

**ProPublica Report to Stakeholders  
May-August 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 middle period of 2012 strikes us as having been a time of emergence for ProPublica, a moment when our organization and its work began to be more widely recognized beyond the journalistic community where we've been widely known since our founding in 2007 and start of publishing in 2008.

In mid-2012, our web traffic first began averaging more than a half million unique visitors a month, a significant milestone, and monthly page views averaged more than 1.2 million. Most emblematic, we think, was Fortune magazine including ProPublica on its annual Fourth of July list of “[100 great things about America](#).” The editors of Fortune cited ProPublica for “Non-profit watchdog journalism to be proud of.” We were tickled, of course, to be included on a list that ranged from mini-golf to the Hollywood sign to the Human Genome Project. But we were struck, most of all, that the ProPublica name was ranked alongside Campbell’s Soup cans, Omaha Steaks and NPR as one Fortune readers could be expected to recognize. That is a testament to the work of our reporters, editors and developers, and a mark, we hope, of how far we have come in less than five years.

That is why we have devoted so much of this periodic report to a sampling of what others have been saying about ProPublica in recent months. Peter Osnos, the widely-respected former foreign editor of the Washington Post and founding publisher of PublicAffairs Books, [writing in May for The Atlantic](#), put it this way:

**“Among all the non-profit and for-profit news organizations founded in the digital era when so many traditional print publications have suffered economic catastrophe, the most respected new enterprise is ProPublica.”**

Please read on for more...

*On the cover: Oscar Alfredo Ramírez Castañeda reunites with his father Tranquilino nearly 30 years after they were separated by a massacre in Guatemala. Their story is the subject of reporters Sebastian Rotella and Ana Arana’s “Finding Oscar,” published by ProPublica and broadcast on This American Life in May.*

**Impact** The most important test of ProPublica 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/>

We know results such as these are critical to funders as well. In May, we were particularly pleased to receive a note from Molly de Aguiar, director of communications at the Geraldine R. Dodge Foundation: “your reports are always satisfying to read because you can so clearly point to the impact of your work. In the philanthropic world, change often happens so much more slowly, and it’s not always easy to draw a straight line between an organization and its impact, so reading about ProPublica’s victories is refreshing and energizing to us.”

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



- Our reporting on deep flaws, including systematic racial bias, in the presidential pardons process, has finally begun to yield some signs of important progress. In response to [our stories](#), published in partnership with the Washington Post, the Obama administration has ordered a Justice Department review of the process and the Department has begun a formal study, a specific review is underway of the commutation request of inmate Clarence Aaron, and, as we reported in July, officials have begun interviewing possible replacements for the Department’s pardon attorney.



- In response to [a story we wrote in late 2011](#), also in partnership with the Washington Post, a Senate committee announced in May that it is launching a bipartisan investigation of the over-prescribing of opioids. Just days ahead of this, the industry group spotlighted by our reporting, the American Pain Foundation, announced that it had quietly disbanded.
- The [reporting on financial firm Magnetar](#), which was the focus of the first of the stories for which ProPublica won a Pulitzer Prize in 2011, continues to have impact. In May, the Wall Street Journal reported that Magnetar itself is under investigation by the SEC. In July, the Commission settled charges that Japanese bank Mizhuo had misled investors in a Magnetar collateralized debt obligation called Delphinus; Mizhuo agreed to pay the government \$127.5 million.



- We [reported in May](#), in partnership with Politico, about a trip taken by U.S. Rep. Bill Owens (D-NY) and his wife and arranged and paid for by lobbyists for Taiwan and their clients in apparent violation of House rules. Within a day, Rep. Owens announced that he would reimburse the \$22,000 cost of the trip, and soon ordered enhanced ethics training for his staff.
- In July, we revealed that syndicated columnist and Chicago Tribune editorial board member Clarence Page had [accepted \\$20,000 and travel expenses](#) to attend and speak at a Paris rally for an Iranian opposition group lobbying to be removed from a U.S. government list of terrorist organizations. Page immediately agreed to refund the money and was reprimanded by the Tribune.
- Just a week after a May story on [problems plaguing the FCC's E-Rate program](#), which is supposed to funnel funds from phone bills to needy schools, the FCC finally unveiled a training program for phone companies that could go a long way toward solving the problem by lowering the rates actually charged to schools.

## What People Are Saying

“as American and global media undergo a seismic shift, there is enormous potential to build up a new journalism in the public interest, and non-profit models like ProPublica are laying the foundation.”

—*Katrina vanden Heuvel, Washington Post, May 8*

“Not only did ProPublica put itself at the forefront of the public interest, high quality, digitally boosted, modern journalism, but it also created a sustainable way to support it.”

—*Frederic Filloux, The Guardian, July 2*

“Some of the incredibly in-depth data-driven investigative reporting coming out of ProPublica is amazing.”

—*Vivian Schiller, chief digital officer, NBC News*  
Quoted by *Nieman Journalism Lab, July 30*



ProPublica has “done the best overall reporting on hydraulic fracturing”

—*Steve Orr, Rochester [NY] Democrat and Chronicle, May 7*

“Back in the day, it was big when the wires carried your story. Today, you hit it when you make @ProPublica #muckreads.”

—*Jack Sullivan, @reportah, July 12*

“ProPublica has a consistently hilarious tumblr of every batshit weird statement uttered by public officials and candidates this election season”

—*Will Leitch, Gawker, August 9*

“The ProPublica [Dollars for Docs] database has raised important questions for academic medical centers replete with physicians who serve as pharmaceutical company spokespeople.”

—*Ford Vox, The Atlantic, June 29*

“In troubled times for investigative journalism, ProPublica has been a beacon of hope.”

—*Mike Keefe-Feldman and Rick Cohen, Nonprofit Quarterly, June 4*

“ProPublica’s Message Machine is an eye-opening experiment in crowd-sourced journalism.”

—Eric Johnson, *D: All Things Digital*, July 17

“ProPublica’s reporting [on “public welfare” political campaign non-profits] much more fits the definition of ‘public welfare’ here: They have done us a public service in shining another light on how this system is abused.”

—Richard Wolffe, *on MSNBC’s Hardball*, August 23



“Thank you, ProPublica, for creating Nursing Home Inspect. It’ll make our jobs much easier, and be a valuable source of story ideas for many months to come.”

—Judith Graham, *Covering Health*, August 21

“I cherish having access to considered and intelligent reporting. ProPublica especially blows my mind.”

—Rebecca Gates, *former member of the Spinanes*, in *Magnet Magazine*, June 11

“True story:

“I was climbing a 9800’ peak 45 miles north of Sun Valley, Idaho yesterday deep in the Challis National Forest... I was tired, wet, enjoying myself but definitely had to work to keep my spirits up. Occasionally I resort to listening to my Nano...

“Yesterday trudging up the hill I needed the respite so hit the This American Life podcast, specifically ‘What Happened at Dos Erres.’ What an absolutely incredible, tragic and riveting story....

“Thank you for the story and the hard work. Thank you for educating me on a news story that needs to be heard. Finally thank you for your diligence, perseverance, and dedication to truth through investigative reporting. To know the ProPublica organization is out there and working to inform us in ways that are intelligent, deep and well researched gives me some security. So a fan was rightly earned in a remote part of Idaho over the weekend.”

—Marshall Simmonds, *Define Media Group*, July 16

## ProPublica Campaign Coverage Stands Out

The biggest story of the year—at least so far, and likely to continue that way—is, of course, the presidential campaign. Billions of words have been written about it, most of them shedding, we think, more heat than light, and focusing mostly on the so-called “horse race” story. ProPublica has published no such stories. More than one thousand journalists attended each of the major party conventions; ProPublica sent none.

Instead, we have devoted our campaign reporting to going where others were not, and mostly to following the old injunction to “follow the money.”

We’ve focused on failures of transparency not envisioned by the Supreme Court decision in *Citizens United* that opened the floodgates to new levels of campaign spending, and we’ve paid particular attention to the “dark money” social welfare non-profits sanctioned under section 501(c)(4) of the tax code.

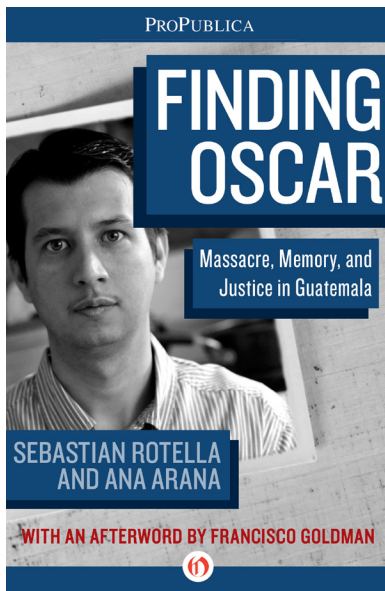
But we’ve also used innovative techniques in data collection and online publishing to [track Super PAC contributions and spending](#) and also monitor email requests for smaller donations through our [Message Machine](#), and earlier in the year played a significant role, through our [Free the Files](#) project, in raising awareness that culminated in an FCC rule change on disclosure of political advertising on broadcast television.

We won’t follow the crowd, but we intend to continue to find innovative ways to cover the campaign, and campaign spending, through Election Day and beyond.

SENT: Monday, July 16, 2012  
FROM: dccc@dccc.org  
SUBJECT: all-out panic mode

SENT: Thursday, Aug. 9, 2012  
FROM: Ann Romney  
SUBJECT: I can't wait

## ProPublica E-books, mobile apps pass milestones



ProPublica has been a pioneer in e-books, publishing eight titles since the beginning of 2011. The flexibility of e-book production means that ProPublica can publish books at more flexible lengths, and much more quickly, than offered by traditional book publishing. At the same time, the convenience of e-readers, particularly for longform narrative, has proved attractive to a wide range of readers, and has allowed ProPublica to reach important new audiences.

Six of our titles have been selected for inclusion in Amazon's market-leading Kindle Singles program. This year, ProPublica began publishing its e-books in partnership with Open Road Integrated Media, and has offered *Presidential Pardons: Shades of Mercy* (March), *The Great American Foreclosure Story* (April), and *Finding Oscar: Massacre, Memory and Justice in Guatemala* (May). In June, ProPublica e-books recorded an important milestone, passing 100,000 downloads.

We've also kept a close eye on the increasing use of mobile devices by consumers of online content. In recent months, roughly 15% of ProPublica's traffic has come from such devices, principally from Apple's iPhones and iPads. ProPublica launched its iPhone app in February 2010 and its iPad app in July of that year. During this reporting period, downloads of these apps—which increased 121% in 2011—have continued to grow strongly, also crossing the 100,000 download threshold.



**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). Most journalism awards are bestowed in the first months of the year, but honors received in the middle period of 2012 included the following:

Our work with Frontline and NPR News on a series called “Post Mortem,” concerning the systematic lapses in death investigations in America, won a **Deadline Club Award** for beat reporting and was **runner up for the Casey Medal for Meritorious Journalism** on children and families in the audio category, while the Frontline episode on “The Child Cases” received an **Emmy Award nomination** for Outstanding Investigative Journalism in a Newsmagazine.

Olga Pierce, Jeff Larson and Lois Beckett’s work on redistricting won a **Livingston Award for Young Journalists** and is a **finalist for the Online Journalism Award** for innovative investigative journalism by a medium-sized news site.

Peter Maass’s article on the toppling of the Saddam Hussein statue in Baghdad’s Firdos Square, published in partnership with the New Yorker, received the Syracuse University Newhouse School’s **Mirror Award for best in-depth/enterprise reporting**.

ProPublica’s web site is a **finalist for the Online Journalism Award for general excellence** for a medium-sized news site. This is the fourth consecutive year the site has been so recognized; we won the award for general excellence for a small site in 2009. Also slated as a **finalist for an Online Journalism Award**, for explanatory reporting is our work on the educational Opportunity Gap.

Also receiving **Emmy Award nominations** for Outstanding Investigative Journalism—Long Form were our work with Frontline on the Mumbai terror raid and with Frontline and McClatchy Newspapers on the anthrax attacks of 2001.

Dafna Linzer and Jennifer LaFleur’s reporting, in partnership with the Washington Post, on the flaws in the presidential pardons process was a **finalist for the National Association of Black Journalists Salute to Excellence** in the large newspaper, investigative category.

## ProPublica partners, May-August, 2012

Amazon.com	Open Road Integrated Media
CBS News	Politico
Financial Times	Slate
Foreign Policy	Stars and Stripes
Frontline	This American Life
Huffington Post	Washington Post
New York Times	Wired*
NPR News	

\*new partner

### By the numbers

Web site monthly page views up 35% over year-earlier, now averaging over 1.2 million

Average monthly unique visitors up 88%, now over 600,000

Twitter followers more than 148,000, up 22% since May 1

Facebook fans more than 36,000, up 16% since May 1

Daily email subscribers over 57,000, up 2% since May 1

“Officials Say the Darndest Things” Tumblr followers more than 157,000, up 3% since May 1

iPad/iPhone app downloads more than 107,000, up 25% since May 1

cumulative views to date on ProPublica’s YouTube channel: 149,000+ including three of 10 recommended “explainers” identified by Mashable

500+ donors

**Photo credits:** Cover photo of Oscar and Tranquilino: Torsten Kjellstrand for ProPublica. Page 3: Clarence Aaron: Photo courtesy of PBS FRONTLINE; Pills: Shutterstock. Page 4: Screenshot of Clarence Page. Page 5: Gas drilling rig: Abrahm Lustgarten/ProPublica. Page 6: Nursing home: Flickr

**Design:** Sarah Way