Organizational Changes at a Media Conglomerate with the Adaptation to the Internet

by

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Abstract

Since the Internet began to be a source of information to many people around the world, newspapers and other traditional media have had to adapt their strategies in order to cope with this nascent medium. In fact, and years after this process began around 1995, traditional newspapers’ web pages are among the most visited sites when readers want to obtain news information.

This thesis examines the adaptation to the Internet of an existing media conglomerate from an organizational point of view, and how this adaptation has finally ended in a newsroom convergence that produces several specialized products that are delivered to the customers through different media, such as newspapers, web pages, magazines or radio programs. Since this process began in 1995, the company has developed this adaptation following different strategies that were mostly shaped by several factors, such as technology innovation, the external economic environment, the learning process and the response of the traditional journalists to this new medium, and the response of readers, advertisers, and competitors, among other factors.

The investigation of this process was carried out interviewing company’s employees at the own firm facilities, and obtaining general information of this kind of process through readings of specialized papers and books.

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CHAPTER ONE
INTRODUCTION

The Subject

The purpose of this thesis is to describe and to analyze how a traditional media company, whose main assets are specialized newspapers, has dealt, from an organizational point of view, with a new medium, such it is the Internet, since its adoption in the mid 1990’s until recent times (June 2003). In other words, this thesis describes and analyzes how different newspapers, owned by the same company, change their traditional and decades-old organizational processes with the adaptation to the Internet in order to adapt themselves to this breakthrough technology that has had a profound impact not only in media but also in many traditional and centenary industries, such as retailing, entertainment, or banking, to name a few.

General Media Services (GMS)\(^1\), owner of profitable newspapers and magazines in a European country, saw in 1994 how some American newspapers began to report about something called the Internet and how some people could send and/or obtain information for a low cost by connecting their computers to the World Wide Web. As time went by, GMS’ main executives and journalists began to pay more attention and to use this new medium. In 1995, Internet was not only a curiosity of some computer experts in America, but also an information tool that some people in Europe were beginning to use. Furthermore, some experts in media and technology stated that the Internet had tremendous possibilities as a content provider. These facts speeded up a process which began in 1995, when GMS initiated its process of adaptation to the Internet through the

\(^{1}\) General Media Services (GMS) is the pseudonym of a real company.
launching of its first web pages. It cannot be forgotten that the entrance of GMS into the
cyberspace was also driven by a defensive attitude as a consequence of the threat that the
Internet could become if others took this new medium to get into the specialized
information arena, this is, GMS’ turf.

Eight years later, in the summer of 2003, GMS is an experienced company in
Internet matters. In this time, GMS and its people have seen and gone through different
stages and attitudes towards the Internet: from the low importance it was given in the first
years (1995-1999), the Internet hype and excesses of the late 1990’s and early 2000’, and
to the bubble-burst that vanished away the Internet-infatuation suffered by many
companies, especially those belonging to the group of TMT’s (Telecommunications,
Media, and Technology), an industries’ sector created during the Internet bubble and
which grouped those companies more prone to be affected by this new medium.

In this thesis I will tackle, on one hand, a longitudinal analysis of this process that
ranges from 1995 till June 2003, with all the external factors that influenced the decisions
and responses of GMS’ organization towards the Internet, as well as the changes that
GMS went through this period as a consequence of internal factors, such as journalists’
perception of this phenomenon, technology adaptation in GMS, or the learning process
that the company as a whole went through. We will see how the adaptation and
acceptance in one of these newspapers (Goal) was much more successful than in other
one (Invertis).

On the other hand, this thesis also analyzes this process across different and
specialized newspapers, and their diverse responses and attitudes towards the Internet
adaptation although all these newspapers belong to the same owners and their facilities are located next to each other.

One of the strengths of this thesis is its subject. So far, no major study has developed this issue in either such a wide longitudinal approach (from the Internet beginnings till 2003) nor in a single-company comparison across several types of media markets.

Methodology

Given the subject and the scope of the thesis, a grounded theory approach informed the research process. The main data collection method used was open-ended interviews conducted at the corporate headquarters of GMS. As it can be seen in Exhibit 1, the 35 interviewees are all employees of GMS and have several different positions at the company: from the executive director in charge of Information Products and Corporate Development, to several reporters of the online and traditional newspapers of this media conglomerate.

The criteria used to select these 35 interviewees were simple and easy to understand, and can be synthesized in one idea: to get as much diversity as possible among GMS’ employees involved, directly or indirectly, with the process of adaptation to the Internet, as well as some outsider views such as those coming from reporters that have only worked for traditional newspapers. That is why among the interviewees there were many journalists (executives, editors or reporters) that have worked in both sides of the newspapers: paper and online. Journalists that have only worked for the online version and other reporters that have only been involved with traditional newspapers also participated in this process. The number of journalists selected for these interviews is
evenly distributed according to the importance and proportional weight of the
information areas that GMS has. Eight interviewees came from the Sports area, while six
from the Business Area, and four of the Other Information Area, which includes women,
doctors or students’ publications.

Key elements in these interviews were the main actors at GMS Digital Media, in
other words, the Internet Department at GMS, as well as some executives of the
Computers and Systems departments. The latter have been highly involved in this process
assisting all online newspapers in this adaptation to the Internet. Other interviewees were
sales people, especially some heads of AdsIn, the advertising agency owned by GMS and
which has the exclusive rights for placing advertising in GMS media. These AdsIn
executives have also gone through this process because they have been in charge of
selling ads for the online pages.

Therefore, the 35 interviewees provide an array of views and experiences within
GMS in relation to its adaptation to the Internet. The final selection criterion, once the
numeric and qualitative criteria were set, was the availability of the people. GMS’ people
offered all their support and help to aide in this process.

The interviews were open-ended and, although there was a general set of topics to be
addressed in the interviews, the questions substantially changed according to the features
of the position, area, department and other circumstances of the interviewees. Broadly
speaking, people were basically asked about their relationship with the Internet, the
changes that the company has gone through in this adaptation, what do they think about
Internet reporting, and which different attitudes they have seen towards online journalism
and GMS web pages.
These 35 interviews were conducted at GMS headquarters from June 2\textsuperscript{nd} to June 13\textsuperscript{th}, 2003. On average, each interview lasted one hour; it was taped, and all the participants were asked permission to be taped. They were also told that their names would be changed, as well as the name of the company, to keep the confidentiality so as they may give more accurate and sincere answers.

Existing Literature on Journalism and the Adaptation to the Internet

Before conducting these interviews and to have a deeper understanding of the main issues in the media adaptation to the Internet, I studied the main books and references that tackle this issue. Some clear ideas emerged while reading these books and, given my previous knowledge of GMS and journalism, I took note of them to find out the perspective of GMS’ staff on these subjects.

One key idea was how journalism as a whole changes with the Internet. Pavlik (2001) underlines that journalism, in its essence, does not change even a bit. According to this Columbia professor, journalism has to be made as it has been in the last three hundred years: story-telling with rigor, quality, originality, socially responsible, and done without forgetting the shoe-leather side that it has (walking with leather shoes to pursue as many reliable sources to buttress the rigor and perspectives of a story). Pavlik, of course, acknowledges that the new medium and other technologies have deeply changed the day-to-day routine at the newsroom; however, all these substantial changes should not alter the basics of responsible journalism.

As we will see further on some interviewees mentioned that Internet journalism was conceived at some time at GMS as journalism done by Internet experts. Jason Mortimer.
head of *Doctors Daily*, comments than many `supposed` Internet journalist hired by GMS at the Internet-bubble’s time were experts on software, computers, and other related items, and spent most of their time trying to show off this kind of knowledge rather than reporting as journalism’s cannons demand. These too-computer oriented journalists lasted a short time in GMS, given the great importance that the company has always given to quality reporting. Furthermore, these Internet reporters too focused on computer matters were not eager to walk out of the newsroom in order to seek stories or sources of information (shoe-leather reporting, as Pavlik mentions).

Other interesting idea that also came out during the interviews was that of online journalism as a mimetic experience of the offline newspaper and shovel ware reporting. Boczkowski (in press) considers that some newspaper are developing online versions that are quite similar to the offline versions, given that some of the contents published in the paper version are shoveled in into the online versions. This is one of the key ideas developed in this thesis, as long as at GMS’ online reporting has been considered by many traditional reporters as second class journalism provided that many of the contents of the web page are just stories copied from the paper version and pasted on the web page. Building on this idea, it would be unfair to reach the same conclusion of those traditional journalists. It is true that, at GMS, many web pages are full of contents done for the newspapers, but it is also true that these same web pages are trying much more as time goes by to create its own contents, not only based on text but also in other versions, such as audio and video, given the Internet possibilities.

This point is also linked with an idea developed by many of the selected readings. This idea is that of Internet as a new medium that combines all the features of the current
media: text (newspaper), audio (radio), and video (TV). Roger Fiedler (1997) explains that mankind has gone through three important “mediamorphosis” (the title of Fidler’s book). The first one was the adaptation of spoken language; the second, the invention of writing, and the third, the digital revolution, in other words, Internet, computers, and so on. Fidler concludes that Internet may eventually turn into the single and only medium, the one that gathers all the rest of media, although he clearly does not say so: he just considers this possibility.

At GMS, the online pages have included some possibilities that the other media have, such as text, some audio, and in a lesser extension, some images (those of Invertis.TV, the TV channel of the business newspaper). GMS is working in an integration process that will merge their newsroom in order to produce the several newspapers and magazine that it has. But it is not doing so to make a single medium, Internet, where all its customers have to go to obtain information. Only time will tell us if in ten, fifty or hundred years mankind only has one medium: Internet, of course. Nevertheless, it seems too soon to reach that conclusion. At GMS, some executives think that Internet is another medium that has arrived to stay, but right now it is just another one, with many possibilities, but another one.

When asked about their jobs and their daily routine, many GMS’ online reporters mentioned that online reporting is much more stressing than newspapers reporting. Many of them mention that immediacy or the necessity of offering breaking news, adds a lot of strain to their jobs, and lesser quality or/and lack of rigor is many times the trade-off. Seib (2001) considers that live-reporting, driven by immediacy and the necessity of watching or listening what is happening right now, has negative consequences, and
mentions examples of television broadcasting how people commits suicide or Internet pages releasing, without any reflection, racial messages, pornographic images or other hazardous political or social messages. Although the nature of GMS’ media (sports, business, doctors, women…) are not prone to deal with these controversial points mentioned by Seib, at this company there is a clear idea of the social responsibility of media, as Seib points out. GMS’ social responsibility is much more related with issues such as possible damages that its information may produce to investors, reputation of businessmen, companies, or athletes.

The only legal issue mentioned in some of the interviews was that of the copyrights and libels. Hall (2001) comments that copyrights and some other issues related to legal responsibilities are not yet developed in the Internet world, meaning that their boundaries rather than ill-defined are non-existent, given the features and the youth of this new media. What happens, for instance, when a web page in the other end of the world exactly reproduces information offered by the web page of a consolidated newspaper that cares about copyrights? To whom responsibilities may be asked when a web page which has no address or known editor hurts the reputation of somebody?

John Duva, head of the Business Area at GMS and a highly experienced journalist, comments that Internet has spurred the appearance of many web pages with unknown owner or editor which systematically spread rumors and false information that not only hurt people’s reputation but also online journalism’s credibility.

Apart from all these facts and features, one of the most repeated ideas in all these readings is that Internet has changed journalism in the way that it multiplies exponentially the interactivity with the audience. Turow (1997) states that America is
going through a process of continuing segmentation in which firms are less interested in reaching an amorphous mass of consumers rather than well-defined segments of them. The author comments that mass-media, understood as an advertising vehicle, are less interesting for more and more firms, eager to segment as much as possible their customers and to offer them more specialized and tailored advertising messages.

Turow explains that the Internet will multiply exponentially this segmentation and it eventually might kill those media that he defines as society-making: the ones that try to reach a whole society/community. At GMS, the interactivity of the Internet and its possibilities to offer to the customer what they really want was one of the most recurring points during the interviews. Many reporters commented that the possibility of consulting immediately the rankings of the most visited pages (stories) in a given day or the potential to develop polls or other products with instantaneous responses has been an essential part of online reporting. All of the interviewees, either skeptical or not with this new medium, clearly acknowledge the tremendous possibilities that Internet’s interactivity offers to journalism. The e-mail, something that we currently consider a commodity totally introduced in our ordinary lives, has also had an impact on the interactivity among content providers and their customers.

Another idea mentioned in most of the books on Internet and its effects on journalism is the potential of online newspapers as repositories or mega-archives of past information. Most of the journalists at GMS do increasingly use the Internet as a source of information, and more and more readers log on the web pages of GMS’ newspapers to find past information on companies, athletes, soccer teams, or, as we will see, medical legislation or research papers that are essential to be updated in the medical field. At
GMS, the online site of its doctors’ newspaper has turned into an interesting repository of legal sentences on medical issues, new medical legislation or description of new approved drugs. This online paper began as a replication of the traditional newspaper, but as time went by the editors noticed that the audience was much more interested in getting online for finding those mentioned subjects rather than to read the stories that were published in the newspaper that same day.

Nevertheless, and as said before, no other book or paper has focused, as this thesis does, on analyzing how Internet has changed a real case company in such a broad period of time (1994-2003). On top of that, this thesis analyzes this process in a company with several and different newspapers, instead of focusing on the online operation of a single newspaper, radio, or television station at a time.

An Introduction to the Following Chapters

Chapter 2 is focused on presenting GMS as a company: it offers a concise history of how this media conglomerate was formed and how it is its current configuration. It also shows which are its main publications, a brief story of them, and some of the components of GMS’ corporate culture. The exhibits that accompany this text also offer an overall view of the company, either from its financial performance, its organizational charts, or the main characteristics of its publications (see Exhibits 3, 4, and 5).

In chapter 3, it is described how GMS, as a conglomerate, developed its adaptation to the Internet. It begins with the early years, from 1995 to 1997, when Internet basically was an unknown phenomenon that was slightly taken into account by GMS’ top executives. The appointment in 1997 as Internet department’s head of Stan Krueger, a
well-known and experienced journalist. was the first serious decision of GMS towards the Internet. From then on, the Internet department began to proceed in quite an organized way, and more company’s resources were allocated to this department. In 1999, the Internet department suffered a dramatic change which was highly influenced by external conditions. The Internet-bubble was at its peak, the new economy was supposed to be the real economy, and many companies tried to transform themselves into Internet companies to benefit themselves from the excessive valuations that were being paid at that time. GMS was not out of that trend, and tried to convert into another highly valued Internet company, especially when GMS’ Initial Public Offering (IPO) was scheduled for October of 2000.

Consequently, GMS’ organization and human resources went through a hectic period in which it seemed that the old and traditional rules were no longer valid. Internet journalist, those who previously were seen as second-class citizens at GMS, became the journalists of the future during the Internet bubble, and those newly hired for online pages were paid higher salaries than those of the experienced traditional reporters. This fact was a source of strain within the newsroom of the traditional newspapers that it is still reminded.

The bubble-burst, at the end of 2000, was followed by a sharp decrease in advertising expenditures (main source of revenue in GMS’ case). As a result, the company had to cut expenses in many areas, especially in the Internet department, one which had experienced the largest growth, both in resource-allocation and people. These facts also coincided in time with a new restructuring of the company following a redesign of GMS’ corporate strategy: the company was no longer a specialized newspapers firm, but a content
provider focused on sports, business, and other types of specialized information. This change came along with investments previously done or scheduled for the following years in TV and radio: two media that were not part of GMS’ know-how.

Apart from all these changes, GMS also began to develop another plan aligned with its corporate strategy. Beginning in 2001, GMS tried, and still does, to integrate in one newsroom all the newsroom of one type of specialized information to produce not one single product but many of them and with higher quality than the current ones. In other words: to set up a single newsroom for sports information, for instance, were all the reporters, no matter their specialization —newspaper, radio or web page—, would participate in the production of a sports newspaper, a sports radio station, and a sports web page. The web page plays an important role in this integration, given that the Internet has the possibility to gather text, audio, and video information in one single medium.

Chapter 3 also analyzes which were the common features that went all the way through this process and the main variations that GMS experienced throughout this process. In one hand, we have visible constants, such as a strong leadership in this process, led by Maurice Moore, executive director for Information Products and Corporate Development. It is also constant the role and influence of the Internet’s skeptics, a numerous group of journalists that have seen Internet’s reporting as a cut-and-copy job where there is no added-value, and it is done by second-class reporters. Therefore, it is easy to conclude that at GMS, online versions of its newspapers are considered, by some journalists, sub products of lower quality full of stories that have been shoveled from the newspaper into the web page.
Chapter 3 ends with the changes that GMS experienced as a whole in this process of adaptation to the Internet. Changes in the corporate strategy, in the product, or in the role and weight of the Internet department are analyzed without omitting the importance that external factors had in these changes. The Internet golden era and its subsequent end had an enormous influence in GMS as it had in almost every other media company in the world. Furthermore, technological changes and the learning experience of online reporters after years of work had also an impact on GMS’ online products, which constantly changed since many of them were first launched in 1995.

Chapter 4 is a more individualized analysis of the diverse information areas that GMS has, and how the media in these areas adapted to the Internet. One group is the Sports Information Area, consisting of a successful daily (Goal), and its radio and online versions. Another group gathers the business and financial news media, lead by Invertix. the financial daily, while the last group, the Other Information Area includes women, students, or doctor’s publications. Each of these groups, especially the sports and business, the most important, have gone through this adaptation process with different results and perceptions, as a result of several factors, both external and internal.

In one hand, we see that each of these groups experienced a joint-learning process that stems especially from the Internet department, as well as from the Systems and Computer departments, which play an important role in the broad adaptation of GMS to the new medium. These departments have acted as common knowledge-repositories available for all the web pages and their people, and their know-how is highly valuable given its practical applications to the day-to-day activities.
Another common characteristic that has its influence in this whole process was the lack of threatening and serious competitors in each of the information areas’ web pages. As it happens with GMS’ newspapers and magazines, GMS’ web pages have always been the undisputed leaders in their fields, according to the number of visits and page-views audited by independent parties. The newspapers and magazines have traditionally led the rankings, either in number of copies sold or advertising revenues, if not in both. as it happens with Goal and Invertis.

While these similarities might give the impression of a high coherence in the response of all GMS’ media to the Internet, differences in this adaptation are more numerous and significant than commonalities. While the Sports Information experienced a semi-harsh process with its inherent pitfalls, the Business Information Area has gone through a bumpier road. Similar differences can be seen in the process of newsrooms’ integration.

The different acceptance to this change by these two areas arises from several factors, such as the different contents, sources of information, readers, and other characteristics of the products that both Sports and Business journalists do. Another source of disparity is personal features of the Sports and Business journalists, as well as the different perceptions that both groups have of the online newspapers. On one hand, business reporters are more averse, in general terms, to participate in other medium rather than the traditional newspapers.

Another important fact is the different pressure that the respective leaders of these areas have transmitted top-down in this adaptation process. The pressure in the Sports Area has been more powerful and constant than that of the Business Information Area. Furthermore, the current editor of Goal took over this position after leading for many
years *Goal.com*, the Internet version of the sports daily. In the Business Area, on the other hand, the editor of *Invertis* from 1999 to 2003 hardly transmitted any intention of achieving neither the participation of traditional journalists in developing the web page nor the newsroom integration among the media that form the main branch of this area: *Invertis, Invertis.com*, and *Invertis TV*. The head of this area, as opposite to the Sports area, did not push in this direction either until the beginnings of 2003, once the editor of *Invertis* was replaced.

Chapter 5 is focused on offering conclusions of the most important ideas and facts that have been developed in this thesis. Another important part of this final chapter is a forecast of what may happen not only to online versions of traditional newspapers but also to the development of the media through the Internet, and how it might change the role, the importance, and the organizational processes of Internet journalism in a near future. After eight hectic years full of constant change, ups and downs, there is no doubt that the Internet and online journalism are here to stay with a more visible presence and importance, and media companies would have to deal with it whether they like it or not. As long as the technology keeps on developing new possibilities that are reachable and affordable to more and more users around the world, the importance of the Internet journalism is going to grow for many reasons, being the convenience of the most important ones. Convenience to find what readers/audience wants ‘*hic et nunc*’ (here and now), no matter if it is in text, audio or video versions, and from sources of information spread all over the world. The acceleration in the process of commoditizing technology products, such as computers, printers, high-speed Internet access, and the familiarity of the younger generations with these technologies are key factors to understand why
Internet and online journalism have still a long path to walk that will have a culminating moment the day in which these possibilities are massive and used in an ordinary-day basis. The timing, or how fast it will happen, is another issue: nobody is supposed to know it. There are reasons to be confident in what will happen, though knowing when it will happen is an issue of futurology.
CHAPTER TWO

GMS: COMPANY PRESENTATION

Global Media Services (GMS) was born in January 1990, after five publishing and related companies controlled by the same owners merged to create this media holding. GMS has always defined itself as a publisher of specialized newspapers and magazines, although since 2000 it has changed the word ‘publisher’ for ‘content provider’, given its new corporate strategy, highly shaped by the importance and the adaptation of the new technologies, such as the Internet; and their entry in other businesses, such as radio and television. Nowadays, the majority of GMS’ equity belongs to a foreign company.

Wigans, also European, and with media and publishing interests worldwide. Wigans first bought shares of what today is GMS in 1988, with the acquisition of a 35% stake in Artas, the publisher of Invertis, GMS’ business daily.

Among GMS main titles is Goal, a sports daily; Invertis, a business daily; Business Report, a financial weekly magazine; Dona, a women’s magazine; Doctors Daily, a free daily delivered to doctors, or GMS Conferences, a unit that organizes and sells attendance to conferences and courses to executives and employees. GMS revenues are around € 470 million; it employs 1,800 people, and has never made a financial loss. Furthermore, most of its titles have always been the leaders in their respective markets.

The Beginnings

These five smaller companies merged in 1990 to form GMS were publishers of several newspapers and magazines, and most of them were created by a group four
journalists who were closed friends: John Shawson, Thomas Voight, John Roberts, and Eric Truman.

The four of them were working for a general information newspaper in the 1970’s until they decided to buy in 1977 Business Report, a well-known weekly business magazine whose influence and readership was in dire straits. With financial help from their families and bank loans, they bought the magazine and began a turnaround process that ended circa 1984. Prior to that, they bought a stake in Caisca, publisher of Dona. One of Caisca’s main shareholders was its editor. Madeleine Bettren, classmate and good friend of some GMS’ founders.

It has to be pointed out that a deep religious vision of life was a common link between these friends, and this feature, although not highly noticeable in the day-to-day routine of the newsroom, was part of the official credo of the company. Nevertheless, the specialization of the publications left only a small room or opportunities to show the religious beliefs of the owners. In other words: though religion was an important part of the owners’ lives, it was not perceived in the editorial policy of the publications because the contents, sports or business, were not prone to show any religious inclination.

In 1984, the four friends made a bold move. They attended an auction of the assets of a failed newspapers company with the intention of buying a local newspaper; however, they were outbid. Feeling that they had to leave the auction with something under their arms, they bid successfully for Goal, an almost-dead sports newspapers that had been struggling for the last ten years. Furthermore, Goal was competing in a market with a well positioned leader, Match.
Two years later, and after seeing how *Business Report, Dona,* and *Goal* were constantly improving both their audiences and their financial performance, the group decided to launch another venture: *Invertis,* a business daily that would compete against *Markets,* the only paper of that characteristics in the country at that time. As it was usual, the four friends created a new company for every paper they either launched or bought. Jason Shawson, as it happened before with the purchase of *Business Report* and of *Goal,* was appointed editor of the new paper. As long as he left the editor position of a newspaper to lead another one, he was substituted by Thomas Voight, John Roberts or Eric Truman.

In 1988, the group of four first thought about merging the different companies. There was a fact that triggered this idea, besides tax, financial or other strategic reasons. Wigans, a global media company, was totally aware of the excellent performance of the dailies of these four friends and approached them. Its first offer was to buy a stake in *Invertis,* but Wigans also conveyed its intention of investing in the resulting holding company if the four friends decided to merge their media assets.

After several analysis and reports, the four friends decided to create GMS, the result of the merge of the publishing companies of *Goal, Invertis, Dona,* and *Business Report.* Another company, AdsIn, was also included in GMS. AdsIn was an advertising agency which the exclusive rights for publishing ads in the mentioned publications. AdsIn, in other words, was the agency that sold the ads for the different GMS publications, and was also owned by the four friends and some executives of this agency. It is important to remark that in the case of *Invertis, Dona,* and *Business Report,* around 80% of the average total revenues come from advertising, while copy sales either at newsstands or
subscriptions is the 20% left. In the case of *Goal*, given its characteristics, ads revenues are around 40% of the total revenues.

When GMS was born in 1990, Wigans took 35% of the resulting company and was permitted to be represented in GMS’ board by two directors. Since then, Wigans has gradually incremented its stake to arrive to a current 80%. Many of these purchases during the 1990’s were result of either a stock private offering or the departure of one of the founders after discrepancies with his peers. The first departure was that of Jason Shawson: he backed the idea of merging the companies to form GMS but he did not want to sell to Wigans at the price they did.

Although Wigans has owned for many years the majority of GMS’ share, the firm has always offered lots of autonomy to GMS executives, something quite uncommon in the corporate world. Possibly, as many observers say, this ‘independence’ given by Wigans is due to the constant and excellent financial performance of GMS; however, it is also said that as long as GMS obtains more than remarkable profits, Wigans will not interfere in GMS’ management, but if GMS’ profits decrease Wigans will send immediately its own people to run GMS.

In 1992, GMS launched *Doctors Daily*, another venture of specialized information. This daily is sent for free to around 50,000 doctors spread in hospitals all over the country. Its only source of revenue is advertising, especially from laboratories. Since its beginnings, this publication has been a success, given the acceptance that it has reached among doctors and the increasing stream of advertising revenues. At the end of the 1990’s, GMS launched *Doctors Mail*, a weekly newspaper with gathered the main
contents published in *Doctors Daily* during that week. This newspaper was sent to hospital in rural areas or in provinces in which a daily delivery is difficult to accomplish.

Other informative area was opened by GMS in 1995, with the launching of *Studio*, a weekly newspaper delivered for free within the campuses of the main universities of the country. The idea of the publication was to attract all that advertising focused in young consumers, a market segment that was not totally approached by GMS.

Although GMS headquarters and main activity have always been in the capital of the country, the 1990’s contemplated an important upsurge of investments and development of the regional offices, whose main purpose was to serve as newsrooms for GMS regional journalist for the different publications and as offices for sales representatives of AdsIn, who could better focus on selling to regional advertisers. GMS top-management also tried to convert these regional offices in a public relations network that could allow them to have good contacts with regional governments, businessmen or other sources of information and advertising.

GMS Conferences has been one of the best performing units in the last decade. Given the expertise, contacts, advertising power, and databases of GMS’ publications, especially from those related to business information, GMS’ executives considered that they have all the necessary tools to set up a conferences affiliate whose purpose was to organize conferences and courses for company’s executives.

A crucial point in GMS’ story is the reorganization of the company that took place in 2000, trying to buttress the new corporate strategy, whose focus was to turn GMS from a newspapers’ company into a content’s provider corporation, no matter which medium is used to deliver that content. At that time, the company decided to group its core assets.

International expansion is one of the projects that GMS has been working since the early 1990’s. The company has only a minor presence in some markets in America and other European countries, and the revenues and profits that these subsidiaries add to the consolidated balance sheet are not substantial. Nevertheless, GMS is nowadays eager to expand much more its activities: the company has a long history of ‘zero-debt; lots-of-cash’, and it is constantly analyzing acquisitions or new ventures both on its market and abroad.

**Human Resources and Management Team**

GMS had 1,800 employees at the end of 2002, being 62% men and 38%, women. As it is shown in the graph below, the average age is 33 years and there is a 1:1 ratio of journalists to non-journalists positions.
<table>
<thead>
<tr>
<th>Employees</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sports Info. Area</td>
<td>19%</td>
</tr>
<tr>
<td>Business Info. Area</td>
<td>21%</td>
</tr>
<tr>
<td>Other Info. Area</td>
<td>10%</td>
</tr>
<tr>
<td>Ads selling and printing plants</td>
<td>25%</td>
</tr>
<tr>
<td>Others</td>
<td>25%</td>
</tr>
<tr>
<td>Average Age</td>
<td>33</td>
</tr>
</tbody>
</table>

Usually, GMS does not hire experienced journalists. The average career path at GMS is to begin as a summer intern in one of the publications, and if the performance is acceptable the journalist will be hired by GMS as a reporter. Many executives at GMS began their careers following this path.

Many GMS journalists, especially at the Business Information Area as well as the founders of the company, are graduated from a prestigious university in which Communications is one the most well-respected degrees.

*The Top Executives*

It was typical at GMS that the executive chairman of the board were Jason Shawson, Thomas Voight or John Roberts, especially these last two people since Shawson left the company in 1990. Dennis Moran, a relative of Roberts, has been since the last eighties either the president and CEO of GMS, and his main duties have always been advertising-sales, operations, administration and other general areas, but not the contents and the publications. In other words, he has always been in charge of the non-journalistic day-to-day activities. In 1995, the heads of GMS made a bold move. Moran was named CEO, maintaining the same responsibilities, but Maurice Moore was named president of the
company. He was the former editor of *Business Report* (1989-1995), and his main duties as president would be, as he was asked by Voight and Roberts, to lead the professionalizing of GMS, oversee the quality of the products and to develop new projects, both national and international. When Moore or the founders referred to professionalizing GMS, they meant to turn the company from a successful family firm into a professional firm, with experienced executives in charge of the non-journalistic areas and with a corporate structure more similar to those of modern corporations rather than those of family companies that have been surprised by its quick and sudden success.

This process of professionalizing GMS has advanced quite rapidly since then, given the positions that compose the firm’s main structure and the profile of the people taking those positions (See Exhibit 1).

In 1998, Thomas Voight was the chairman of the company, after replacing Roberts, who previously had substituted him. Voight left his position and was replaced by Steven Murray, who currently holds this position. Murray, unlike his predecessor, was neither a journalist nor a founder of the company; however, he was a relatively important shareholder of the company, especially in its beginnings, and has always been linked to the financial industry. However, Murray has always been informed and involved in GMS’ main events.

Under Murray’s tenure, GMS has made some important changes, such as its debut on the stock markets and the new structure of the company, both occurred in October 2000. One of the important changes in this restructuring was the appointment of Maurice Moore as executive director of the company with responsibilities over the information areas (the products), internet, international, and over corporate development, meaning all
the possible investments or new ventures that GMS may tackle. Another new position that came out of the restructuring was that of Chief Financial Officer, which was taken over by Justin Jones, a former investment banker. This position was due to GMS’ listing in the stock market: a CFO with knowledge of the markets and of the investor’s relations world was necessary at that time in GMS.

In these Murray’s years, GMS has also gone through one of the most hectic periods that the media industry can recall, as it was the Internet golden era, from 1999 to 2001, more or less, and when the old and traditional newspapers’ industry saw itself in the middle of a speculative whirlpool named TMT (Telecommunications, Media, and Technology).

In the following chapter we will see how GMS adapted to this new phenomenon, the Internet. In this case, given the GMS’ features, we will not see the adaptation of a single newspaper, but the adaptation of a conglomerate with several and different newspapers and the different results achieved in this process among these publications.
CHAPTER THREE

GMS’ ADAPTATION TO THE INTERNET: THE STORY


Properly speaking, executives at Global Media Services (GMS) first learned about the Internet in the pages of the company’s financial newspapers and magazines. Reporters began to write and report on that promising technological advance called the Internet in the early 1990’s, following news and information coming from the United States. The subject, Internet, was interesting enough to catch the eye of the editorial rooms.

Maurice Moore, at that time editor of Business Report, was one of the key players at GMS in the following-up of the Internet development in the world. He was both a technology fan and, as everybody at GMS presumed, a future top executive of the company. In 1994 several reporters of Business Report led by Moore participated in the first contacts of GMS with the Internet. A reporter, for instance, traveled to the US to see how some newspapers were adapting the Internet to its daily routine. He had also to prepare an internal report about the findings. Other journalists began to surf and search on the Web, and to do the first applications based on the Internet.

The appointment in June 1995 of Maurice Moore as president of the company, reporting to the CEO and to the executive chairman, was a milestone in this process. Moore was, at that time, the only executive at the company doing any adaptation, advance or development on the Internet. As Maurice Moore said:
The top executives and the founders of GMS had no idea in 1995 of what the Internet was about. They knew that behind the Internet might be something interesting for the company, and they were smart enough to let me do what I really thought was good for the company. They did not interfere or curbed the development although they had no clue of this process. (Personal communication, June 6, 2003)

During 1996, and 1997, GMS’ publications launched their first web pages following the idea of “do what others do” –being the “others” the world leading newspapers. The web pages were basically Internet reproductions of the newspapers versions. These web pages were prepared by one or two ‘paper reporters’ of the newsroom who had, in many cases, a higher than average knowledge of computers. These reporters were taken out of their daily routine following the advice of Moore, who asked the editors of GMS’ publications to put aside one or two reporters to fill the web pages with the newspapers contents and to include news, as soon as possible, that were happening that very same day. These reporters also implemented some developments or practices that were possible given two characteristics of the Internet: multimedia and interactivity. Among these practices was the live written-narration of a soccer match, by Goal.com or the offering of stock market charts, by Invertis.com

A key figure in this process was Martin Connors, a young and talented reported of Business Report who loved computers, technology, and the Internet. He was Moore’s right arm in the beginnings of the adaptation to the Internet. Connors was told that one of
his main duties was to be aware of what was being developed and implemented in the Internet world so as GMS could get and implement it rapidly.

According to Moore, those early days were a period in which “a few GMS’ employees with scarce means were trying to do in the Internet what the big world financial newspapers were doing.” (Personal communication, June 6, 2003)

There was no defined plan or strategy related to the Internet. The idea was to do something with Internet, because this phenomenon might eventually be a key player in the development of journalism.

The Raise of the Internet Department (1997-1999)

In May 1997, Maurice Moore, with the consent of GMS’ top-management, appointed Stan Krueger as head of the Electronic Extensions Department, a broad name for a newborn department whose purpose was to undertake projects in which computers, Internet, and all related technologies were at the center of the stage. Stan Krueger, in his mid-thirties, was a bright reporter who previously had management duties. He worked six years for Business Report and was Moore’s deputy in the magazine at least for four years. Both were quite concerned at those times that information on new technologies, especially the Internet, had to be a key-point of the magazine’s offer. Krueger comments about his appointment:

Leaving modesty aside, my appointment was a signal: they put ‘somebody’ with good professional reputation in charge of the department. Clearly, GMS wanted to
do something serious with the Internet despite the uncertainty that surrounded Internet at that time. (Personal communication, June 2, 2003)

Krueger, with Connors as lieutenant, began to give shape to the Electronic Extensions Department. As he recalls:

At that time, in 1997, only Moore paid attention to us; the rest of the top management ignored us, but they let us do. The editors of the papers also ignored us and many reporters thought the department members were computer experts with no idea of journalism. We were kind of pariah. (Personal communication, June 2, 2003)

During that year, the web journalists were located in the traditional newsroom and were seen both as a “nuisance” and as “second class journalists” by many experienced reporters. Some of these web reporters were interns that spent their summer at the different GMS’ publications, either working for the traditional newspaper or for the online version. Eventually, those who were hired for full-time positions after summer continued working in the same department, either the traditional newspaper or the online version. Their salaries were at that time uniform and quite low, as it is GMS’ policy for the entrants. Mostly, all the new reporters had Bachelor of Arts in Communications or Journalism.

At that time, the decision of sending a new summer intern either to the traditional newspaper or to the online version was not elaborated. It consisted basically on asking
them whether they have some knowledge on Internet, html pages, or computers. Those who answered “yes” were sent to the online version.

In 1997 and 1998, the shoveling of newspaper’s contents into the web pages and adding some breaking news was the main offer of GMS’ online newspapers. This job was seen as a second-class job by the usually specialized print-reporters. Furthermore, the experienced reporters often complained in private about the constant requirements for help asked by the inexpert web reporters when they had to add background to the breaking news that were added to the web page. Mathew Johnson, Krueger’s deputy, says that the “editors of the newspaper did not feel at that time that the web pages were part of the newspapers”. (Personal communication, June 3, 2003)

At that time, it was not frequent that experienced journalists joined the online version. Traditional editors were quite concerned in preserving these experienced professionals in the traditional newspapers but they had to give in from time to time, especially when Moore personally asked the editors to send an expert journalist to the online version to strengthen the quality of the information.

Basically, from 1994 to 1997, GMS attitude towards Internet was a “see and try to do what you see that makes sense for us”. This idea was maintained from 1997 to 1999, but giving more people and more importance to the Internet department. Nevertheless, Internet still was a minor issue, a second-class project till 1999. During that year, Internet was an “ugly duck” that turned into a “white swan”. How come? As Maurice Moore said, that year was “when the executive chairman began to talk about Internet; we were getting into the golden era of the dotcoms and the Internet fever. Prior to that, the chairman never talked about the Internet.” (Personal communication, June 6, 2003)

In 1999, a bold idea took place in GMS: The company has to turn around the Internet axis. It has to become a member of the Internet galaxy. This thought was shared among the top executives of the company and frequently conveyed top-down by the leading executives. Having in mind that the company was going to be listed in the stock exchange, as it happened in October 2000, and given the sky-rocketing prices of the Internet-related companies, it was desirable to turn GMS in a Internet related company. A top-notch consulting company was hired and Stan Krueger turned into the man to follow in GMS.

When asked about the main conclusion of the consultant’s executive summary, Krueger says:

Consultants write in nice words what you are telling them, but basically, they said that the Internet department has to turn into a smaller company inside a larger company. GMS, and the whole conglomerate has to orbit around the Internet department. (Personal communication, June 6, 2003)

The plan suggested that the Internet Department had to have a professional for every function: an advertising-sales manager with his/her team; a controller; a human resources executive, a marketing vice president, etc.
Furthermore, all the traditional departments of GMS had to have a person whose main duty was to “internetize” the traditional organization. “For instance, Internet had a marketing executive and GMS’ marketing department had someone who was responsible for Internet within the traditional marketing department”, says Krueger. (Personal communication, June 2, 2003).

But why the duplication? The internet department’s person was essential to develop the numerous new businesses that were on the table. However, the traditional marketing department person was someone who had to inoculate the Internet virus into the traditional organization or department”, according to Krueger. (Personal communication, June 2, 2003)

In other words, the point was to turn GMS into an Internet company. a challenging purpose totally aligned with the bullish mood of the time. Maurice Moore recalls that he had “to stop the impetus” of GMS’ chairman at that time:

In 1997 or 1998, nobody gave a dime for the Internet, while in 1999 and 2000 all the dimes in GMS were ready to be invested in the Internet. In fact, I had to stop the chairman and some others because they were too infatuated with the Internet and taking excessive risks basically because he was less familiar with Internet issues than we were. (Personal communication, June 6, 2003)

The golden era changed the tone and ideas at GMS as it did in so many similar companies at that time, which spend heavily in information technology (IT ) and in
people thinking that the Internet was going to be the start of a ‘new brave world’. Maurice Moore recalls:

We did not make many crazy things. The only one I recall was to work without any budget: it was impossible to have one because the circumstances and the pace changed so quickly that it was physically impossible to have a reliable budget. We worked under these circumstances during a year and a half. (Personal communication, June 6, 2003)

Many traditional journalists and second-tier managers at GMS, including some editors of newspapers, felt that both Internet and the approach that GMS was taking were senseless, temporary, and hype-driven. In fact, and according to Krueger, there were some of them that worked surreptitiously against the whole Internet department: “A bank hired an ads-campaign for our web pages, and the newspaper’s editor called the bank to tell them that ads on the web were useless and that they’d better invest that money in the traditional newspaper.” (Personal communication, June 6, 2003)

The arrival of new managers to the Internet department also generated discomfort among employees who were working there for years and have had some responsibilities. These employees, who had felt ignored in the times when Internet was a minor department, saw that the new managers, many of them with no experience in Internet-related projects, become their peers without having much experience. On top of that, some of the new managers began to develop ideas and plans that, according to the experienced Internet department’s members, did not make sense. During the first half of
2000, this problem became unsustainable and some of the experienced Internet employees decided to leave the company if there was not a prompt solution. Nevertheless, the Internet-bubble burst partially put an end to this problem.

Mathew Johnson, Krueger’s deputy, was one of those that announced his intention of quitting in 2000:

Many marketing and sales guys came here with crazy ideas and we said ‘Ok, but we are leaving’. It seemed that the work we previously did was useless, and every situation has its limits. However, the top bosses mediated in this situation and suddenly we noticed that all the Internet hype was put in doubt, the investments and plans were put in hold, and some of these marketing and sales guys went back to the traditional GMS’ departments. (Personal communication, June 3, 2003)

The Internet-bubble also triggered a tight labour market that created disparities between the wages of the traditional reporters and the internet newcomers, especially in a moment in which the Internet department was hiring at a breakneck pace.

Phil Mastrein, a very experienced financial journalist working many years for Invertis, was appointed editor of Invertis.com in December 1999. He did that job till June 2003, when he was appointed Quality Editor of Invertis. In 1999, the recruiting process for the web pages was accelerating given the momentum that GMS was going through. The recruitment was totally carried out by the Human Resources department, and according to Mastrein, the process was ill-implemented:
Criteria, such as html design or Internet programming, were considered more important than journalistic experience; and we were looking for journalists, not for web designers. The results were awful: many of the new hired people were not attracted at all by the basics of journalism: going to press conferences, pursuing a source to find news, etc. There were four hired people for Invertis.com and in two months one of them had already quit because he thought that the job was too demanding. The truth was that he was annoyed for the fact that I call him at home at 10:00PM and asked him to go to a press conference the following morning, something quite normal in a newspaper. He had no passion for journalism, although he sent his resume by mail and knew a lot of Dreamweaver programming. (Personal communication, June 10, 2003)

At that time, around 130 people were GMS employees at the Internet department or working on Internet-related projects. At Invertis.com, for instance, between 20 and 17 were working as journalists during this golden era. Currently, in June 2003, only 8 people worked in this area.

Another factor that generated distress at GMS was salary disparities among online and traditional newspapers. Some of the incoming Internet reporters joined GMS earning the same amount that was paid to traditional newspaper reporters that had been working from 2 to 4 years at the company. At the Internet golden era not only the market for online reporters but also the whole market was very tight. The economy was booming everywhere and jobs were rife, especially in Internet-related companies in which there was a significant scarcity of experienced workers. Mastrein said: “This fact disturbed
many experienced reporters, especially those that were becoming a more important part of the traditional newspaper and saw how they were outpaced by the newcomers.” (Personal communication, June 10, 2003)

The recruitment for the web’s newspaper did not follow a specific policy. GMS’ Human Resources department constantly receives resumes, either by traditional mail or electronically. Some of the main criteria to hire online reporters were previous experience in electronic media and academic resume. Having experience in traditional newspapers was a plus, but it was much more important having worked for an online newspaper or information portal.

Jason Mortimer, editor of Doctors Daily since its foundation in 1992, comments that many Internet journalists at that time “were more interested on the Internet itself and how to display in the web page the most futuristic software and applications than in the proper information that they were supposed to write.” (Personal communication, June 4, 2003)

Furthermore, the Internet newsrooms were taken out of the traditional newsrooms and placed in another building, altogether with the rest of the Internet department employees. This physical separation was quite controversial, increased the disdain of many experienced journalists toward the Internet, and triggered more power-fights in the company. At that time, says Krueger. “I was responsible for both the content and the management of everything displayed on web pages, and many editors did not like to see me managing ‘their’ contents.” (Personal communication, June 2, 2003)
In March 2000, with the NASDAQ Market falling dramatically and some Internet companies going out of business, many at GMS began to question the ‘new economy’ and the valuating systems of both the Internet companies and the Internet itself. At that time, GMS was preparing its debut in the stock markets (the Initial Public Offering of its stocks was scheduled for October 2000) and another top consulting firm was hired to analyze the structure of GMS. In October 2000, with the listing of GMS, the new structure was put in place. Basically, GMS’ publications were grouped in three clusters: Sports, Business, and Others. For example, Invertis, Invertis TV, Business Report and the rest of business publications would be under the Business Information Division, in which John Duva, former editor of Invertis, was named executive president of that area. Ian McMillan and Martha Stevenson were appointed, respectively, as leaders of ‘Sports Information’ and ‘Others’.

Maurice Moore was appointed executive member of GMS’ board of directors with direct responsibilities on corporate development and on the contents of the company. The executive vice presidents of the information areas reported directly to him, as well as the head of the Internet department, among other business units.

The Internet Department was renamed GMS Digital Media, and several changes affected its daily operations. The Internet newsrooms, for instance, went back to the traditional newspapers’ editorial rooms, and the editors of the papers were put in charge of the web contents.

Another change was the suppression of the role of the Internet leader in the traditional non-Internet department. In other words, the traditional marketing department, for instance, eliminated the role of the Internet leader (the one who was supposed to
inoculate the Internet virus into the traditional departments), but GMS Digital Media continued to have its traditional Internet marketing leader.

The budget’s function turned to be as it was before. The era of “no budget; let us invest without constraints” was over. Since then, the Internet department resumed investing selectively according to old economy criteria. Some employees were laid-off for the first time ever in GMS’ history, and business’ plans and models were overhauled.

After that restructuring, the Internet Department turned into a group of professionals helping and assisting in the development of new and current web pages, and acting as a group that develops new applications and businesses linking GMS core capabilities and businesses with new technologies, either web pages, cellular phones or PDA’s.

According to Krueger, the end of the golden era was a total relief for him:

I had to be supervising everything, and it was exhausting and unfeasible, especially in an era in which everybody wanted to do business with the Internet and with GMS, trying to take advantages of the company’s abundant contents and its dominance of the traditional market of specialized newspapers. (Personal communication, June 2, 2003).

Internet reporters also suffered the changes. They began to see how some of their workmates were laid-off, especially in 2001, and at a higher ratio than its peers at the traditional newspapers. The end of 2000 and mostly the first half of 2001 was a rough time both for GMS and for the media industry, not only because of the Internet-bubble burst, but also because of the dramatic fall in advertising investment. Since that time.
salaries of entrants at GMS publications are equalized. Nevertheless, the online reporters who entered GMS with higher salaries and still work for the company, did not receive pay increases as proportionally high as some reporters of the traditional newspapers. However, there are some exceptions.

These lay-offs and other expense cuts were also accelerated by the bad performance of GMS’ stock. Its IPO price was €2, and at the end of 2000, three months after the price was around €7.

After all this turmoil, GMS’ web pages and its Internet business are still ahead of those of their national competitors. Audiences, revenues, and the perception of leadership in its fields among customer are undisputable: all national readership and audience polls confirmed so, both for traditional newspapers and magazines, and for the web pages. The only non-leading publication at GMS has been traditionally Dona, the women magazine, which is more focused on a narrower segment of the country’s women.

Newsroom Integration (2003- today)

“Newsroom integration” and a “single newsroom” have been buzzwords at GMS in the last two years, but especially since the beginning of 2003. The idea is simple to convey but it may be harder to implement. GMS’ top executives wondered: Why do we have to have a newsroom for Goal, the traditional newspaper; another one for Goal.com, the online version, and another one for Radio Goal, a radio station born in 2001 and which is the radio version of the newspaper? Why do not we have a single newsroom in which every sports journalist participates in the three media? The idea is that a given reporter, who may be specialized in track and field, for instance, may find a story and
transmit it at noon through the radio, write an Internet version for Goal.com during the afternoon and rewrite that story, with another perspective, for tomorrow newspaper. On top of that, all these mentioned versions of the same story may be loaded on the Internet page, which may work as a repository of all different versions. Maurice Moore, the leader of this current GMS project states:

This is what we mean by integration. We do not want people to work more or simply to cut costs. We just want to produce more quantity and quality of information with another formula that it is no so easily replicable for our competitors if we implement it properly. (Personal communication, June 6, 2003).

This idea of integration stems from one of the key-points of GMS’ current strategy. GMS considers that besides being a publisher of newspaper and magazines, the company is above all factors a contents provider of specialized information: sports, business, women, doctors, etc. For GMS, the channel in which these contents will be delivered, although very important, is a secondary point of its strategy. “We know how to produce information, that’s our core business. If a customer wants information through the Internet, we will send it via Internet; nevertheless our core business is contents providing, not technology”, comments Maurice Moore (Personal communication, June 6, 2003).

At this moment, GMS is in the process of implementing this newsroom integration in its media. The four newsroom of business information –Invertis, Invertis.com, Invertis TV, and Business Report- have been located in the same space during September and they are in the process of integration.
When asked about how this process or idea of the newsroom integration came up. Moore comments that it was not a single’s day process, but a concept that has been shaping itself through some years of experiencing and implementing other related ideas. He says that six or seven years ago, GMS’ top executives thought about the idea of diversification, meaning that both Goal and Invertis were well-positioned brands and that other versions or extensions of these newspapers could be done upon other media, such as radio or TV, as it finally happened. In the case of Invertis, GMS launched Invertis TV in 1998, while Radio Goal was launched in 2001, although at that time the term ‘newsroom integration’ was almost not pronounced at GMS’ media.

According to Moore, the process that triggered the newsroom integration was the decline in sales and advertising that Invertis suffered in 2001 and 2002; a fall never experienced before by any GMS’ media, although it did not turned into financial losses or in the loss of the first place in the audience rankings by Invertis. Maurice Moore comments:

At the end of 2002 we have to go through a process of self-criticism as a result of the situation of Invertis. We wondered about the way we were doing things, about the past results, and especially about the lack of predisposition to cooperate among the business media that we have. (Personal communication, June 6, 2003).

One of the final conclusions of this process of self-analysis was that of the newsroom integration, something that Goal had begun to do in its way to implement the idea of
“Goal World”, the extension of the Goal’s brand not only to other media but to sports events, books, and other marketing events.

Moore comments that the idea of the newsroom integration was not only necessary but also essential for the development of Invertis as a whole.

We also saw that it may allow us to improve the quantity and quality of our products, but also of our human resources. As I said, it can give us a unique way of producing information that besides being efficient and quality-oriented, it is difficult to be replicated. (Personal communication, June 6, 2003)

Although this integration is not an Internet project, online reporters will no longer be online reporters but business information reporters. They will be gathered according to their specialization: if there are two reporters specialized in the Real Estate business information in Invertis, and one in each of the other newsrooms (Invertis.com, Invertis TV, and Business Report), all these five reporters will be working together and working at the same time for the four business information media. Therefore, a reporter who was just reporting for the online version will be from now on reporting in front of a camera (for Invertis TV) or writing both for Invertis and for Business Report.

The future of GMS’ online newspaper is neither jeopardized nor benefited by this integration. The Internet has an obvious advantage: it is multimedia, and thus it can hold and display all different versions of news coming from this single newsroom: TV images, radio, images, etc. According to Maurice Moore, with this approach:
We are giving more professional development to our people. We will give them training so as they may master the channels or media that are new for them, such as TV for the newspaper reporters. Afterwards, they may say that they have newspaper, online, and TV experience (Personal communication, June 6, 2003)

At this time, few reporters want to talk openly about this integration process. Some of them reckon that the idea is “good, but hardly feasible”, and sometimes they think that the whole purpose of the integration is “doing more work for the same price”. Therefore, GMS’ executives have a lot of work trying to reconvert all those skeptic reporters to the idea and benefits of the integration. Nevertheless, and as it will be explained later, the acceptation of the idea will be more difficult to achieve in the business media than in the sports media.

GMS’ ADAPTATION TO THE INTERNET: A QUALITATIVE ANALYSIS

Throughout GMS adaptation process to the Internet, there have been some common denominators that prevailed along the successive stages of this process in the organizational behavior of the conglomerate. Nevertheless, there have been also some differences between each period. In many cases, these differences arouse from several factors, such as changes in the environment, technology, or people, and these factors led to changes in GMS’ corporate strategy, the role of the Internet Department or in the investments and perception that both top managers and journalists had of the whole Internet phenomenon, among other factors.
Common Denominators among all the Different Stages in the Adaptation Process

Studying factors such as GMS’ people along this process, the environment that surrounded the company, the performance of the traditional publications or the opinion of the journalists, we may infer the following commonalities along the adaptation of GMS to the Internet era:

*The Existence of a Strong Leadership*

Maurice Moore has been the natural leader of this process since 1994 hitherto. He embodies some personal characteristics that turn him into a perfect leader. On one hand, he has a Communications degree and an MBA from one of the best European Business Schools, something rather exceptional in the company. He entered GMS as a reporter and worked as a journalist for more than ten years. Therefore, his excellent academic background, the experience and knowledge of the information product, and his natural skills as a leader gave him a considerable authority among GMS founders and top executives.

On the other hand, Moore has been always a computer and technology fan, and many at GMS knew it, not only during the onset of the Internet but quite before, at the time when GMS had its first contacts with PC’s or software such as Excel, Word, or others.

Moore has been a leader always trusted and admired by GMS top-executives, and it is quite understandable given his qualities that these top-executives let him do whatever Moore considered appropriate to adapt GMS to the Internet. This ‘laissez faire Moore’ policy has always been a constant, either in the first stages or in the golden era, when
Moore had to stop the impetus of the executive chairman of the company, that at that time was, as many other CEOs, infatuated with the Internet miracle. In other words, Moore had always the power to make decisions and to implement them.

The *laissez faire* policy, meaning the empowerment of employees, is not highly developed at GMS, which traditionally has been a hierarchic company where the power and the decision making have always been in a few hands. Nevertheless, there are some exceptions, like that of Maurice Moore. This executive, moreover, has always been quite prone to empower some of his subordinates in his different positions at GMS. John Martins, a GMS employee since 1991 who has always been under the supervision of Maurice Moore, says that one of Moore’s most common sentences when he asks somebody to do a job is: “You have been hired to solve problems, not to make them; I just want you to solve the problem in the best way you can do it. Come back to me when the problem is solved, and do it in your own way”. (Personal communication. June 6, 2003)

According to Stan Krueger, the leadership of Maurice Moore in the Internet adaptation by GMS has been crucial. “Fortunately, we had him leading all this process. He has real authority within this company, and when he asked for something to people from other departments, everybody just gave him what he wanted without any questioning”. (Personal communication, June 2, 2003).

*The Skeptics*

Since the implementation of the first web pages and throughout the golden era and the Internet-bubble burst, GMS has always had many Internet skeptics, and even Internet-
averse people, among executives and journalists. As said previously in this chapter, an editor asked an advertiser to withdraw its investment in a GMS’ online version and redirect it to the traditional newspaper. Nobody at GMS states publicly that he or she is an Internet skeptic; however, those employees that do think that Internet is not going to transform or change substantially the media landscape in a shorter or longer term only express their concern and ideas in private circles.

Many of these skeptics think the Internet is a secondary version of the traditional newspaper that only attracts a minority of the audience and whose weight among the total audience is minor. They also consider that whichever investment on the Internet is an investment lost for the traditional newspapers. These skeptics think GMS has to have web pages for two reasons. First, given that every important newspaper has its web site, GMS newspapers also have to have it, and second, as a cautionary step in case the Internet importance goes up—in revenues and social consideration. If Internet would turn into a money machine, they think, GMS has to be ready to speed up, and thus this process may be better achieved if there is already an existing web page.

As said by Mathew Johnson, “we have had many times in GMS the feeling of ‘us and them’, meaning the traditional papers editors and journalist (us), and the staff at the Internet department and at the web pages (them)”. (Personal communication, June 3, 2003).

These skeptics are traditional executives and journalists that feel comfortable with the existence of the Internet department as long as it is a minor department. At the time of the Internet bubble some of them changed their idea, given the circumstances and the excessive endorsement that Internet received from important people, either from GMS or
from outside the company. For instance, the announcement in January 2000 of the AOL Time Warner merger, in which the general impression was that the young and smaller AOL was taking over the traditional and powerful Time Warner, was a signal that diminished the skepticism of many traditional journalists at GMS about the future of the Internet. Nevertheless, the Internet-bubble brought back the skepticism and aversion with much more strength.

*Internet Journalists Are Less Important than Paper Journalists*

A common feeling throughout all this process has been the indifference and lack of importance that traditional journalists have given to online reporters. ‘Paper’ reporters consider that internet journalist are just ‘copy and paste’ reporters that fill GMS web pages with cable news and with stories published in the paper (shovel ware). The newspapers’ journalists also share the idea that Internet reporters are no experts at all. At Goal, for instance, reporters are divided by specializations, such as soccer, cycling, or athletics. At Invertis, journalists are divided, in general terms, by business news, financial news or macroeconomic news. However, these feelings of Internet reporters as lower-category professionals are more deeply rooted among business and women reporters than any other kind of reporters at GMS.

According to Phil Mastrein, this perception arises as a result of the basic features of the Internet product:

In our case, online papers are like news wires. A newspaper tells you tomorrow what has happened today; an online newspaper tells you today what it is
happening today; therefore, we have to put emphasis in immediacy, in telling
what is happening today, as online readers demand us. Immediacy is a must and
it drives all our activity. (Personal communication. June 12, 2003)

On average, online reporters at GMS have no more than three years of professional
experience and many of them were hired as summer interns. They are usually led by an
experienced journalist who was taken out of the traditional newsroom and put in charge
of the online newsroom. This choice is made by the editor of the paper following
instructions from his/her superiors (Moore). The role of the online editor is to give
background and to improve the quality of the online version adding more value to the
stories that are published. Nevertheless, immediacy is what matters the most and
overrules every other aspect.

Ernest Mulford, an Invertis.com reporter, says:

We have much more intensity than paper reporters. We begin at 8.15 AM putting
news on the web and we do not stop: the more breaking news that we put on, the
better. On the other hand, paper reporters go to press conferences in the morning
or meet their sources. They only begin to feel the deadline pressure at 16:00
because they have to hand in their stories. (Personal communication, June 11,
2003)

Benjamin Artwin, another Invertis.com reporter, states that one problem that online
reporters have suffered is the lack of definition of their job, meaning that traditional
journalists are doing a job that was defined centuries ago, while the role of the Internet reporter is still being developed given its novelty. “They (paper journalists) know perfectly what they have to do; we are still learning that, and our role has also been influenced by the ups and downs that the whole Internet phenomenon has suffered.”

(Personal communication, June 3, 2003)

At the time of the Internet bubble, when online newsrooms were hiring at a fast pace, the favorable disparity in salaries in favor of the online reporters was a shocking experience for traditional reporters, as said previously in this chapter. However, the fact that paper journalists realized that many newly-hired online reporters were more computer experts than traditional journalists contributed to widen the perception of online reporters as inexperienced journalists.

*Online Papers Are Marginal Products*

Michael Payton was Invertis deputy editor of financial news till June 2003. At that time, he was appointed, and supposedly promoted, to editor of Invertis.com. “When my workmates were told about this, some of them did not know what to say, either congratulations or I am sorry”, says Payton. (Personal communications, June 5, 2003).

This comment perfectly illustrates a general feeling among GMS journalists: traditional newspapers are much more important than online papers. The idea, obviously, is totally linked with that of the previous section: online journalists are seen less important than paper journalists.

One of the main reasons that establish this difference between traditional and online papers is the different social repercussion between the traditional and the online
newspapers. Although Internet audience is skyrocketing since 1995 and Internet readers grow at a considerable pace, the impact of the paper is much broader than that of the online version. Sources, as said by traditional or online reporters, do give more credit and respond much more to the requirements of traditional newspapers. Phil Mastrein explains:

Any executive does not want to see a negative story about his/her company in the media, but if he/she had to choose in which version he/she does not want the story to be published, the Internet or the newspaper, I would bet that he/she would choose not to be published in the traditional newspaper. (Personal communication, June 11, 2003).

Furthermore, there is also an important factor that fosters this difference: at GMS, reporters do byline (sign) stories which are scoops, analysis, or elaborated information that only GMS publications have. Given that online journalists rewrite wires stories and only have own stories in a few occasions, bylining stories is seldom, and decreases the social impact or reconnaissance that an online journalist may have. Ernest Mulford says that the byline factor is crucial for him: “Although I am not required to do so, I volunteer to write stories for the paper. To see my byline in the newspaper is one of the most important reasons for me to write” (Personal communication, June 12, 2003).

Apart from this comments, there is also another important reasons that differentiates the repercussion of paper over online. “It is absolutely clear that if Goal.com gets a good scoop, we will keep that information so as to be released by Goal, on the paper, not on
states Adrian Spiegel, editor of Goal and former editor of Goal.com. "We may only release that scoop immediately on the web if we have enough evidence that the scoop may be obtained by other competitors," adds Spiegel. (Personal communication, June 3, 2003)

If there were not enough arguments to justify the preponderance of traditional newspapers over online version, the money issue widens this gap in the form of resources destined either to the traditional or to the online newsroom. Paper reporters have also had more funds to spend in travels to cover stories or restaurant expenses to lunch with sources of information. Internet newsrooms have had no money at all for these expenses. Steve Molder, editor of Goal.com, points out this idea and concludes that as long as Goal had money to travel and Goal.com had not, the importance of Goal will be larger. "The fact that Goal has the resources to travel and cover stories and we have any makes us like an appendix of the traditional newspaper."

This difference of importance between these two kinds of newspaper can only be erased by the ascension of the Internet as long as technologies do develop much more and new generations of reader prefer to read the paper on a screen rather than in paper. Stan Krueger comments:

We do not believe that online newspapers will overtake traditional ones in the short or in the medium term. What I know is that papers are trying to keep their circulation figures by spending as mad in promotions, while Internet newspaper readership dramatically increase in the segment of 18 to 25 year-old readers.(Personal communication, June 2, 2003)
Differences in the Stages of the Adaptation Process

There are some differences that can be observed in GMS as a whole as time went by and the process of adaptation to the Internet changed from one stage to another. As said before, the environment was the main factor that led the changes; however there are some internal or endogenous features, highly influenced by exogenous factors, which did change along this process. These factors are:

*The Corporate Strategy*

GMS’ Internet corporate strategy has always been reactive since the very beginning of this adaptation process, when the main idea was “do what others do”, until the current days, when the hangover of the Internet-bubble is still present in top-executives minds, and downsizing has been the constant after years of important investments.

Nevertheless, it can be said that current GMS’ corporate strategy is more independent than ever: after years of experience, key-executives, such as Moore, do think that the adoption to the Internet is a process in which every company has to decide its particular Internet strategy according to the general strategy of the firm. In the case of GMS, Maurice Moore says:

We are content providers of specialized information, and Internet is another medium that we take into account to deliver those contents. Years ago some people thought Internet was going to be the ‘only’ medium: today is another one.
with many possibilities, of course, but another one. How we do those contents is one question; another one is how we deliver them, and the Internet plays its role in answering the second question. (Personal communication, June 6, 2003).

Being a reactive or a follower’s as a strategy for quite a while has meant that GMS adaptation to the Internet has been very volatile, given the constant ups and downs that the general adaptation process has suffered since 1994. On one hand, we have the 1994-1999 period, in which Internet was a secondary or tertiary actor in GMS strategy, and the whole business world was not still infatuated with this phenomenon. At this time, Internet was a minor part within the general corporate strategy. Afterwards, during the golden era, from 1999 to 2000, the company tried to turn itself into an Internet company and take advantage of the prices that the market was paying for that kind of companies, especially when the IPO was scheduled for October 2000. In these moments, top-executives considered that not only Internet was an essential component of the corporate strategy, but the whole corporate strategy. The executive chairman and the top-ranked executives that had paid almost no attention to the new phenomenon till that moment began to get highly involved with the present and future of the Internet. As said before by Moore, there was a time when the main executives began to talk about the Internet and, in some cases, their involvement and infatuation with the new medium led to situations of overinvestment and excesses.

However, Moore underlines that despite the fact of the GMS’ excesses, such as working with a day-by-day expandable budget of investments, other firms, both pure-Internet based and brick and mortar projects, considered that GMS was quite
conservative in its strategy and thus missing opportunities in the prosperous Internet market. “This idea reflects how that time was; we were investing as mad and some companies that approached us regarded us as conservative. They thought we were a bunch of chicken.” (Personal communication, June 6, 2003).

Later, GMS experienced a hard-landing that forced lay-offs, expense cuts, and gave reasons to enjoy to all the Internet-averse o skeptics. Probably, as said by Krueger, the worst moment was in 2001, when the Internet-hype fall was accompanied by an advertising downturn that deepened the crisis.

Today, Internet and online versions are another medium in a company in which traditional newspapers are the most important elements, not only as revenue generators but also as opinion makers given their social impact.

The Product

Although GMS has not only an Internet product but several differentiated web pages whose main characteristics depend on the nature of the contents. GMS online papers in general do have nothing to do, both in appearance and in essence, with those of 1996, 2000 or 2002.

On one hand we have the technological innovations that at a breakneck speed have changed the nature and possibilities of the web pages. For instance, the possibility of searching for past news or stories may turn a newspapers’ web page into a complete and specialized library, as it has happened with Invertis.com, a highly developed repository of the financial news that occurred in the last years. A similar pattern can be seen in Doctorsdaily.com, where it can be found the whole national medical legislation of the last
years. This possibility of web pages working as efficient and convenient libraries has been only possible thanks to the technological advance of the last three or four years. Steven Molltaink, Operational System and Technologies vice president of GMS, says:

Although this offer was available in 1998, the quality of the service has nothing to do with that of today, and this is thanks to the development of the software, servers, and other technologies. People know that today it is reliable; four years ago it did not properly work or was useless for certain types of search. It was easy to promise and fail in the delivery; today we can promise and deliver. (Personal communication, June 6, 2003).

A milestone in the web development of GMS was the offering of a Premium Service for Invertis.com, which allow subscribers to access the full version of every story, search archive, stock and mutual funds quotes or graphs, among other numerous services. This service was launched in April 2002, and has grown, on average, around 20%, despite the promotional efforts to sell the service to corporate clients, such as banks. The price, if contracted individually, is €108 per year.

Apart from the influence of technology in the change of the product, we have on the other hand a quite human factor: experience and learning. At the beginning of this adaptation process and nowadays, the offering to readers and advertisers has been gradually polished and readapted thanks to the learning process that both online reporters and the whole Internet Department have gone through.
Web pages, compared to the traditional ones, give online reporters and staff the possibility of seeing how many people has read/printed/sent-to-a friend a story posted on the web, feedback, in other words, and this information has its influence on shaping both the editorial and the Internet-design features of the web pages. Nevertheless, reporters are also aware that every story has its own attractiveness, despite the fact of where it has been published: internet, paper, radio, or other media.

Apart from the pure information and how it should be offered, Internet staff has also learned, given the almost immediate judgment of the readers, which are the tools and other Internet possibilities that readers do prefer and in which way they want it. As Phil Mastrein comments:

We saw that Invertis.com audience wanted to see at a glance, and once they opened our page, the performance of some stocks and market indexes that they are interested in. So we readapted our web page to offer so. We also saw that the comments of one of the stock markets analysts had to be put on the first page. and some contents positioned in the web pages should be put backwards. Time and trial-error have given us a lot of knowledge in how to deal with this newborn medium. (Personal communication, June 11, 2003).

The Role of the Internet Department

Since it was first officially created in 1995 with the name of Electronic Extensions Department, GMS Internet Department, currently known as GMS Digital Media, has
gone through considerable changes, some of them highly influenced by the environment and some other by GMS internal decisions.

In its first days its name was Electronic Extensions and the scope of activities ranged from the observation and adaptation of the Internet tools, design, and implementation used by the leading world publications, to the development of CD-ROMs with information, mainly company’s rankings, prepared by GMS’ traditional newspapers. This information burned in the CD’s was easily adaptable to the CD format. Stan Krueger says: “The name Electronic Extensions reflects the idea and the mood of the time: we first referred to online papers as electronic media, and that’s how the department was named after”. (Personal communications, June 2, 2003).

At that time, the whole phenomenon was linked to computers and networks development rather than to the Internet as a single entity, and CD’s was substituting floppy disks as a more convenient data storage tool. Furthermore, CDs could also be used as promotion gifts with the purchase of GMS’ publications in the newsstands.

The Internet Department, or GMS Internet, was born with the golden era. Online reporters were taken out of the traditional newsroom and grouped in a newsrooms located in the offices of the Internet department. Although GMS Internet’s functions were numerous, its general mission was to lead the company in an era in which Internet was supposed to be the center of every activity in the media business. Moore says that at that time some people thought that “Internet would run their lives and would be the only medium that customers will be interested in”. (Personal communication, June 6, 2003).

Basically, GMS Internet had to develop the editorial content for the web pages, to implement the technology tools to deliver those online contents, and to make money out
of it, either through selling contents to other web pages, acting as an e-commerce portal, selling customized applications, or any other form in which GMS could make money combining its core competences and products with the possibilities that the Internet offers. Krueger recalls:

It was a crazy time for the whole department. We were overwhelmed by the numerous tasks, by the uncertainty of the whole phenomenon, and by the continuous changes of mind not only of GMS’ top-executives but also of our partners in the Internet ventures. (Personal communication, June 2, 2003)

Once the Internet euphoria vanished away and coinciding with GMS whole restructuring in three areas of content, Internet reporters went back to the newspapers’ traditional newsrooms and remained under the supervision of the newspapers editors, as it was before the golden era. This movement was also complemented with a reduction in the number of online reporters and by the withdrawal of Internet investment’s plans.

From then on, the Internet Department was renamed GMS Digital media and its central activity is to support the development of the online papers through the implementation of new technological tools and to implement new platforms either to sell contents or related articles, or both. For instance, GMS Digital Media has begun to commercialize in 2003 a service in which customers may buy pictures displayed in Goal through cellular phones. Another business is, for example, the transmission of breaking news’ alarms to the cell phones or other electronic devices.
In other words, GMS Digital Media is currently a department that gives technological support and tools to online journalist in order to develop and prepare web pages. It also tries to make money out of the online basic activities, such as selling contents already developed for the web pages, but above all these tasks, the department has to also to develop new businesses and alliances to take advantage of the combination of content providing (GMS main strategy) and the possibilities offered by technology, either pure Internet or Internet-related technologies, such as data transmission to cell-phones or PDA, or a hybrid of both.
CHAPTER FOUR

GMS’ INFORMATION AREAS: THE STORY OF THE ADAPTATION

One of the main characteristics of GMS, compared to other media companies, is that it does have several differentiated and specialized products operating in the same geographical markets. Some other companies, for instance, have general information newspapers but in different geographical markets. As seen before, GMS is not only a company but a set of specialized newspapers within the same country. These newspapers are the main asset and source of profit of the company and they receive support from complementary media, such as radio or TV versions of the original newspapers. Therefore, differentiation per product is a key issue that must be taken into account when handling GMS adaptation process to the Internet.

Sports Information at GMS

Ian McMillan, current head of GMS’ Sports Information area, was the deputy editor of Goal in 1995. At that time, the sports newspaper was not only the leader in its area but also the best-selling newspaper in the country, including general information newspapers. When the Internet began to be a buzzword among Goal’s journalist, McMillan first reaction was not positive. “We were selling copies like never before and suddenly we saw this new medium offering information for free. I said ‘no way’ giving information for free.” (Personal communication, June 3, 2003)

Sooner than expected, McMillan realized that if the Internet was going to be a constant in the media world, “Goal had to be a leader not only in the newspapers’
market but also in the Internet”. According to McMillan, *Goal* took both a defensive and an offensive attitude. “We saw that others could take our turf, such as sports portals; but we also saw that we were better positioned to take it over and be the leaders.” (Personal communication, June 3, 2003)

Interaction with the readers was not a new idea for top-editors at *Goal* with the Internet arrival. Promotions, editorial style, contests, and other marketing and editorial tools always fostered interaction with *Goal’s* readers. Therefore, when the Internet landed in the media landscape, McMillan and his deputies noticed that interaction could be even more highly developed with the Internet.

In 1996, *Goal.com* began as the online version of *Goal*. As it traditionally happened in GMS’ newspapers, the first online version was poorly developed and it was an experimental version rather than a thorough and serious attempt. Some journalists were sent to the online version, many of them with just a slight idea of what the Internet was, given the short life of the new medium. One of them was Nicole Bergman, an experienced journalist that wanted to tackle the Internet challenge. She recalls that at that time her job was to upload news into the web page, something that she still does in 2003. However, there are some differences as she says: “Our job is still quite mechanical. We have to write online versions of news but we have also to develop polls, forums, and other interactive sections that a traditional newspaper cannot hold.” (Personal communication, June 11, 2003)

One of the information offers of *Goal.com* is the simultaneous comments of a soccer or a basketball matches that are posted on the web page while the match is being played.
Goal.com does not broadcast images, such as a TV channel, because it had no legal rights, but it transmits comments, news, while the match is on.

Adrian Spiegel works for Goal since 1991. He was the editor of Goal.com from 1998 to 2001, and he is the editor of Goal since then. According to Spiegel, journalists at Goal often complained that they always had too little room for their texts, given the importance and space that pictures have in a sports newspaper. However, Spiegel comments that “many journalists realized that the Internet was an endless medium in which their texts could be displayed with no limits, allowing them to give longer versions of their stories to the readers”. (Personal communication, June 3, 2003)

Another factor that the Internet gives to sports journalists is international exposure. Alistair Curham has been the cycling expert for Goal during the last eighteen years, and he is well-known among all the cycling aficionados. Although he is a traditional newspaper journalist, he noticed that Internet was a tool that allowed him to publish the whole stories that he wrote without any limit or constraint, to be read by some of his colleagues and competitors, the European cycling journalists, and by fans of other countries; and to write special stories for the Internet, such as comments of the upcoming 21 stages of the Tour de France, the best cycling competition in the world.

However, the example of Curham is not widely extended among Goal’s journalist. Spiegel states that there are still some traditional journalists that see the Internet as an intruder developed by low-experienced journalist whose job is to post news as if they were news-wire type-writers. Moreover, many of these Internet journalists that were hired during the Internet-bubble got better salaries and
conditions that some experienced reporters who had worked for more than two years for GMS. This salary factor put more strain and aversion towards Internet journalism and their reporters.

“Currently, in 2003, we still suffer the aftermath of the Internet-bubble days, when we had to hire at a high price some inexperienced reporters that at that time were regarded as the journalists of the future”, says Spiegel. (Personal communication, June 3, 2003).

McMillan adds: “During the Internet-bubble days some of our experienced reporters left us to join Internet ventures that no longer exist. It also caused distress in the newsroom.” (Personal communication, June 3, 2003).

Obviously, all these comments reflect that Goal and Goal.com lived the same Internet’s adaptation story of GMS, with its ups and downs, but with the peculiarities that sports information confers.

Currently, Goal and Goal.com have widely developed some new businesses and information products based both on the Internet and new technologies. Some pictures published in the paper can be acquired and displayed in cellular phones dialing a number published in the newspaper and next to the given picture. Around 60,000 people receive every day text-alerts to their cellular phone when sports news breaks, among other services. Goal.com is also a good selling tool for soccer and sports apparel. “We want to exploit not only the Internet but also all those new technologies that widen our possibilities of being what we are, content providers”, says McMillan. (Personal communication, June 3, 2003). For instance, Goal.com has sold more than 10,000 shirts of a famous player who signed for his new team last July. This web
page has also been the shop where 180,000 watches have already been sold in the last two years: these watches include the symbols of soccer clubs. Nevertheless, the big money is coming from the cellular phone business: the pictures and alerts sent to mobile phones account for more than €1 million so far in 2003, something positively surprising for GMS.

A milestone in the history of Goal is the birth of Radio Goal in 2001, a radio station with national broadcasting whose editorial room is in Goal’s newsroom. Apart from being another business unit for GMS, Radio Goal is a step farther in the process of integration of GMS’ information areas. According to several Goal reporters, the integration process at the Sports Information Area began in 2001, when McMillan started pushing top-down to achieve that integration. “I have been insisting on the idea of not worrying about the medium, but about the story. If a reporter has a good story and we have different media, why he or she is not willing to take advantage of our multiple channels. I think this is a win-win situation.” (Personal communication, June 3, 2003).

McMillan, Spiegel, Steve Molder, current editor of Goal.com, and Samuel Brown, editor of Radio Goal, lunch every Monday. Although there is no official agenda, they talk about achievements, failures, sports, trends, and whatever they think it is interesting to find out new possibilities, joint projects or whatever may be beneficial for Goal as a whole, no matter if it is the newspaper, the web or the radio. Basically, the integration of the newsroom and of the reporters has a common objective, as Spiegel comments. “We see what we can do in the paper to increase the audience of
the radio and of the web page, while they do the same to increase the newspaper’s circulation. We are all in the same vessel”, (Personal communication, June 11, 2003).

Business Information at GMS

As every medium in GMS, Invertis and Business Report launched their web pages because they had to, given that all the important world publications had their own. In 1996, both publications launched their online versions. Business Report web page (BR.com) was highly influenced by the weekly nature of the publication and by the high technology coverage that it was devoting in its pages. BR.com was more a repository of new and old stories plus special surveys that the magazine had previously published. These special surveys were referred either to industrial sectors, such as energy or telecoms, or to geographical areas, such as countries or economic zones.

On the contrary, Invertis.com was the typical web page of a newspaper in 1996: stories published that same day plus breaking news happening along the day and offered by wire services, but nothing else.

As time went by, and with the appointment of Stan Kruger as head of the Internet Department in 1997, these web pages tried to do new things both to increase the audience and the revenues. One of the first offers by Invertis.com was a service of providing stock charts at a price (around a dollar per chart). To obtain the information, Invertis.com reached an agreement with a bank. This bank provided the information through a computer and a telephone connection to the newspaper, as well as a billing tool: Invertis, in exchange, would advertise the service and be the distribution channel. The result was daunting, according to Krueger:
It basically did not work. Many times, it was impossible for our customers to obtain the information they required. We later noticed that the bank’s server was an old computer unable to handle more than a few operations at the same time. After our complaints they did not respond properly and we withdrew the service. Nevertheless, it was a step forward that did not work just because an underinvestment. (Personal communication, June 2, 2003).

That failure did not block the road of innovation at Invertis.com. As time went by, more and more reporters were joining the online version and more and more additional services were added, many of them referred to information of the stock market, mutual funds, personal taxes, business directories, etc.

This improvement led to a substantial increase both in the number of web’s page-views and in the requirements of companies to do business with Invertis.com, especially in 1999 and 2000. Andrea Verst was hired by Invertis as a summer intern in 1996. In a few months she expressed her willingness to join the web page, as she did later. After two years at the web page, she joined the Internet Department with the purpose of developing new ventures based on the online page. Verst adds:

In 1999 and 2000 there were several general portals and web pages of different industries that wanted contents. Clearly, we were the best positioned to offer contents, and many companies approached us. I had to deal with hundreds of them, and that required and extra effort. (Personal communication, June 4, 2003).
Obviously, the new businesses and contracts forced Invertis.com to enlarge and to improve its contents, and this requirement and its consequent strain were transmitted both to the online and to the traditional newsroom. The former because it was the provider and the latter because it was the main provider of the final provider: many articles posted in the web were written for the paper and later posted on the web. As said before, discomfort arouse from the good employment conditions offered to those hired for the Internet version.

Another source of strain began when a consulting firm suggested that Invertis.com would be better off being an e-commerce portal rather than a business information portal, given the increasing amount of page-views, and the purchasing power of the traditional reader of a business publication.

John Duva recalls those days with a bit of uneasiness:

I was shocked when I heard that we had to focus on e-commerce. We are content providers, and this whole thing of the Internet, especially in its golden days, was the origin of many stupid things and ideas. I think Internet is a new medium, with its own characteristics, such as immediacy, but it is only a different medium, not a medium that has to transform upside-down the rest of media. (Personal communication, June 12, 2003)

Despite all these tensions, Invertis.com kept on improving its contents and its services. In April 2002 a crucial decision was taken: to offer basic contents for free
and the rest in exchange of a monthly subscription. This decision was also made after a period in which the Invertis.com’s newsroom was reduced from 17 to 8 reporters. Although it seemed impossible to maintain the quantity and the quality standards of the information with half of the people, Andrea Verst and Phil Mastrein agree that it has been achieved. Mastrein states:

Our reporters are more experienced and adapted to the peculiar dynamism and immediacy of online reporting. It has also helped that the traditional newsroom is more concerned in helping the online newsroom for two factors. First, the integration process that has been announced, and second, because the economic and work conditions of many Internet reporters have not improved since 2001 given the lay-offs after the burst of the Internet-bubble. (Personal communication, June 11, 2003).

BR.com gradually lost weight in GMS, compared to that of Invertis.com. Currently, its contents are totally adapted to the Internet main futures, such as interaction and immediacy. It offers an MBA search tool, were visitors may find the MBA or executive courses that best fit their requirements; a companies’ directory, or some other tools that help to compare salaries among executives or to find out average after-tax monthly pay given an annual salary.

Currently, the operative integration of newsrooms is the most important challenge that faces the Business Information Area. Opposite to the Sports’ area, in which the newsroom are in the same floor of GMS’ building and share many services, the
newsrooms of the Business area are in a moving process to be all together. Furthermore, integration has been tried in the Sports area since 2001 and it is partially achieved, while the Business area has began this process in 2003 and it is being imposed in a highly driven way from the top of the company, namely Maurice Moore.

It seems, given the reporters comments, that this process is more or less defined in its enouncement, but not in the way it should be implemented. Many reporters question how it would be possible to achieve it. Nevertheless, the process has just began and according to GMS executives, the online version will have an important role given the powerful features of the Internet as a medium which can transmit video, audio, and text immediately at a cost that decreases day by day.

Other Information Areas at GMS

*Medical Information*

*Doctorsdaily.com* was born, as most of GMS web pages in 1996. Following the same pattern, the online version was basically done shoveling newspaper’s stories into the web page and adding some other services as time went by. Currently, and after being another subject of all the Internet ups and downs, *Doctorsdaily.com* is especially focused on giving services to its particular readers: doctors working in hospitals.

Jason Mortimer, editor of *Doctors Daily* since its foundation in 1992, says that the Internet gives an added value to the newspaper version.
Its interactivity and its absence of limits allow us to offer more educational and training services to doctors. In our web page you can find many papers published by the best medical magazines on every type of disease or human organ, for instance, and it also allows seeing the medical legislation that has been passed recently. We are like a doctors’ library of medical and legal texts. (Personal communication, June 4, 2003).

Mortimer is quite direct when he refers to the Internet glory days. He reckons that the adaptation was bad between those who were hired at that time and those that already were at the traditional newsroom:

Many of them arrived here totally focused on the software and not on the information. They knew that they were hired and highly paid because their technological knowledge and they tried to show this off without having any clue of what journalism was. (Personal communication, June 4, 2003)

Nevertheless, he admits those times are over and currently the whole newsroom is conflict-free and totally integrated.

Women Information

The adaptation to the Internet of Dona, monthly women magazine, is the most difficult among all GMS publications. Time went by in the second half of the 1990’s and the editor of Dona and her staff said no word about launching an online version. Maureen
Stein, the editor, learned that one of the founders and GMS' board members had hired an experienced journalist, Carol Lloyd, to launch a web page called *beautylady.com*, focused on women's beauty, meaning make-ups, diets, or fashion: contents that were also common in *Dona*’s pages. The newsroom of *beautylady.com* was going to be located next to that of *Dona*.

Carol Lloyd recalls that Maureen Stein was totally taken aback when she learned about the Internet plans and her absence in the development of these ideas. But she is totally aware that Maureen and her loyal staff never wanted to get out of their traditional and peculiar newsroom and their style of doing a women magazine. Carol Lloyd comments: “I was and still I am an outsider. They do not let us enter the meetings when stories are discussed. I have to ask one of the editors after the meeting is over.” (Personal communication. June 3, 2003).

As said in chapter 2, *Dona* and its staff has traditionally been an independent kingdom inside GMS, and this situation has developed to its last consequences with the Internet’s adaptation. Carol Lloyd says:

Why the web is not called *Dona.com*? Because they think that something not done by them cannot be called *Dona*, and they just want to do their magazine as they have been doing it for the last decades, and nothing else. Good for them. I think it is right but I have fewer advantages than other web pages at GMS. If Maureen helped us *beautylady.com* would be 30% more important than it is. (Personal communication. June 3, 2003).
Although Maureen Stein and her staff may seem anti-Internet journalists, Carol Lloyd says that they use the Internet as an information tool. “What it really scares them is to see that there’s a fashion event and two hours later the pictures are on the Internet. They have almost a month to make a picture composition. (Personal communication, June 3, 2003).

A QUALITATIVE ANALYSIS OF GMS’ INFORMATION AREAS IN THEIR ADAPTATION TO THE INTERNET

GMS different online web pages experienced some common characteristics in their adaptation to the Internet that were developed in Chapter 3, given that what it is a commonality for every web page turns to be a feature of the whole company. However, there are some issues that may be considered as commonalities in this adaptation process and can be tackled as converging points among the different web pages. This is the case of the joint-learning process that some units shared, thanks in part to the support of the Internet and the Systems departments: the pressure of the competitors, which was not a real or serious threat to GMS web pages, and the response of consumers, which have always preferred GMS pages since the beginning of the Internet’s times. On the other hand, there are some clear differences among these information units, being the most visible the divergent quality of responses and acceptance by the different information areas and their journalists. Other difference has been the development of the web pages by the information units.

Commonalities among Information Areas
The most important points of intersection among GMS Information Areas in their adaptation to the Internet have been the following:

*Joint Learning Process*

In 1995, when the first web pages at GMS were set up, the firm’s main structure was basically divided according to the criterion of publications’ ownership: every newspaper GMS owned was a business unit; while in 2000, with the new reorganization of the company, the main structuring of GMS was done by information areas: Sports, Business, and Others. Every one of these three units was subdivided according to the different media it had: newspaper, web page, radio, or television.

From 1995 to 2000, the different Internet newsrooms went through two different stages. During the period from 1995 to 1999, newsrooms were located in the traditional newsrooms of the newspapers, while from 1999 to 2000, web pages reporters were put together in adjacent newsrooms in the Internet Department facilities. Once GMS was divided among Information Areas in 2000, web pages newsroom went back to their original site.

At first sight, and as result of the mentioned criteria, it can be inferred that web pages were under the supervision of either the editor of every publication or the head of every of the three information areas, depending on which year we are referring to. Nevertheless, and as said in previous chapters, Internet pages’ supervision relied more in a day-to-day basis on the head of the Internet department and on the editor of the every web page rather than on the editor of the traditional newspaper, especially until 2000. From then onwards, the decision making process was more based on the editor of every web page.
the editor of the paper, and, ultimately, on the head of the information area. The role of supervising contents by the Internet’s Department head was ceased.

Either being together or separated, communication between online reporters of the different GMS’ web pages has not been fluent. “We barely see each other” is the common answer when either Phil Mastrein, editor of Invertis.com from 1999 to 2003, or Steve Molder, editor of Goal.com, were asked if they meet or talk about the web pages.

Nevertheless, the development and improvement in all senses of the quality of GMS’ web pages seems to have some common factor in GMS, such as it is the coaching done by the Internet department and of the Computers and Systems departments on online reporters. The former is focused on the development of the web pages and on its business potential, and the latter on designing and implementing new tools in the web pages, getting the right hardware, and taking care of the maintenance and of the day-to-day basis. Nevertheless, both are a repository of knowledge on newspapers’ web pages that has been essential in transmitting know-how and experience from one web page to the other.

Stan Krueger comments that his department works in a day-to-day basis with the different web pages, and despite the fact of the differences in content or design between these web pages, he adds that “lots of learning arises from this experience, and the possibility of sharing this knowledge between GMS’ web pages is much greater than it may seem given the differences between these online versions.” (Personal communication, June 2, 2003).

It is clear, for instance, that the implementation and the daily operation of the first software to develop daily polls for Goal.com was a learning experience for those in GMS
Internet and Computers departments, and that it paid off when *Invertis.com* implemented months later this same software.

Michael Tumwok, deputy manager of GMS’ Computers and Technology Department, comments that this process of implementing new tools generally flows bottom-up; in other words, from the newsroom to the Computer department:

> Usually, online reporters or Internet department people come to see us and tell us about the new thing they want to do in the web page. Eventually, what they ask is not what it is finally done, because technology sometimes allows doing some things and sometimes does not. We are like consultants and implementers. They tell us an idea and we tell them technology’s possibilities. (Personal communication. June 10, 2003).

Although the role of the Internet and of the Computer and Systems departments is essential in this learning process for GMS as they act as centers and dispatchers of knowledge. GMS web pages joint learning process has also been developed by other tools, such as conferences and courses that the staff has taken. We cannot forget that one of the best performing business units at GMS has been Conferences, the department that organizes and sells assistance to conferences on many subjects. GMS Conferences takes advantage of the advertising power and contacts that GMS has. It has been quite frequent for GMS Conferences to organize events focused on the Internet and with high-quality speakers.
Lack of Threatening Competitors and Positive Response of Readers

With more or less mistakes and in better or worse times, GMS’ web pages have always been leaders in their respective fields, as it has been proved by the audience’s figures and by the response of the readers. Goal.com audience multiplied by 13 times from 1999 to 2003, while Invertis.com’s more than tripled in the same period. Nevertheless, it has to be noted that Invertis.com began to be a premium service in April 2002. This constant leadership and acceptation has been a feature that the main web pages at GMS have shared during most, if not all, of their lives.

Pressure for competitors has had different weights depending on time. In the golden era, many financial services or financial information portals threatened the future of Invertis.com, given the fact that deep-pocket investors were behind these portals. Nevertheless, these specialized information portals vanished away with the Internet hype, and did not turn into a real threat for GMS’ Internet web pages.

Basically, GMS’ audience rankings are very similar to those of GMS’ traditional newspapers. Invertis.com, for instance, more than doubles in audience Businessdays.com, the web page of Business Days, the historical competitor of Invertis and which sells half of the copies than GMS’ paper does.

Although constant leadership and high rates of acceptation may lead to conformism, auto-imposed pressure has always been a constant in GMS media, no matter if they are printed or web pages. Nevertheless, the fact of being the leader does not turn this pressure into a high-stressing experience. Phil Mastrein says: “We have been always aware of the
audience ratings, especially with the Internet because the medium is very new and there’s a lack of perspective”. (Personal communication, June 11, 2003).

John Terckeis, deputy editor of Goal.com, says that at this web page they are much more concerned of the sports information given by general information newspapers’ web than other sports newspapers’ web. “Our most serious competitor, given the quality of its information, is not our traditional competitor in the newspapers market. This is a new thing with Internet: the competitors change from paper version to web version” (Personal communication. June 4, 2003).

Differences among Information Areas

_Different Responses to Internet Adaptation and to Newsroom Integration_

The most important difference among GMS’ information units is the diverse responses to the Internet adaptation and to newsroom integration between the Sports and the Business information areas. Although both areas belong to the same company, they seem to be in two different worlds when the mentioned issue is addressed.

Stan Krueger, who has followed this process first-hand since 1997, comments that “Business information is far behind Sports information in what it is both the acceptance of the Internet by all type of journalists and the newsroom integration, understood as a single entity producing several different but related information products”. (Personal communication. June 2, 2003).

Personal comments and facts are sufficient to grasp the differences in this process at Goal and at Invertis, as the representative media of the two areas. Most of the
interviewed sports reporters reckon that despite the difficulties and pitfalls in both the adaptation to the Internet and in the newsroom integration, these processes have advanced substantially in the last two years. What it is more, the process flows quite horizontally and people often respond positively. John Terckeis comments that when he knows, for instance, that one of the reporters specialized in tennis travels abroad to cover a tournament he asks directly to the reporter to write a piece for the online version, and not through the newspaper’s editor: “I just tell him, face to face, that I want a story on this or on that. I do not have to request permission to the editor of the newspaper. Meaning asking way up, to see if I can ask it directly to the reporter.” (Personal communication, June 4, 2003).

At Invertis, Invertis.com, and Invertis TV, the situation is not the same as it is in Goal. In the last years, and under the direction of William Mers, who was editor of the paper between September 1999 and February 2003, encouraging newspapers reporters to participate and cooperate with those on the Internet page was not a constant. The same lack of impetus was seen in the willingness to integrate the business area in one single newsroom. Mastrein and many other reporters underline the same idea. Mastrein states:

Newsroom integration was not a concern at all when Mers was the editor. We worked as usual: paper in one side, Internet in the other, and nobody said a word about newsroom integration. There was no concern at all to integrate both parts or to create a single entity, Invertis, which produces the same product via paper, online or TV. However, when Mers was replaced temporarily by Duva, and later and finally by Martins, integration became the buzzword. Since then we have
received a lot of pressure top-down to work in that way, not only from Duva but also from Maurice Moore. (Personal communication, June 11, 2003).

Staff reporters from both Invertis and Invertis.com feel a bit uneasy when they are asked about this process of total integration of the different newsroom. They say they understand more or less the idea and the sense of the newsroom integration; nevertheless they reckon they have no clue of how it would be implemented. “We can understand the idea of integration although it has not been well communicated, but I do not see how it can be done. I think implementation is the real problem,” comments Ernest Mulford from Invertis.com. (Personal communication, June 11, 2003)

In September 2003, and as a step further in the integration process, the newsrooms of Invertis, Invertis.com, Invertis TV, and Business Report were put together in the same floor. Previously, only Invertis and Invertis.com shared the same floor. In the new allocation, editors and heads of the departments are sat next to each other, while reporters are grouped according to the area of their specialization. This physical integration tries to spur the whole operational process.

The previous personal comments and some of the mentioned facts might be enough to figure out some of the main differences between the Business and Sports areas in relation to the Internet adaptation and the newsroom integration. However, these ideas may be better developed and understood if we group them in narrower conceptual clusters.

On one hand, we see the differences in this adaptation in the different production processes and in the products; on the other hand, other differences can be observed in the attitude of some journalists towards this process.
The following question is why these differences arouse. Two important reasons must be underlined to better understand the origin of this mismatch in the adaptation between the Business and the Sports areas: the first one is the different leadership styles and commitment of their heads in implementing this process; the second one, professional and personal features of the reporters of the two areas.

*Production’s Process and Product*

According to Ian McMillan, “all those journalists working for Goal, Goal.com or Radio Goal also work for Goal, understanding that Goal is not only the newspaper but the general brand of a product that has several versions: printed, online, radio…” (Personal Communication, June 3, 2003). Several sports reporters asserted that this idea has been one of McMillan’s most repeated mottos since 2001, following GMS’ structuring in three information areas with the purpose of turning GMS into a specialized information provider using several channels of distribution rather than keeping GMS as a company that merely publishes newspapers.

McMillan’s strategy and its more than partial success can be seen getting into Goal’s main newsroom, talking to the journalists, and observing an ordinary day’s dynamics. Daily meetings are held in glass-paneled rooms. In every meeting in which that day’s main news are tackled there is a representative of the radio, the Internet page, and of the paper. Although this is only the first step, conversations and cooperation arises quite frequently and many times end in paper journalists participating in the radio program, or a web’s reporter talking on the radio about the results of one of the constant polls that the Internet page does are frequent scenes, etc.
In the case of the Sports Area, the idea of the newspaper, *Goal*, as the central and main product and the other versions, such as the web page and the radio, as crucial complements of the newspaper has been a facilitating factor for the successful integration of the production process and the cohesion of the final product in its different versions. Moreover, the newspaper itself also develops a policy of marketing and supporting the other media, such as it were a virtuous cycle.

Many web and radio reporters understand that a good job performance is not only the one that increases the audience of their respective media, online and radio, but also the performance that helps to sell more copies of the newspaper.

Steve Molder points out two ideas that help to describe this process:

On one hand, we may consider that the heads of the newspaper, radio and web pages are captains of different ships, but Spiegel, the newspaper’s editor, is the primus inter pares, the commander of the fleet, and he is positioned in one of the ships. On the other hand, the production process and the final product are seen as supporting ships assisting the newspaper, the big mother ship, the medium that makes tons of money and feeds us, but also helps the other ships by constant marketing and promotions. (Personal communication, June 3, 2003)

On the other hand, business newsrooms have been always physically separated until September 2003. One of the reasons that increases this separation and does not apply to *Goal* is that Invertis, a daily, was born in 1986 as a prolongation of *Business Report*, a weekly magazine, and *Invertis TV*, as a totally different medium in 1998; given that it
was GMS’ first serious attempt in entering TV market. From the very beginning, these three media did not share journalists, meaning that reporters only worked for one of the media. The only exception was foreign correspondents, who worked traditionally for both Invertis and Business Report. Molder, who participated in the launching of Invertis TV, comments that “Invertis journalists saw Invertis TV as a complete different thing, something that had nothing to do with the newspaper.” (Personal communication. June 3, 2003)

Other reporters comment that traditional Invertis journalists saw and see TV as a medium that they are not familiar with and thus they try to avoid any possibility of participating in TV given that they fear failure in their TV appearances. Although there was some pressure top-down telling Invertis journalists to cooperate with the TV channel, especially in the beginnings of Invertis TV, GMS did not spend a penny in training traditional journalists to adapt to the new medium. Furthermore, these same reporters think that Invertis TV began with scarce means and the first impression of the product was of poor quality if compared to the few available financial programs or channels. “Basically, many Invertis reporters did not want to get involved with that product (Invertis TV)”, comments Molder. (Personal communication. June 3, 2003).

On the common production of Invertis.com by reporters of the other media there is not much to talk about, given that traditional reporters, overall, consider it as a non-compensated extra-work. As we have seen before, it was much more rewarding for an online reporter to write and byline a story for the traditional newspaper, given the higher recognition that it has compared to the recognition of writing and bylining on online
stories. In conclusion, at the Business Information area, the three media lived lives apart, although the integration process has started in 2003 with a high top-down pressure.

**Personal perceptions of the journalists**

Molder’s comments on *Invertis TV* and the perception of the journalists towards this specific TV channel reflects a shared thought among many journalists in the Business Area and some of the Sports Area respect to the new media. These journalists think or assume in quite different ways that GMS is a newspapers company were money comes from selling newspapers and magazines’ copies and advertising in those publications. Furthermore, writing for one of these newspapers gives a higher recognition and sense of authority than working for a web page or a very specialized TV Channel. Public recognition is one of the most valued assets by journalists, no only because it is sort of moral reward for someone’s work but also, and most important for many reporters, because it increases the chances to be hired by other media with a better contract.

When Maurice Moore is asked about some journalists’ refusal to participate in the other media and to integrate, he considers that there is one main point at stake: excessive change-aversion or conformism, something that can be easily deducted from his comments:

I am offering professional development. They will receive training to master in any media: internet, TV, radio, etc. We do count with all these professionals that we have, and we consider that individual work is important, but team-work is more important. These are more opportunities for them, and if they do not want to
take them I would be happy if they leave us, because this is lack of ambition. Some want to live happily in their own cell and to defend their turf, refusing what it is a very good professional opportunity. (Personal communication. June 6, 2003).

Combining the two factors mentioned before, we have on one hand that some journalists consider that it is much easier to obtain professional recognition if they work for the more consolidated newspapers rather than to the not as well-known web page or TV. On the other hand, as Moore states, there is a change-aversion among some journalists that arises specially from those who think that changes can only jeopardize his or her professional reputation and/or put more pressure in their jobs, given the unknown nature of the tasks that they have required to do.

Many journalists at Invertis have been writing for years about one or two specialized businesses or markets. Real Estate, Energy, Banking, Stock Markets, or International Economics, for instance, are some of these fields of specialization within Business Information. Some specialized reporters consider that one of their main assets is this specialization, and though they have been told that newsroom integration is not going to break the current status, some of them do not fully trust this idea. Why? Mastrein and other journalists consider that changes in one side may produce changes in other areas where changes were not planned. The former says:

Basically, some people do believe that the bosses want to keep this specialization; the real problem, they think, is that this newsroom integration can
be such a mess and dramatic change that might affect the current division the former roles may be jeopardized. They just want to avoid minimal risks. (Personal comments, June 11, 2003).

Keith Bolder, a current Invertis.com reporter that previously spent two summer internships at Invertis, comments that the traditional journalists consider that this process of newsroom integration is being done with lots of general ideas and fewer practical instructions. Bolder comments:

There is this general feeling of improvisation spread over both newsrooms, the traditional and the online, and according to what I talked with the traditional journalists, they are much more concerned than we are(online reporters) on this issue. The traditional one see this thing as a mess with more work-load, more work-dispersion, thus less specialization, and the same rewards. (Personal communication, June 6th, 2003).

On the other hand, Moore comments that he wants neither to alter or suppress at all this specialization nor to increase the work-load:

I just want them to work as they have been doing so far. What I consider is that they should deliver a story through the medium that best fits the nature of the story they are reporting about. I think that interviews, for example, are much better for TV than for newspapers. However, it seems that some of the reporters
do not want to face the challenge of learning how to deal with TV, Internet, radio, etc. Moreover, this process does not mean working more, but doing it differently. (Personal communication, June 6, 2003)

Sam Appleton, one of those online journalists hired during the Internet glory days for Goal.com, adds an idea that may help to understand some of the traditional reporters’ views. He says:

I have been working three years for Goal.com, and traditional reporters have always seen us writing about every kind of sports’ news: soccer, basketball, athletics… They have the overall impression that we are kind of ‘jacks of all trades but master of none’. And this identification of ‘Internet equals generalists’ and ‘paper equals specialist’ is very difficult to annul. (Personal communication, June 3, 2003).

Appleton adds that, from time to time, he has been told by newspapers’ journalists that a story that he has written for the online version should be changed given its wrong perspective. Appleton has not always taken their points:

They are the specialized ones, and they are telling me that I have to change the perspective because, in other words, they know more than me. Sometimes, I think they were right and I changed it, but in other occasions I said that I was convinced that my perspective was also valid and did not change it. We have always had this
idea that those from the traditional newspaper know much more than we the online journalists do. (Personal communication, June 3, 2003)

Different Intensities and Styles in Leadership

At Goal.com, the process of adaptation to the Internet and to the newsroom integration has been led by Ian McMillan and Adrian Spiegel. McMillan, current head of the Sports Area, was editor of Goal, while Spiegel, current editor of Goal, was previously editor of Goal.com. In the case of the Business area, the only clear leader has been John Duva, editor of Invertis between 1989 and 1999, and head of the Business Area since then. As mentioned before, William Mers did not pushed in this direction (adaptation and integration) while he was editor of Invertis after Duva. The latter only did push in the mentioned direction after Mers’ replacement, according to several Business Area reporters.

Besides being a comparison between a two-man leadership in Sports against a one-man leadership in Business, there are more important differences that stem from a qualitative analysis.

Stan Krueger, a privileged observer of this process from his position of Internet’s Department head, says that leadership has been essential in this process:

On one hand, there is the Sports area where you have the strong personality and leadership of McMillan, who has spent the last years speaking out constantly about the need of a single newsroom that produces Goal, no matter if it is the
paper, the web page, or the radio version. He has put pressure top-down on the reporters on a constant basis and has shown that he believes in the process. On the other hand, in the Business Information area, pressure to integrate begins after Mers’ replacement, last February. Duva has only been concerned of this process once Mers was replaced. (Personal communication, June 2, 2003)

Krueger, as some other Internet and newspaper’s business reporters, point out that the pressure to integrate is being done in a quite drastic manner in this information area. It seems that before February 2003 no boss talked about that; later on, it is everyday story.

To understand why some leaders, like McMillan and Spiegel, cared about the process, while others, like Mers and Duva, did not push in this direction until recently, several general factors have to be taken into account. Nevertheless, there are some personal issues that cannot be forgotten and may have already been inferred, as some people at GMS prefer to say in an anonymous way:

McMillan believed personally in this process. He did not arrive by himself to the conclusion that this process is essential, but he just believed and trusted on what others said. meaning, Maurice Moore. On the other hand, you have Mers and Duva. I do not know whether they believe or not in this strategy; however, they just ignored it until February 2003. (Personal communication, June 2, 2003)

When John Duva is asked about his opinions on the Internet and about this adaptation process, he cannot deny that he was not fond of what happened with the
Internet as a whole, especially during the golden era and afterwards, although he thinks the integration is a strategy that makes sense and will pay off:

We saw that legal responsibilities were not defined on the Internet. Anybody could write what he or she wanted without being punished if somebody’s reputation was hurt. It was like those political pamphlets of the late XIX Century, printed in a warehouse and given for free in the streets. Furthermore, quality journalism was not developed at all on the Internet: it was just immediacy what was required and the trade-off was lack of rigor. (Personal communication, June 12, 2003)

Different Demographics

If the profile of the average reporter of Goal and Invertis were done, as well as the profile of both their readers and sources of information, the most clear differences would be: age of the reporter, previous jobs, self-esteem, academic background of the people they deal with, average income and position of their readers, or universities were they graduated from, among others. Although this study has not been done, many executives and reporters at GMS agree that these differences exist.

On one hand, we have Goal reporters. They are younger than those of Invertis. Most of them have it first job at Goal, such it is the case of McMillan and Spiegel. The former comments: “With few exceptions, all those hired by Goal are interns or just-graduated professionals. It is part of our spirit” (Personal comments, June 2, 2003). At Goal, the sources of information are professional athletes: people in their twenties that have no
university degrees and are considered as divinities by many fans. On the other hand, not many reporters of Invertis had in this paper his or her first job. These business reporters do usually deal with businessmen, government officials, bankers or economists, people much more articulated than the sources of information at Goal. On top of that, Invertis readers are, on average, much more affluent than those of Goal. Furthermore, the self-esteem of business reporters is much greater than that the Sport area reporters, and many of Invertis reporters are graduated from the equivalent of Ivy-League universities, while reporters at Goal are in many cases alumni of low-ranked universities.

According to several GMS executives and reporters, the differences in journalist’s profiles do play a significant role in whether they are more or less reluctant in reporting for the Internet or in delivering their stories through several media instead of the traditional newspaper. In other words, all these factors do shape the different rates of change-aversion among GMS reporters.

Krueger and Mastrein comment that the age, for instance, is a crucial. “Goal reporters can be readapted much more easily than those of Invertis, who are more experienced and may be more change-averse.” (Personal communication, June 2 and 11. 2003). Duva also adds that the self-esteem is “much more pronounced in business than in sports journalists.” (Personal communication, June 12, 2003).

All these executives agree that the daily routine of a sports and a business reporter has also a clear influence on the self-esteem that they have, and consequently it has clear repercussions when they are offered to do tasks that some of them consider ‘second class’ jobs as it is Internet reporting, understood as copy and paste or shovel ware journalism. Sports journalists spend many hours of their day outdoors at a training facility trying to
obtain easy-to-process information of a twenty-year old soccer player. Business reporters. on the contrary, usually visit offices full of mahogany where executives will explain them financial ratios or business’ strategies.

Although it may seem irrelevant, the culture of Invertis sets that wearing a suit and a tie is compulsory when going out of the newsroom, either to interview someone or to attend a press conference. In Goal, journalists do not wear suits when they have to leave the newsroom; in fact, blue-jeans are much more common than casual business dressing.

Conclusion

As we have seen in the previous pages, the process of the Internet adaptation and the role of Internet journalism at GMS have gone through different paths in the three information areas of the media conglomerate. On one hand, we have this process at Sports, highly driven by managers less reluctant to integrate and to reinforce Internet’s presence. On the other hand, there is the Business area, where opposition to change and to integrate still is present in a much higher degree than at the Sports area. The extreme case is that of Dona and Beautylady.com, where the editor of the ‘supposed’ online version of Dona has not been invited to participate in the editorial meetings of Dona, where the stories for the following issue are going to be discussed.

Obviously, all these differences stem from identified roots. In the Sports area, the leaders have a totally different profile and experiences with the Internet than those of the Business Area and Dona. Pressure to integrate and to accept the new medium have been constant at the Sports area, while at the Business area only exists since its former editor, William Mers, was replaced in February 2003.
Other features related to the journalists’ profiles, activities, expectations… and to the newspapers’ culture and the final product do also play an important role. The sports area reporters are used to deal with athletes; the business reporters, with executives; sports journalist are younger than those of the business’ newspapers and the information they elaborate seems less sophisticated than that of the business newspapers. These and other characteristics make business reporters more change-averse than those of the sports area, although there are still sports reporters quite uneasy with changes.

Despite all these differences and the final result in the adaptation process among GMS’ information areas, there are also some factors and tools that have enhanced the adaptation process. One of the most solid pillars is the Internet Department. The leadership and know-how of Krueger, and the support the department has always offered and transmitted is vital for GMS’ integration. This ‘common-link’ function developed by the Internet department has also been backed by the assistance of two other functional departments at GMS: Computers and System. These two areas, as well as the Internet department, have turned into a precious repository of Internet’s practices and knowledge. Apart from the effort of their members, time and changes have given these departments a profound know-how in this quite recent field, such it is Internet journalism or Internet adaptation by newspapers.

It cannot be forgotten that the process is not yet over, but the involvement of GMS’ publications with the Internet and the commitment of some of its employees may make us think that the process has more chances to succeed than ever before, especially given the long path that they have already walked.
CHAPTER FIVE

CONCLUSIONS

It can be said that the Internet did not transform GMS as a company in the last nine years; however, the new medium has played an important role in the firm’s development. Financially, it has subtracted more than it has added, given the investments in technology and people that GMS has allocated to the Internet. The return, at this time, is minimal but growing despite the dramatic fall that Internet suffered both in earnings and in attractiveness after the gloomy post Internet-bubble years. Nevertheless, many executives and GMS’ employees consider that the investments might pay-off in the future despite the lack of confidence of the last two years.

As we have seen in this real-case thesis, the adaptation to the Internet by a media conglomerate has been a stressful and enlightening experience from the organizational point of view. GMS and its employees are not the same after this experience that, in my personal opinion, has just begun. As we have gone through this case, it is clear that many facts and ideas lead to arrive to several conclusions that in many cases may have been experienced by other media conglomerates. In this final chapter I would like to underline these conclusions and to reflect on how the relationship between Internet and media, especially newspapers, might be in the future.
Defensive Move and Appropriation

GMS did not get on the Internet arena for pleasure or as a way to experiment other new products. They jumped in it because they had to do so, as soon as its executives realized that the new medium was highly convenient as a two-way channel to transmit information, and that other companies, insiders and/or outsiders, could take this turf over and challenge GMS’ leadership as a content provider of specialized information. This menace was much more threatening during the Internet-bubble years, when many information portals, specialized or not, turned into real competitors for GMS’ web pages. Nevertheless, GMS’ online pages have always led the rankings of Internet audience, and many of those portals that appeared in 1999 or 2000 have closed down after the Internet-bubble burst.

During the first years of this process (1994 to 1997), Maurice Moore asked some people to help him in finding out the possibilities of this medium and its consequences on the media’s landscape. He also asked and participated in figuring out how GMS could take advantage of the Internet and in the developing of the first pages, that as we all now they were done with scarce resources.

Given this approach, it is also sensible to conclude that GMS was a follower in this area, and in some ways it still is, but not as much as in the past. From 1994 to 1997, GMS just saw what others did and replicated it. With the appointment of Stan Krueger in 1997, this role changed. Given that the Internet department was beginning to be taken into consideration by the whole organization and some more resources were allocated to this area. Furthermore, Krueger always have tried to improve and to develop the personality and quality of GMS’ web pages, and to do so originality and leadership were required.
However, the main activity or function of the online versions at those times (1994-1997) was to be the Internet version (a mimetic replication) of the traditional newspaper.

In the last one or two years (2002-2003), GMS’ web pages do still have a resemblance of the traditional newspapers; nevertheless, they have been offering many services not included in the newspapers and these web pages have also developed their particular editorial style, that it is also shaped by the inherent characteristics of the Internet: interactivity, immediacy, etc.

The Strength of the External Factors

In the previous lines we have seen why GMS’ got into the Internet’s turf, and the importance of some external facts, such as technology innovation, on the first steps of GMS’ adaptation to the Internet. Later on, the strength and influence of the external factors had also a powerful influence, especially in both the Internet-bubble days and the burst that followed it.

In 1999, at the peak of the Internet golden era, GMS tried to convert itself into an Internet company. As Krueger best said, his department was considered a bunch of “ugly ducks” (the days when the department had few resources) that instantaneously turned into “white swans” (they began to be ‘the golden department’ at GMS). Basically, what happened was that GMS’ top executives, as many other heads of media companies, wanted to benefit from the hyper valuation that Internet stocks were enjoying at that time and thus wanted to ‘internetize’ their companies. In other words, turn GMS’ stock into Internet stock, provided that the company had scheduled its Initial Public Offering (IPO) for October 2000. During these glory days, GMS hired employees for the web pages at a
breakneck pace and invested millions in technology, both in hardware and in software: Internet was a dream that have to come true.

Once the euphoria was over after the stock-market crash, especially at the NASDAQ, GMS made a drastic backward move in its Internet policy and, by extension, in its corporate strategy. The important investments previously done were proven to be excessive as the Internet-bubble burst and the purpose of ‘internetizing’ vanished away. Some employees that were hired for the Internet web pages with proportional higher salaries than their peers were the first ones to be fired, and investment in technology froze.

Some other external factors, such as continuous technology developments in computers, cell phones, and high-speed Internet, have also a qualitative influence in GMS’ Internet adaptation, given that more and more people are potential customers of its services as an online content provider.

Different Responses to the Adaptation Process in GMS’ newspapers

Although the facts of belonging to the same company and having the same top executives may lead to the conclusion that all GMS’ newspapers went through an identical process of Internet’s adaptation, the reality is quite different. On one hand, we have the Sports Area, whose adaptation to the Internet has had its problems, but it is relatively achieved and runs over the right track. On the other hand stands the Business Area, which lags far behind the Sports area in this process and where most of its traditional reporters have tried to stay away of the Internet version, given their negative view of online pages and online reporting. Many business journalists regard online
versions as sub products that embody second class journalism or, what it is the same, copy-and-paste reporting with lack of depth.

Although this process has had a highly defined leader on the top, Maurice Moore, and the support of key-departments at GMS, such as Internet, Computers, and Systems, some features that act against this integration have been too powerful to be beaten in the last years. One factor has been the negative pressure of the skeptics, some journalists and executives, which rather than pushing into the opposite direction have preferred to stay aside and do not cooperate, and thus relenting the whole process. One of the most clear and extreme examples is that of *Dona* and what it is supposed to be its online page, *Beautylady.com*. As we have seen, the editor of *Beautylady.com* is not invited to participate in the meetings in which *Dona*’s editors discuss the contents of the following issue of this monthly women’s magazine. On top of that, the web page it is not named after the magazine and this fact has its significance.

The different leaderships and their intensities at the Sports and at the Business Area have also had its influence in the adaptation process. While Ian McMillan and Adrian Spiegel have been pushing for the last years both for the Internet adaptation and for the integration of the newsroom in the Sports Area, the pressure on the Business Area has only been felt since the replacement of William Mers as editor of *Invertis*, in February 2003. Since that event, John Duva, with the assistance of Maurice Moore, has been increasing the pressure to achieve these goals.

Another factor totally linked with the previous one and that has also played against the process is the different profile and characteristics of the journalists of the Sports and Business areas. Certain demographic characteristics —age, grade of complexity of the
information they are dealing with, environments in which they work, etc.- and the kinds of sources of information they work with (young athletes compared to adult businessmen) have an influence on the personality and self-esteem of the journalists of these areas. In these sections, journalists consider that their specialization is one of their most precious assets, but this thought is much more rooted at the Business area. Many of their journalists think that web pages are not the medium in which their specialization and professional reputation will shine the most, given their idea of web pages as sub products in which second class journalism is rife. Furthermore, Business Area’s journalists consider that both web reporting and newsroom integration will drive them to a stage in which specialization may be jeopardized.

Differences among Internet Versions

GMS’ newspapers are, in essence, quite different products. They are either sports, business, or women’s traditional newspapers or magazines. Both their physical appearance and their contents have nothing to do with each other. Something similar, although not so drastic, can be said of their online versions if we compare them not among themselves but with their print versions, especially as time went by. In other words, Goal and Goal.com were very much alike in 1997, but currently they are much more different although it is noticeable that they are two versions of the same product. Internet, and its immense possibilities, has widened as time went by the differences between print newspapers and its online versions.

The Sports web page (Goal.com) is constantly offering live text and audio information on sports events, as well as polls, pictures, statistics, etc. This page is also
quite active on making sales offers of sports apparel and other related goods. In other words, immediacy and interactivity are quite developed. In the Business Area, the online product also gives immediacy, given the constant breaking news that it offers. However, Invertis.com is a premium service since 2002 provided that this web page is focused on offering stock markets charts, past news on companies, and other information offers that investors would have to pay if they want to obtain them. Analysis done by experts and other qualitative information are also part of this premium service.

In other words, the Sports online offering is much more focused on immediacy and on entertaining the audience, while the Business Area’s online page is much more a professional tool in which past information (archive) and much more analytical reporting are the value proposition. It can be said that Sports information’s essence is entertaining the customer while business’s is informing on markets. Nevertheless, these inherent characteristics are much more developed thanks to the possibilities of the Internet. It would not be possible to offer past news if there is no Internet, and it also would be impossible to offer 25 pictures of a single soccer match without the thousands of pages that an online newspaper has.

In the case of DoctorsDaily.com, most of the professionals that connect to this page do so to read and check medical legislation and research done. Although the page also offers breaking news, statistics of page-views confirm that the main strength of this page is its function as a repository of medical legislation and research.
The Internet and Media: a Prospective Outlook

So far, we have seen what has happened in a real media conglomerate in its process of adaptation to the Internet. Some of the key ideas and facts, apart from giving us references of the past, are also useful indicators that might help us to speculate about what may be ahead in this relationship between media and the Internet.

The first idea is that the Internet has arrived to stay, and to stay within and next to the media in a more fluent and constant relationship, whether media executives like this process or not.

Technology developments have had a great influence in this process: computers are cheaper, in proportional terms, as time goes by, as well as software, Internet connections, printers, and, of course, cellular phones, which are more than a ordinary commodity in many Western countries. In these two last years, cellular phones, as we have seen in the case of GMS, are another important part of the Internet, given that they are hardware, such as computers, able to receive pictures, texts, and audio, of course, developed by media companies. Leaving cellular phones aside, we cannot forget that the number of people connected to the Internet has grown exponentially in the last years, and that there is still a long path to walk, especially if the service becomes more affordable and reachable, as it is happening.

If we have a look to Internet audience who wants information, it may be said that media are the leaders in this area, especially in the case of GMS’ publications in their country. There are also exceptions to the rule, such as Yahoo and its financial information web page, but it has to be also underlined that much information on Yahoo Finance has been developed by Reuters and other traditional news agencies or media. Therefore, we
may say that in these last years, media, as a whole, have not been ousted of the Internet turf by outsiders, although some outsider have turned into media or quasi-media companies.

Many media executives, especially in newspapers’ companies, have seen during the last twenty years either declining readership or more financial difficulties to maintain the audience: despite the application of efficiencies, the average cost of producing a newspaper has grown in many countries as a result of marketing and promotion efforts that had to be done to maintain readership. Furthermore, many market surveys and research show that, in many countries, new generations are less interested in newspapers than their parents and much more interested and connected to the Internet than their older relatives. Therefore, online journalism or online versions of the media have an undeniable and promising future ahead.

Another important point is the convenience of the online media. To see/read/listen what you want when you want (text, audio, and video) and the possibility to find past information relatively fast is an undeniable feature that increases the convenience-gap with traditional newspapers.

Does it mean that old media, such as newspaper or radio, are going to disappear in their traditional versions? I do not think so, at least in the short and medium term. It is quite possible that the business model may gradually change from advertising in paper to advertising on line, and from newsstands sales to Internet-subscription payments. Currently, newspapers sell much more paper-advertising than online-advertising. The most common sale is a quarter, half or a full page to advertisers for a given price, while in the future the best-selling product might be 100,000 page views or 10,000 click-through
on the ad. Nevertheless, it is said that specialized newspapers and magazines, given their characteristics, have more chances to remain as they are than general information publications. Advertisers of luxury products, for instance, love quality pictures printed on quality papers (meaning both quality pulp-paper and periodical publications, as it is The Economist or The New Yorker, to give some examples).

It is also clear is that online journalism, whether specialized or not, has much more miles ahead than behind. I personally think that journalism is journalism, no matter if it online or offline, and its essence is the same if it is done for traditional newspapers or for an online version. Probably, specialized reporting will be much more common on the Internet than it is today, and those Internet-averse specialized reporters will change their opinion on online media as long as this medium reaches higher levels of specialized audience. We do not have to forget that these reporters, Internet-averse or not, write their stories on computers with a quite common word-processor software, and that same text may go either to newspapers, online pages or both. In other words, Internet and traditional journalism do not differ in the writing of stories.

In the case of GMS and its newsroom integration, we have seen that the final goal is that integrated and single newsrooms produce the same or more specialized information products that so far have been developed by several newsrooms. As said by GMS’ managers, the final goal with these integration is that the final products had more quality that the current ones. Possibly, this fact may be linked to the adaptation to the Internet, given that the Internet is a new medium that has the possibilities of all the existing media. Nevertheless, what has happened at GMS and its newsroom integration shows that this process has not led to the development of a single product by a single and integrated
newsroom. In other words, GMS wants to keep on producing Invertis, Invertis TV, and Invertis.com. through a single newsroom, but has not decided to call off the publication of Invertis to create a new Invertis.com that it is the result of the merger of the other business information media. Therefore, it is quite premature to state that newsroom integration will result in product integration.

In my opinion, these ideas previously developed try to give some light on what may happen in the relationship between media and the Internet. Another issue is when it may happen, or, in other words, in how many years we will see newspapers, for instance, making more money out of the Internet (ads and content selling) than they make out of the print versions. Only God knows, but if we just look back ten years ago (1993) and think about how much the scenario has changed, we may conclude that these ten years have proportionally been like a century for many industries in which Internet is a key component, and media is one of them.
Exhibit 1

List of Interviewees at GMS

Appleton, Sam: Goal.com, reporter.
Artwin, Benjamin: Invertis.com, reporter
Berg, Ken: Goal.com, software development.
Bergmann, Nicole: Goal.com, reporter
Bolder, Keith: Invertis.com, reporter
Chance, William: Studio, Editor
Cleestern, Andrew: AdsIn, Sports Information Area, Head of advertising
Curhman, Alistair: Goal, specialized reporter in cycling
Duva, John: Business Information Area, Head of the area
Fiddler, Victor: Goal.com, reporter
Fills, Martin: GMS Digital Media, Marketing
Johnson, Mathew: GMS Digital Media, deputy director
Jones, Jerome: AdsIn, head of advertising sales of Invertis.
Klein, Courtney: GMS Digital Media, Project development
Krueger, Stan: GMS Digital Media, Head of the department
Lloyd, Carol: Beautylady.com, editor
Martins, Bob: Invertis, editor
McMillan, Ian: Sports Information Area, Head of the area
Merton, Stew: Doctorsdaily.com, editor
Molder, Steve: Goal.com, editor
Molltaink, Steven: GMS Systems Department, Head of department

Moore, Maurice: Product Information and Corporate Development, executive director

Mortimer, Jason: Doctors Daily, editor

Mulford, Ernest: Invertis.com, reporter

Muller, Jens: AdsIn, Business Information Area, Head of advertising

Payton, Michael: Invertis.com, editor (since June 2003)

Shipps, Stephanie: Studio.com, editor

Spiegel, Adrian: Goal, editor

Stevenson, Martha: Other Information Area, Head of the

Stunmore, Mary: Invertis.com, reporter

Tercin, William: GMS Digital Media, Development and Systems’ Head

Terekais, John: Goal.com, Head of staff

Tumswokt, Michael: GMS Computer, deputy head of department

Verst, Andrea: Invertis.com, head of projects
Exhibit 2

General questionnaire for interviewees at GMS

- For how long have you been working in online newspapers, why you do it, and what did you do before?
- What is your opinion on the different stages that online media have been through: the beginnings, the Internet-bubble’s splendor and its burst?
- Is very different the organization, work schedule, routines, practices, etc., from a traditional newspaper to online newspapers?
- Do you frequently see/gather/talk/plan with reporters from traditional newspapers?
- How different is the development and production of a story for a traditional newspaper and for an online newspaper?
- How are the feedback and the interactivity with readers and audience? Is it very different from that of traditional newspapers?
- Which are the main sources of learning in Internet journalism?
- How is your work dynamic? Have your superiors asked you to implement some special processes to do your job or to interact with your peers in the day-to-day activities?
- What is your opinion on newsroom integration?
- Do you know the strategy of the organization? If yes, do you think it is aligned with Internet’s development?
GMS’ PUBLICATIONS AND MEDIA

SPORTS INFORMATION AREA
Head of Area: Ian McMillan

- **GOAL**
  Sports daily
  Editorial employees: 120
  Average daily copies sold: 490,000
  Acquired by GMS in 1984
  Editor: Adrian Spiegel

- **GOAL.COM**
  Goal’s Web page
  Editorial employees: 14
  Page views per month in 2002: 154 million
  Launched in 1995
  Editor: Steve Molder

- **RADIO GOAL**
  Radio Station
  Editorial employees: 20
  Audience: Limited to some urban areas
  Launched in 2001
  Editor: Samuel Brown

BUSINESS INFORMATION AREA
Head of Area: John Duva

- **INVERTIS**
  Business daily (Monday to Saturday)
  Editorial employees: 80
  Average daily copies sold in 2002: 65,000
  Launched in 1986
  Editor: Bob Martins (Since May 2003)

- **INVERTIS.COM**
  Invertis’ Web Page
  Editorial employees: 8
  Average page-views per month in 2002: 18 million
  Editor: Michael Payton (June 2003)

- **INVERTIS TV**
  Invertis’ TV channel

Editorial employees: 35
Audience: Seen through a satellite service with 3 million subscribers.
There’s no official data on this channel
Editor: Derek Slaman

- **BUSINESS REPORT**
  Weekly business magazine
  Editorial employees: 35
  Average copies sold per week in 2002: 30,000
  Editor: John Stout

OTHERS INFORMATION AREA
Head of Area: Martha Stevenson

- **DONA**
  Monthly women magazine
  Editorial employees: 25
  Average copies sold per month in 2002: 159,000
  Editor: Maureen Stein

- **BEAUTYLADY.COM**
  Dona’s web page
  Editorial employees: 4
  Average page-views per month in 2002: 6 million
  Editor: Carol Lloyd.

- **DOCTORS DAILY**
  Free daily newspaper for doctors
  (Monday to Friday)
  Editorial employees: 50
  Average copies delivered per day: 50,000
  Editor: Jason Mortimer

- **DOCTORS DAILY.COM**
  Doctors Daily’s web page
  Editorial employees: 5
Launched in 1996
Average page-views per month in 2002: 2.1 million
Editor: Stew Merton

- **DOCTORS MAIL**
Weekly summary of Doctors Daily
Editorial employees: 50, those of Doctors Daily
Average copies delivered per week: 25,000
Editor: Jason Mortimer

- **STUDIO**
Weekly free newspaper
Editorial employees: 28
Average copies delivered per week: 75,000
Editor: William Chance
### GMS main figures

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Financial figures in € million
Exhibit 5

Organizational chart of the Information Products and Corporate Development (New Ventures)
References and Readings


