



**ProPublica Report to Stakeholders
January-April 2012**

ProPublica is an independent, non-profit newsroom that produces investigative journalism in the public interest. Our mission is to expose abuses of power and betrayals of the public trust by government, business, and other institutions, using the moral force of investigative journalism to spur reform through the sustained spotlighting of wrongdoing.

The latest in a series of periodic reports to our stakeholders about progress at ProPublica. Earlier reports, including our [annual report](#) for 2011, are available at [ProPublica.org](#).

The first period of 2012 was one of continued impact and growth for ProPublica. At the same time, we are making important strides toward building a truly sustainable model for a new sort of journalism organization—a digital native, unfettered by legacy costs, and committed to the very type of journalism most critical to democratic governance.

One important aspect of building such a sustainable institution is demonstrating that it is larger than any single individual. On May 14, ProPublica announced that its founder, Paul Steiger, 69, will become executive chairman, effective January 1, 2013. Succeeding Paul as editor-in-chief, in charge of editorial operations, will be Stephen Engelberg, 54, ProPublica’s founding managing editor. Succeeding Paul as president, in charge of business operations, will be Richard Tofel, 55, ProPublica’s founding general manager. Dick and Steve will serve as co-chief executive officers.



Richard Tofel, Paul Steiger, and Stephen Engelberg

Herbert Sandler, chairman of ProPublica, announcing the changes on behalf of the ProPublica Board, said, “ProPublica became a reality because of the vision and leadership of Paul Steiger. The Board is thrilled that Paul will continue to help guide ProPublica as an active executive chairman beginning in 2013 and for what we hope will be many years to come. On Paul’s strong recommendation, the Board is placing the day-to-day management of ProPublica in the hands of Dick Tofel and Steve Engelberg, two talented managers who have been with ProPublica from the beginning and have already contributed enormously to its success. We are very excited about what lies ahead.”

So some things will change at ProPublica in the months ahead. But what will remain the same is our commitment to our mission, and our determination to pursue it energetically and innovatively. Read on to see how we did so in the first four months of 2012.

On the cover: Ernie Lopez returns home to his family, freed on bail in the wake of ProPublica reporting (see p. 3)

Impact The most important measure of ProPublica’s success is whether our work is having impact. By this, we mean not audience size or prizes, but real world change. Examples of what we mean can be found at <http://www.propublica.org/about/impact/>

In the first period of 2012, ProPublica stories produced such change in a number of important areas:



- The Child Cases, published by ProPublica and broadcast by NPR and Frontline in June 2011, identified 23 wrongful convictions, but focused much of its attention on Ernie Lopez of Amarillo, Texas. Lopez was convicted in 2003 of causing the death of six-month-old Isis Vas, for whom he and his family had been babysitting, and sentenced to 60 years in prison. Our story raised grave doubts about the evidence against Lopez—whom a Texas court had earlier ruled had received ineffective counsel at his trial—and canvassed the views of scientists who saw no proof of abuse. In January, a Texas court overturned Lopez’s conviction. The local prosecutor is insisting on re-trying him, but in March Ernie Lopez was **freed on bail** pending his new trial, and he returned home to a joyful family—a giant step toward justice in the case of one man. ProPublica and its partners continue to follow the case.



- Federal Communications Commission rules have long required television stations to keep logs of all political advertisements and open them for public inspection. But this process has been cumbersome and—in our digital world—outdated, with minimal transparency for the \$3 billion in election-year TV ad spending the result. ProPublica this Spring led the charge in pointing out the weaknesses in the current system. And we went further, mounting our “Free the Files” project to use crowdsourcing among both individuals and other news organizations to gather and post the logs online. On April 27, the FCC moved to **mandate greater disclosure** by the leading stations in the nation’s 50 largest markets. ProPublica continues to point out the need for greater transparency in this area critical to our democracy.



- Our focus on [Dollars for Docs](#)—pharmaceutical company payments to doctors to promote prescription drug sales—continues to change the outlook of the medical profession. In the latest developments, in January the Medical College of Georgia restricted such payments. In March, Oregon Health & Science University began a review of its rules governing faculty and staff. In February, our coverage was cited in commentary advocating greater transparency in the influential *Journal of the American Medical Association* (JAMA).



- Fallout also continues from our reporting on the financial crisis of 2008, and particularly the dealings of the hedge fund Magnetar, which was the focus of one of the stories that won ProPublica a Pulitzer Prize in 2011. In January, the SEC warned a banker from Mizuho that it might bring charges against him in connection with a Magnetar deal. In February, Massachusetts state authorities fined State Street Global Advisors \$5 million in connection with another Magnetar deal.



- Our reporting on systemic flaws in the presidential pardons process, including substantial racial disparities, has prompted former Governor Robert Erlich of Maryland, a Republican, to create the nation's first law school clinic and training program devoted to pardons.

The power of data journalism

ProPublica’s data-based journalism—what we call “news applications”—has the power to leverage our national reporting for very significant local impact. A dramatic example of what this can mean can be seen by looking at what happened on one recent day, April 17. ProPublica published an update to our [Dialysis Facility Tracker](#), which provides detailed information on each of the nation’s thousands of dialysis clinics (and which won an award last year from the Society for News Design for excellence in information graphics).

Under our partnerships with NBC’s owned and operated television stations and Digital First Media’s Journal Register and Media News Group newspapers, we were able to give advance access to the data to local news organizations around the country. The result was the broadcast or publication, on this one day, of local stories on the quality of nearby dialysis facilities by NBC4 in Washington and KDFW in Dallas, and by the Denver Post, New Haven Register, Pasadena Star-News, St. Paul Pioneer Press, San Bernadino [CA] Sun, San Jose Mercury News and York [PA] Daily Record. Gannett Co.’s St. Cloud [MN] Times also weighed in with a local story. Meanwhile, industry publications Nephrology News & Issues and Renal Business Today linked to our updated database. Local reporting and consumer response continues: NBC Chicago, for instance, aired its report the next evening, April 18, and Digital First’s El Paso Times and Oakland [MI] Press followed the day after that. By April’s end, NBC4 New York had aired a report and Digital First’s Los Angeles Daily News had published a story as well, and web page views of the database for the last two weeks of the month totaled more than 27,000.

Dialysis
The High Costs and Hidden Perils of a Treatment Guaranteed to All

Tweet 0
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Compare Dialysis Facilities

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Category

31%
better than expected

Point your mouse at the 'information' icon to get more detailed information.

The bar shows whether a clinic performed better or worse than expected given its patient mix. A gray number is not considered statistically significant.

Find a facility near you

Address, ZIP, or facility name within mi.

For example, 1605 E. 55th St. Chicago, IL 60615, 77054, or UCLA

SEARCH

	RW JOHNSON UNIVERSITY HOSPITAL DIALYSIS	DCI ST PETER UNIV HOSP	SHINING STAR DAVITA SOMERSET DIALYSIS	DCI NORTH BRUNSWICK DIALYSIS CTR	FMC SO PLAINFIELD	National Average
Details	(732) 937-8691 1 ROBERT WOOD JOHNSON PLACE PO BOX 2601 New Brunswick, N.J. 08903 map »	(732) 565-5440 DIALYSIS UNIT 254 EASTON AVENUE New Brunswick, N.J. 08903 map »	(732) 937-5000 240 CHURCHILL AVENUE SOMERSET, N.J. 08873 map »	(732) 940-8368 105 NORTH CENTER DR North Brunswick, N.J. 08902 map »	(908) 668-8007 2201 S CLINTON AVE SOUTH PLAINFIELD, N.J. 07080 map »	
Stations	9	12	18	34	15	
Survival						
Mortality <small>Deaths per 100 patient years, 2007-2010.</small>	24%	20%	16%	17%	26%	20%
Mortality vs. Expected	18%	19%	24%		26%	

Honors ProPublica was the first online news organization to win a Pulitzer Prize (2010) and the first to win a Pulitzer for stories not published in print (2011). We did not win a Pulitzer in 2012, but much of our best work from last year has been honored this Spring.

Paul Kiel and Olga Pierce's coverage of foreclosures received the **Scripps Howard Foundation National Journalism Award for Business or Economics Reporting** and the **Society of American Business Editors and Writers (SABEW) Best in Business** award for investigative, digital reporting. Jeff Gerth's reporting in partnership with the Financial Times on international "tax wars" won the **Overseas Press Club Award for online coverage of an international issue** and two SABEW Best in Business awards. Our Post Mortem series on death investigations won an **Investigative Reporters and Editors Award**. Dafna Linzer and Jennifer LaFleur's coverage of the presidential pardons process was a **Goldsmith Prize finalist** for investigative reporting. ProPublica's web site won a **Society of News Design Award** for best mobile experience, while our Educational Opportunity Gap news application won another SND Award. Jesse Eisinger's column "The Trade" won yet another SABEW award. Sebastian Rotella won the **Urbino Press Award** for "distinguished reporting on the ever-changing world." And our Dollars for Docs news application received a **Netexplo Award** for digital technology.

Perhaps most heartening, for the fourth year in a row, work by ProPublica reporters is this year a **finalist for the Livingston Award for Young Journalists**, which is limited to journalists under age 35. This year's Livingston finalists are Olga Pierce, Jeff Larson and Lois Beckett, for coverage of redistricting. Joaquin Sapien was a Livingston finalist in 2009, 2010 and 2011. Michael Grabell was a finalist in 2010, as was Sabrina Shankman. Ryan Knutson was a finalist in 2011. Paul Steiger received Livingston's Richard Clurman career award for mentoring young journalists in 2009.

We were also delighted by another sort of honor received in the opening months of this year. In April, managing editor Steve Engelberg was elected by his peers to the **Board of the American Society of News Editors**. In early May, it was announced that Steve has also been elected to the **Pulitzer Prize Board**.

What People Are Saying

ProPublica staff are the “best storytellers with data”

—Clay Shirky, *New York University*, February 15

“ProPublica is already a national treasure.”

—Jeff Jarvis, *BuzzMachine*, February 19

Reporters Jesse Eisinger and Jake Bernstein are two examples of why “we live in a golden age of financial journalism.”

—T.J. Stiles, *Pulitzer Prize-winning biographer of Cornelius Vanderbilt*, February 22

“It remains one of my favorite things about ProPublica that it is so committed to sharing both its work *and* the tools it builds to make that work.”

—Joshua Benton, *Nieman Journalism Lab*, March 20

“We admire the non-traditional model of providing investigative journalism which originated in the USA with organisations such as ProPublica”

—UK House of Lords Select Committee on Communications report on “*The future of investigative journalism*”, February 16

ProPublica is “the peerless, Pulitzer-winning nonprofit investigative journalism Web site”

—Juli Weiner, *Vanity Fair*, March 28

ProPublica videos are “the new Schoolhouse Rock”

—Kim Miller, *Palm Beach Post*, April 10

“thanks to you guys (and ladies) for your Dollars for Docs database work. I used it last year to produce a local package of stories here in Central PA, and netted first place in the Pennsylvania Newspaper Association’s investigative reporting category... I don’t think any of it would have gotten off the ground if ProPublica had not built its database.”

—John-Erik Koslosky, *Bloomsburg [PA] Press-Enterprise*, April 13

ProPublica Partners, January-April, 2012

Amazon.com	NPR News
The Atlantic	Open Road Integrated Media*
Denver Post	Poynter Institute*
Financial Times	Slate
Foreign Policy*	Washington Post
Frontline	Yahoo! News
Los Angeles Times	
New York Times	*new partner

By the numbers

29 partner stories, with 14 partners

Web site page views up 62% over year-earlier
(up 1% excluding January 2012 traffic spike)

Average monthly unique visitors up 12% excluding January spike

Twitter followers more than 121,000, up 29% since January 1
*ProPublica has more Twitter followers than
the Chicago Tribune or New York Daily News*

Facebook fans more than 31,000, up 26% since January 1

Daily email subscribers over 56,000, up 4% since January 1

“Officials Say the Darndest Things” Tumblr followers
more than 153,000, up 72% since January 1
And named number one of 30 “must see” Tumblrs by TIME

iPad/iPhone app downloads nearly 86,000, up 23% since January 1
TechRepublic names our app one of 22 “most useful”

650+ donors

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