

This is in response to [Michael's Newser response](#) to my [blog on selling content online](#)

Michael,

I think we agree more than we disagree. let me address some specifics.

1. Respect the fact that I'm fat
2. I do have friends. I didn't realize we were boys, but anytime you want to hang, just holler.. I obviously need as many friends as I can get.
3. I'm arrogant and I think that I'm smarter than everyone else. Except for my daughters.

As I said in my post, I agree that news has always been free and it always will be. Other than the WSJ, there is no chance of charging per website, article or at all. Nor do I think the current and traditional model of ad supported will work either.

If selling ads wasn't an issue, we wouldn't be having this discussion. Old media and new would all be happy.

But it is. Which is why you have so many ads per page of Newser. That's the reality of today.

It's also an outdated model, whether it's used by print, tv or the web.

That is where we disagree. I think the summary and aggregation sites, supported by ad sales is already an old, outdated model. Sorry.

My post wasn't about charging for news. It was about getting consumers to pay for content. IMHO, your model still uses the old silo model. This is news. If you want news, you come here. To a news site.

My model is that companies should inventory all the assets they have and try to find optimal ways to deliver those assets in a way that is profitable to the company and of value to the consumer. In an era where the marginal cost of delivery of digital assets, and many cases physical assets are falling, why not package those assets in a manner that consumers want to buy?

I gave the example where Newscorp could leverage all their content and deliver it in a profitable way. Which I think could work. I also said it would be a challenge for newscorp (which I know you understand far better than me) to break the old divisional P&L mindset to package cross corporate assets into a marketable package.

Which leads us to the part where I become arrogant.

I try to find solutions to problems that aren't necessarily easy, but that I think are better. Even when people think the thought makes me a big fat idiot. I was a big fat idiot when I got lucky and started HDNet when no one thought HDTVs would be mainstream. When we changed up film windows with Magnolia, 2929 and Landmark Theatres, premiering movies for pay, 3 weeks prior to their theatrical release it was criticized by many. (btw, all but 2929 are profitable). In the 1990s trying to convince people that the net was going to be ubiquitous was somewhat of a challenge, particularly for audio and video. Being a big, fat idiot has gotten me lucky many times.

Today tweaking websites, as you have done with Newser, is not transitional. The internet is a utility and websites will be updated and tweaked forevermore. When it comes to news and its presentation, there isn't a whole lot that can't be copied from one site to another. I promise you that if the NY Times wanted to buy a cool URL and create a Newser Knockoff, they could. Easily. But it would be moving deckchairs on the Titanic. A waste of time. It's not the format of news sites that is the problem.

In this era of social networks, content companies/media conglomerates need to develop new business models that create business relationships between their companies and consumers.

I may read Newser, but I don't do business with newser. If some company out there entices me into a relationship with them that I consider valuable enough to pay for, and that company happens to bundle in a news source that I think is even close to newser, or maybe they are even smart enough to knock off Newser, I'm going to use the resource I pay for more than those I don't.

Because I have a financial relationship with them, I'm going to be more likely to interact more openly with them, and I'm going to expect them to customize their offerings to me. They need to continue to earn my business.

Some think this is out of the realm of big media. That they don't get it. The arrogant part of me says the "internet people" don't get it.

IMHO, the future of paid content and probably even beyond content is in direct relationships with corporations. Why now? Because people are now trained to identify themselves and share information about who they are and what they want. There is nothing to stop that from happening directly with content and companies. They are allowed to use Facebook Connect too.

Companies now are also able to handle the backend technology. The prices of handling mass amounts of data whether in house or in a cloud, has fallen off a cliff. So it's feasible for corporations to maintain direct relationships with millions of people.

Let me give you one new example. On Amazon I subscribe to my favorite cereal. I get a couple boxes every month. In exchange for my commitment I get a discount. There is no reason why this "subscription" can't happen directly with the company and fulfilled either by Amazon or by the company. It's the model Amazon already uses with 3rd party vendors. If you give me the right deal, I will subscribe to soap, toilet paper, even Newscorp's News Junkie program that I suggested. It's easy, it saves me money and it gives me a direct connection to the company.

I don't think this is easy for all companies to conceptualize and implement, but so what? That doesn't mean it's not the right thing for them to do. Someone will come along and do it. IMHO, the biggest opportunities today aren't in using the internet to dis-intermediate big companies. The biggest opportunity out there is for big companies to leverage their assets to re-intermediate their customers and develop direct relationships with them.

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