already changing, and has indeed changed. But the main thing is that this is a very, very big priority for us. In fact, in the room with us is Keith Woods, who was formerly Dean of Studies at the Pointer Institute, and is now the head of diversity for NPR and we have a number of different initiatives under way to diversify, further

diversify, our staff, our reporters, the people that we interview on the air. And, of course, our audience. We think we've made some progress, but it's not nearly enough. In fact, Kathy Times, who's the head of the NABJ, the National Association of Black Journalists, who has given us-- an organization that given us a very hard time in the past, recently wrote a column and the title of that column was "NPR's Diversity: Better, but not Enough." And I would say that exactly summarizes where I think we are. It's better, it's not enough and a year from now it will be better still.

MR. HAMRICK: There was an entry in the *National Review*, I think, published today from someone that tells me that he's here in the audience from the Heritage Foundation addressing the question from perhaps another angle. And that is, "Do you believe there's an imbalance at NPR in terms of liberals and conservatives in the newsroom?" I think I know which side they'd like to have better represented there. "If the answer is yes, what do you propose to do about it?"

MS. SCHILLER: You know, every news organization-- I've worked now with three news organizations, but people I know from every other news organization I know, gets criticized about being too liberal, about being too conservative, about being too this, that and the other. It comes with the territory. So, certainly we do get criticized about all manner of things.

In terms of the liberal, and I will tell you that it maybe doesn't get as much attention, but we get a tremendous amount of criticism for being too conservative as well, I would wish that those folks could be in our editorial meetings and see what goes on and the care that our reporters and our journalists and our editors take to get it right. This is incredibly crucial cornerstone of what we do to present not journalism that is on the one hand, on the other hand. That's not very interesting storytelling. But journalism that reflects no particular bias. And it's not just a matter of how the stories are told, it's also the kinds of stories that we tell on NPR.

As you heard in my remarks, we tell stories about areas that really almost no other national news organization is covering that are not just sort of urban phenomenon. So for those that do criticize us for being liberal, I ask them when I get that personally, I ask them to point to specific stories. And when they do, we take those very seriously. Have we erred? Absolutely, we have erred in the past. But, we make corrections and we always strive to do better.

MR. HAMRICK: So would you say that it's a perception problem as opposed to an execution problem within the newsroom to the extent that the perception seems to exist more toward the liberal criticism than-- I didn't have any questions saying you were too conservative today.

MS. SCHILLER: Yes, okay. No, I certainly do think-- I mean, there's no question it's a perception issue, it absolutely is a perception issue. And like I said, all news organizations-- that happens with all news organizations. For me, the main thing is not the general perception, which is difficult to control, but the actual work that we do.

Let's look at stories. I take much more seriously when someone says, "I have a problem with this story," versus sort of taking a wide swath saying, "I have a problem with NPR." Because what does that mean? And often case, they might not even be listeners.

But when we get a complaint or a criticism about an individual story, there are many NPR editors and reporters in the room, we take those very seriously.

MR. HAMRICK: There's another question that's sort of along the same lines, but it's asked in another way. So to the extent that it does that, I'll pose it. It says, "What is NPR doing to seek diverse talent outside of the usual J schools in Ivy League and mainstream dailies? Can you speak to hires outside of the *Wall Street Journal* and ABC News for your reporters, as well as hosts of color?"

MS. SCHILLER: Well, we have a reporting farm team represented by the 800 stations throughout public radio. And like I said, they are all over the country. They are in northernmost Alaska, they are in every state, every community; just about every campus, every Indian reservation. And many of them have journalists, 900 journalists. And actually, so yes while we have certainly hired people from J schools, I don't want to offend any NPR reporters or editors that came from the *Wall Street Journal* or from a J school, but we also have quite a few people on our staff who have worked at NPR member stations. So I feel quite fortunate that we have this incredible-- I don't think they would like me to call them the farm team because they're very proud of the important work they're doing locally.

But it must be said that there are some local station reporters who we have recruited to NPR, with apologies to some of those stations.

MR. HAMRICK: Very good. Deborah Potter, who's a former CNN and CBS News correspondent, I think a woman of substance most would agree, wrote a pretty critical entry in the *American Journalism* review in the last week. And the title of that article was "Slow Down, NPR." And what she really did, you may have seen it, in a sense linked together the Juan Williams incident with the episode where Congresswoman Gabrielle Giffords was reported to have passed away after a shooting. Of course, we know that wasn't the case. And she's sort of raising the issue is that maybe in the attempt to embrace change that haste is sometimes creating some errors. So to the specific question, we've already talked about Juan Williams, what can you talk about the Gabrielle Giffords reporting error and does that fit into your earlier comment about standards, et cetera?

MS. SCHILLER: Well, there's no linkage between the Juan Williams matter and the Gabrielle Giffords error. I've already addressed the Juan Williams matter, so on Gabrielle Giffords, it was a mistake, plain and simple. There's no excuse for it. We made an error, we prematurely reported her death and we take that matter extremely seriously. And throughout the newsroom, we've done a postmortem, we have shared information, we've put new processes in terms of who checks with who on matters of this magnitude in terms of breaking news.

But I wouldn't say that it represents anything other than the one mistake that it is. In fact, it got so much attention, even though other news organizations reported the same, I think because we so rarely do make these kind of errors where we have a mistake in breaking news reporting. I don't know the last time that it's happened. Again, it's a serious mistake, but I think because it's so unusual, it did get that attention.

MR. HAMRICK: In the same entry she says that you didn't follow your own standards by reporting where the information came from, and that you also violated your promise to correct significant errors in broadcast and online reports. I mean, did you feel as if you did follow your own procedures, or was there anything that wasn't properly handled there?

MS. SCHILLER: There were procedures that fell down in the reporting of the Gabrielle-- in the news of Gabrielle Giffords. But I don't know why-- we corrected that mistake and apologized for the error on just about every platform that we have; on the air multiple times, online, on our devices through every way possible. And with a breaking news alert that followed the mistake in one. So, certainly if you're looking at the error, the error was not in that we didn't correct it, we most certainly did.

MR. HAMRICK: Fair enough. There might have been an error in that report. So you're talking about the challenges that you face going forward as it relates to the political environment and funding. And obviously, there's a matter that Congress has yet to resolve, and that is the funding going forward. So when you're talking about the risk to essentially the public broadcasting model, how high would you say the risk is from ultimately the deficit cutting environment that seems to be pervasive in Washington now? How great is that risk to your own enterprise as well as those interested in your well being?

MS. SCHILLER: Well, there's no question it is a risk. It is a very significant risk and it's a risk to all of public broadcasting. As I said in my remarks, for public radio, at least, it on average represents 10 percent of public radio stations revenue. But that average belies the fact that for many public radio stations, it is a much higher percentage of revenue. And then on top of that for many public radio stations, NPR member stations, there is state funding as well. So we take this very, very seriously. It would have a profound impact, we believe on what our ability, of public broadcasting's ability to deliver news and information, and in the case of television, cultural programming and the arts to the audience.

MR. HAMRICK: And then one person posed the question, sort of harkening back to an earlier theme, but it does get to the political dynamic. And that is how does the liberal perception of National Public Radio impact the current funding debate?

MS. SCHILLER: Well, certainly that statement has been made and that has been suggested. But the fact is, this country's facing a \$1.4 trillion and I don't envy those in Congress who are trying to figure out how to bring that deficit down. So I believe that

this is driven mostly by an attempt to find cuts to the deficit. And that is certainly understandable, why it's important for this nation to have the deficit reduced. But the small, small amount of money that goes for public broadcasting, and the very large amount of money that that small amount of money leverages across stations, the public/private partnership that allows for critical infrastructure to continue to be able to serve under-served communities, and to be able to raise money from philanthropists from corporations and from listeners is too critical to give up, I believe.

MR. HAMRICK: Here's a question asking how you maybe assess the risk from an historic standpoint. And that is what sets the current Republican attacks on public broadcasting, apart from those that have occurred previously? And is there any more reason to think that they'll succeed this time?

MS. SCHILLER: The deficit. It's a very simple answer, it's the deficit. There certainly were attempts to de-fund public broadcasting in 2005, and famously in 1995. But, we didn't have a \$1.4 trillion deficit. So we take this very seriously and I think the threat is more serious than it has been in the past, there's no question.

MR. HAMRICK: There are some people who ask the question essentially, "Well, can't you just walk away from the government funding?" Obviously, it's a lot of money and you essentially can't. But to ask the question directly that's posed by a couple of people in different ways, why doesn't NPR become a completely self-funded foundation and cut the government cord?

MS. SCHILLER: Well, the fact is that if federal dollars went away, the impact on our ability to serve the public, we are a public service organization whose mission is to provide universal access to Americans with free over the air, independent news, information and cultural programming. If, in fact, federal funding were cut, and as we've discussed previously, those stations that rely on the lion's share of their budget for government funding went dark, then we would be going backwards and retreating on this 44 year investment that the American people have made in this incredible institution.

And the fact is you can't isolate funding for just this one entity or one station. We are all a network and it is, in fact, the network effect that strengthens us. Not just NPR and the other producers and distributors like American Public Media, and Public Radio International and the stations, but also PBS and local public television stations, many of whom are joint licensees. So it's like pulling a thread out. You know, you pull out one thread and the whole thing unravels.

MR. HAMRICK: We have a question here, you have an interesting background to the extent that you worked for a number of other media organizations and now you're at NPR and running the show, so to speak. There's a question about sort of that broad background as opposed to the radio background. Somebody asks, first of all, can you talk about your memories of listening to radio growing up and other than listening to NPR, what do you listen to now?

MS. SCHILLER: Well, I grew up in the '60s and early '70s in New York. So I, frankly, at that time was mostly listening to AM pop music on the radio, quite honestly. And then I lived out of the country for many years, so I was a late-- I came late to NPR because for most of the '80s, I was living abroad. And in fact, I can tell you the first time that I really-- I'd listened to NPR, but I really honed in on it was when I first started dating my husband, who is here somewhere, I think. There he is. And this is when I just shortly had just previously moved back into the country. And he had NPR on, and that was it. I listened to that, and I was hooked to NPR and hooked to him. So those two things are linked.

MR. HAMRICK: Wow, we hope that it stays--

MS. SCHILLER: How's that for personal?

MR. HAMRICK: We hope that it stays around, if only to keep your marriage going.

MS. SCHILLER: Yeah, there you go. (Laughter)

MR. HAMRICK: Here's a question, and to be honest with you, this is sort of news to me. But it says NPR engineers have complained that they are being made obsolete and the strength of the network sound is not what it was traditionally. That's not the only question we got along those lines. Apparently, there's a feeling in some quarters that the attention to audio quality isn't what it has been. Can you address your assessment of audio quality and whether the professional staff is as robust as it has been over many years?

MS. SCHILLER: Audio quality is essential to us. You know, people often tell us, and I've had this same experience myself, that if you are in a town or a city you don't know and your rental car, or whatever it is, and you turn on the radio looking for whatever the NPR member station is, you can tell-- people tell us that dialing around, you can tell within a nanosecond that you're listening to an NPR member station. There is that unique quality that is so hard to describe, and a lot of it has to do with the extraordinary rich audio. And if you listen to our reports particularly-- well, all of our reports-- but particularly what we're hearing coming out of the Middle East and North Africa, it's not just about the reporting, it's about the rich audio experience.

So this is vital to us. There have been some reductions in our audio engineer as we've moved to some automated systems. But we are not forsaking our heritage, which is the rich audio experience of public radio.

MR. HAMRICK: So there's been no diminution of audio quality from your perspective?

MS. SCHILLER: Well, that is in the-- I guess you can't say the eye of the listener. It would be in the ear of the listener, I suppose. But we have fewer audio

engineers going to do field reporting. And so not every story has a full crew. And in those cases, perhaps, you don't have some of the same layering and richness of sound. But generally speaking, we have really not heard any complaints from our listeners in any significant numbers at all about a diminution of our sound.

MR. HAMRICK: Question says Arianna Huffington just got paid more than \$300 million. Couldn't NPR, one of the best brand names in the news business, raise a huge amount of money by becoming a private company. Since you already air underwriting announcements, why not just call the commercials and move on?

MS. SCHILLER: Because that's not who we are. I mean, we're public radio and our goal-- it's part of the very fabric of everything we do, that we are non-commercial and not for profit. We do have corporate underwriting, I would be hard pressed for anybody to listen to those five second, seven second spots and think they're anything like what you hear on commercial radio. Would we love to have more revenue from philanthropists, from listeners, from corporations? Of course we do. And in fact, we work very hard to try to increase the revenue so that we can have more money to spend on our reporting. But the fact is we have no plans, and will not have any plans, to become a commercial enterprise. That's not who we are, that's not where we're chartered. We're on the free part of the radio spectrum and it's really part of the tacit pact that we have with our listeners, that we are not for profit, noncommercial, independent news and information.

MR. HAMRICK: So to the earlier point or question about the National Public Radio versus NPR branding, looking at the website today, just to sort of look at it from a different perspective for the purposes of this conversation, it's obviously a very rich website that you have with breaking news and opportunity to catch newscasts that you might not have been able to catch as they aired. What is your vision for that website in the future when trying to anticipate technological change is so difficult? And is there anything that you're trying not to do on the website? For example, are you trying to stay away from a large offering of video packages, that sort of thing? How do you want to identify the website going forward?

MS. SCHILLER: If you don't mind, I'm going to take your question about the website and broad it to all of our digital platforms because NPR.org as a destination is just one piece of our whole digital strategy. At the end of the day, our goal for NPR is very simple, which is to provide more news and information to more people in more ways.

The second two pieces of that, to more people in more ways, speaks very much to the fact that we must be available wherever the audience is. And even though they are listening to radio, to us on radio, in record numbers, broadcast over the air radio, we also know that our audience is on other devices. They're on the web, they're on the iPhone, they're on the iPad, they're listening to Podcasts, and what have you. So we aim to provide a very rich experience, the NPR experience, across all those platforms.

And, most importantly, you will see us in the next year rolling out plans to make sure that we create an entire package of tools and services and best practices, provide that to all of our NPR member stations so that every NPR member station can be as relevant and robust on digital platforms as they are on the radio.

So, our heart and soul is, as a network, we're not trying to drive everything to NPR. We're trying to actually push NPR into the communities, into the stations. So that is our broad strategy.

MR. HAMRICK: So in television, has experienced some tension by virtue of the time shifting notion where people are watching programs on DVR after the fact, obviously you have the opportunity to present that information through Podcasts and other means. Is there a significant downside risk for you in the way that, let's say, a younger generation doesn't necessarily always care about catching things live as often?

MS. SCHILLER: The only risk in all of this is if we ignore what the audience wants. And the fact is, the audience wants to listen to live radio and the audience wants to, and sometimes it's some of the same people, sometimes it's different people, also wants to be able to pick and choose stories and listen to it on their schedule. So our job is not to try to influence their behavior one way or the other. Our job is to make sure that however they want it, wherever they want it, whenever they want it, we are there. That's the only risk, is that we're not there however it is that the audience wants to consume NPR public radio content.

MR. HAMRICK: We talked at the outset about the tensions that were in the economy when you first took over, and part of that process involved laying off staffers. Have all those positions, at least numerically speaking, been restored? And has the reporting suffered at all throughout the down cycle in the staffing?

MS. SCHILLER: No, those positions have not all been restored. Primarily, we did this, actually was right before I joined NPR so it was the executive team that was there when I arrived. When faced with the looming deficit in our budget that was looking to expand without quick action, I think they made exactly the right decision, which is instead of cutting bits-- going around to every department, every unit, every show and saying, "You know, we're going to cut 10 percent from everyone," the decision they made is we're going to eliminate two shows from the schedules. They were shows that in some ways were-- they were very good shows, but they were underperforming in terms of the audience.

And so by cutting the two shows, and unfortunately having to lay off many of those staffs, the rest of the news gathering operation and our core programs, Morning Edition, All Things Considered, Talk of the Nation, and Tell Me More were not only spared, but we actually began to modestly invest in those programs and to invest in our news gathering. So those investments have not quite reached the level of the people that were laid off from those two shows. We're not yet in a financially viable position to do

that. But where we invest, it will be in those areas, to have more foreign correspondents, more reporters on the beat, more programs that we're working on with stations.

So I would argue that-- and based on the Pew report that shows people trust us more and more over ten years, more than any other-- a greater growth in trust than any other news organization, I would say, and based on the fact that our audience is growing across platforms, it would seem that our audience has not been disappointed.

MR. HAMRICK: We're almost out of time, but before we ask the last question, a couple of very important matters to take care. First of all, want to remind everyone about upcoming speakers. And the next one will also be consistent with our theme of trying to engage in more conversations about journalism, perhaps with a little more laughter, however, Harry Scherer, the comedian known as, among other things, the voice of the Simpsons and the creative force behind a number of very humorous movies over the years, will come to discuss media myths, the need for proper focus in journalism. And then we'll go dead serious on April 6th with the Commissioner of the IRS, Douglas Shulman, right ahead of the tax deadline.

And then we'll have something in between, April 19th, when Ted Turner, as you know the founder of CNN, now CEO of Turner Enterprises, as well as T. Boone Pickens, legendary investor and a proponent of natural gas as an energy source, he's now CEO of BP Capital Management, they will discuss issues related to energy consumption in our country, and we might even get to a question about CNN before all of that is completed.

So, with that, what I want to do is do something that I think you're vaguely familiar with before, and that is as a truly token of our thanks for you being here today, we'd like to present you with yet another-- perhaps to your husband who turned you on to NPR-- the traditional NPC coffee mug. So we thank you very much, thank you.
(Applause)

Our last question today has to do with your academic background. And people may not be familiar that you were a scholar in Russian studies, correct? So what I'm wondering is were your studies at all instructive in helping you to cut through red tape?
(Laughter)

MS. SCHILLER: I don't know that my studies were in particular, but my first job, this is why I wasn't in the country listening to NPR, right out of grad school with that Russian degree, was to work as a tour guide taking groups of Americans abroad. Actually, all over the world. But I did, because I spoke Russian, I did take quite a few groups to what was then the Soviet Union, and to many places. I learned more, maybe not so much from my academics, but I think everything that I learned about management and leadership I learned as a tour guide taking groups of 180 cranky Americans to places where sometimes there was no hot water and flights mysteriously canceled. So yes, it was a very learning experience.

MR. HAMRICK: Vivian, thank you very much.

MS. SCHILLER: Thank you, thank you so much. (Applause)

MR. HAMRICK: Thank you. I'd like to thank all of you for coming today. I'd also like to thank our National Press Club staff including our library and broadcast center staffers for helping to organize today's event. And again, for more information about joining the Press Club or how to acquire a copy of today's program, please go to our website at www.press.org. Thank you, we're adjourned. (Sounds gavel.)

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