



FERN NEWS

Food & Environment Reporting Network
Annual Report
2013

MISSION STATEMENT

The Food & Environment Reporting Network (FERN) is the first and only independent, non-profit, non-partisan news organization that produces in-depth and investigative reporting on food, agriculture, and environmental health through publication partnerships with respected local and national media outlets.

The Food & Environment Reporting Network is pleased to present our second Annual Report, following our second full year of operations last year.

In 2013, we produced 12 stories, including two international stories, on subjects ranging from illegal shark finning to antibiotic resistance to the solutions for the dead zone that occurs annually as a result of farm runoff. We added new partnerships for a total of 24 mainstream media publishing partners, including the *San Francisco Chronicle*, *Slate*, *PRI's The World* and more.

FERN also reached a significant milestone in May when Reporter Tracie McMillan's September 2012 story on the plight of farmworkers, "As Common As Dirt," which appeared in the *American Prospect* magazine won a James Beard Foundation Award in the Politics/Policy/Environment category, the highest honor for food journalism.

In addition, FERN was specifically acknowledged by the Pew Research Center's Project for Excellence in Journalism in its "State of the News Media 2013" as one of a handful of new non-profit journalism ventures beginning to emerge "that could advance citizens' knowledge about public issues." The organization was also the subject of a feature story in the Dutch national newspaper, *NRC Handelsblad*.

We exceeded our budget goal of \$400,000, raising \$425,000 for 2013, with grants from 11th Hour Project, McKnight Foundation, the Food and Farm Communications Fund, David & Lucille Packard Foundation, Nell Newman Foundation, Columbia Foundation, Gaia Fund and the Clarence Heller Foundation. In addition, we received nearly \$90,000 from individual donors, representing 20 percent of our 2013 budget, thus meeting one of our long-term goals.

The budget increases allowed us to increase our reporting capabilities -- we hired photographers and produced infographic visualizations for the first time in 2013. We also were able to add senior editorial staff to aid in story placement and production as well as increase compensation for key personnel to reduce risk of turnover. FERN also produced its first audited financial statement during 2013 for its 2012 fiscal year.

In March, we held our second annual event in San Francisco, which featured Michael Pollan speaking for the first time in a public forum about his latest book,

Cooked: A Natural History of Transformation. We hosted around 60 media partners and donors at the office of Good Eggs where we also gave a thorough powerpoint presentation about our work and its impact to date.

In October we held our annual fundraiser in New York City, which featured Pulitzer-winning *New York Times* investigative journalist Michael Moss, who is also bestseller of the recent book, *Salt, Sugar, Fat* in conversation with former Editor-in-chief of Gourmet magazine and best-selling author Ruth Reichl. Our Editor-in-chief, Sam Fromartz, and our Executive Director, Tom Laskawy also spoke about our work. In addition, we created five large-format posters which we displayed at the event in order to show the impact of our work more clearly. Our host committee for the event included Reichl as well as Amanda Hesser, Sarah Rosenberg, Merrill Stubbs, Dominique Browning, Alison Cayne and Tamar Adler.

Following the public event, we held an exclusive dinner for 19 large-gift donors featuring Reichl and Adler at the home of Haven's Kitchen founder Alison Cayne. Food was prepared by chef and restaurateur Peter Hoffman of restaurants Back Forty, Back Forty West, and formerly of Savoy.

In addition, FERN received an Organizational Effectiveness grant from the Packard Foundation to engage in a strategic planning process. We have assembled a team of consultants who are in the process of creating a three-to-five year organization plan. The plan will include an examination of our current structure, a proposed expansion of our reporting capacities, and an exploration of suitable, additional revenue lines including a multi-tiered membership program. We see this process as critical to FERN's continued success. It will provide needed guidance to the organization as it grows into a mature entity. The final strategic plan is due in 2014.

In 2013, we began the process of relaunching our Web site thefern.org with the goal of better serving the different constituencies who visit our site. Our goal is to more clearly communicate our impact, effectiveness, and credibility and to highlight content that connects with each of our constituencies. Our new site will launch in spring 2014.

Along with this redesign, we have rolled out a new social media strategy to enhance our brand recognition built around a FERN Twitter hashtag "#FERNstream" that we will use to highlight important stories produced by other news organizations. We collect these socially promoted stories on a page on our Web site. In addition, we grew our followers on Twitter to over 6,200, our likes on Facebook to over 3,100, and our newsletter subscribers to over 2,100.

In addition, we expanded our board to include two new members. Nat Brown was the Chief Technology Officer at iLike and previously Senior Vice President at Microsoft. While there, he created and evangelized the ActiveX/COM object model in the early 1990s and had a primary role in the creation of XML, DHTML, and the first Xbox. Brown was at Microsoft from 1990 to 1999 after which he served briefly as CTO at CAC Media, which sells software services for set-top boxes. He has informally advised numerous startups, currently write apps for iOS, and engages in local angel investing. Brown lives in Seattle with his family.

Mike L. Rankowitz is a retired executive of Morgan-Stanley who worked for the company from 1980 until 2001. He has since sat on a number of boards including Carlyle Funds, New York Racing Association, International Dyslexia Association, and Trinity School. He has two sons and lives with his wife in New York City.

Thank you for taking an interest in our work. We look forward to sharing more with you in 2014!

Sincerely,

The Food & Environment Reporting Network Team

Our Work

Our print stories from 2013 include:

- A report for *Modern Farmer* magazine on how some farmers around the nation are starting to turn away from genetically modified seeds as their productivity flags. They are planting conventionally bred seeds instead, feeding a small, but growing market for these crops. This story appeared on December 6, 2013.
- A cover story in the *San Francisco Chronicle* Sunday Travel section on Cocos Island, a UNESCO World Heritage Site off the coast of Costa Rica which has been called an “underwater Serengeti” because of the many species found in its waters, where despite being illegal shark finning persists as an international trade. This story appeared on December 1, 2013.
- An investigation into what a post-antibiotic future for medicine, agriculture and everyday life might look like if the current trend of resistance continues. This story appeared at *Medium.com* on November 18, 2013.
- A story taking a hard look at the future of the Supplemental Nutrition Assistance Program (SNAP), also known as food stamps, which experienced cuts in November. This story featured charts and visualizations of data showing the economic and health benefits incurred to society as a result of food stamps, and appeared in *Mother Jones* on October 25, 2013.
- An infographic that featured new research to show impact of eating more vegetables. Published by *The Daily Meal* on September 13, 2013.
- A look at potential legislation to limit the use of food stamps to healthy choices, and the opposition to these policies by hunger groups, published in *Slate* on July 6, 2013.
- An investigation into the potential solutions for the dead zone in the Gulf of Mexico, a result of farm runoff, which appeared in *The American Prospect* magazine on May 22, 2013.
- An in depth primer on antibiotic resistance for general consumer magazine *Eating Well*, published on May 1, 2013.
- An exposé on the eight tiny Pacific island nations that banded together to fight pirates and change the rules of the sea, published on *Slate* on April 2, 2013.

- A look at the resurgent herring population in San Francisco Bay, and why they are still at risk. This story was published by the *San Francisco Chronicle* on February 15, 2013.

Our broadcast reports from 2013 include:

- An investigation into illegal shark finning taking place in Costa Rica, known for being one of the world's most ecologically-minded countries, which appeared on *PRI's The World*.

- A report from the Western Pacific, home to the world's last healthy stock of tuna, where eight island-nations that are fighting to keep it that way. This also appeared on *PRI's The World*.

As a part of measuring the impact of our stories, we collect data from our distribution partners about circulation, page views, video views and ratings; We are also tracking audience engagement -- assessing Twitter analytics, including number of retweets, reach and number of clicks; looking at the number and types of outlets re-reporting the story; and tracking the development of outreach campaigns, policy changes or political responses to stories.

For example, our story *Imagining the Post-Antibiotic Future*—about the waning effectiveness of antibiotics and what it will mean for medicine, agriculture and everyday life—was featured on the new publishing platform *Medium.com*, which was started by the creators of Twitter and has a largely tech-focused audience. The piece appeared in November and continues to draw readership three months after its publication, for a total of 384,000 pageviews. *Medium.com* drills down even further, showing that of those 227,000 stayed on the site the full 19 minutes estimated to read the piece—for a read ratio of 59 percent.

Following publication, the story was tweeted by Rep. Louise Slaughter, Michael Pollan and Evan Williams; re-reported by outlets like *Business Insider*, *Washington Post*, *Bloomberg*, *Salon* and *News Hour*; and was listed in the best stories of 2013 list of *National Geographic*, *Business Week* and *Medium.com*. It inspired *The New York Times'* Room for Debate to cover the topic, and the story was also scheduled for translation into Russian, German, and French.

Early in 2013 we reported on the last healthy stock of tuna in the world, located in the Western Pacific, where eight tiny nations have banded together to change the way the species is being fished. The story appeared on *Slate*, which reaches 10 million readers monthly, and was translated and republished in *Newsweek Japan*—one of the top five countries that fish in those waters.

In the fall we published a data-focused story on the economic and health benefits of food stamps, or the Supplemental Nutrition Assistance Program (SNAP), for *Mother Jones*. The story went viral as benefits were on the verge of a significant cut, which led to our reporter, Christopher Cook's appearance on MSNBC to discuss the story.

We also updated our report on ractopamine, a growth-promoting livestock drug which we have been covering since 2012, when we were the first to report in depth on the topic in mainstream media for *NBCNews.com*. The report followed up on Smithfield foods, America's largest pork producer, which was being sold for \$4.7 billion to China's biggest meat processing company. Since the time of our original report, Smithfield had been quietly transitioning its pork production away from the use of ractopamine, which is banned in China, Russia and Taiwan.

These are just a few examples of the impacts our stories are making.

Financials

We view our style of accountability journalism through investigative reporting as a public good as well as a good that the commercial media market is less and less able to perform. For that reason, foundations must play a role in expanding the public's access to information that the powerful seek to keep hidden.

Along those lines, in 2013 we received \$100,000 in grant funding from The 11th Hour Project, \$50,000 from the McKnight Foundation (with an additional \$50,000 committed for 2014), \$62,000 from the Food and Farm Communications Fund, \$40,000 from the Columbia Foundation, \$40,000 from the Clarence Heller Foundation, \$20,000 from the Nell Newman Foundation, \$10,000 from the Gaia Fund, \$10,000 from the Sand Dollar Fund, \$10,000 from the Jewish Communal Fund and \$10,000 from the Loews Foundation.

While we have had great success so far in the foundation community, we are also aggressively expanding our network of large-gift individual donors. In 2013 we held two events, one in San Francisco and one in New York City, which grossed over \$90,000 in donations while overall we received \$168,000 in individual donations.

We also received an Organizational Effectiveness grant in the amount of \$43,000 from the Packard Foundation, which has allowed us to engage in a strategic planning process. It is designed to create a three-to-five year growth plan that includes diversifying our revenue streams and developing a membership plan. The strategic plan is due in Q1 of 2014.

**Audited Financial Statement
For Year Ended December 31, 2013**

	December 31	
	<u>2013</u>	<u>2012</u>
ASSETS		
Contributions	\$449,257	\$184,474
Accounts receivable	3,000	-
Prepaid expenses	<u>-</u>	<u>3,338</u>
Total Assets	<u>\$452,257</u>	<u>\$187,812</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable		
Accrued expenses	\$ 2,608	-
	<u>19,476</u>	<u>6,013</u>
Total Liabilities	22,084	6,013
 Net Assets		
Unrestricted	<u>430,173</u>	<u>181,799</u>
Total Liabilities and Net Assets	<u>\$452,257</u>	<u>\$187,812</u>

**Audited Financial Statement
For Year Ended December 31, 2013**

	December 31	
	2013	2012
REVENUES AND OTHER SUPPORT		
Contributions	\$ 644,113	\$ 382,669
Other	4,048	750
Total Revenues and Other Support	<u>648,161</u>	<u>383,419</u>
EXPENSES		
Program Services		
Consultant fees		
Writers	\$ 51,724	\$ 36,300
Editors	41,900	53,957
Project manager	32,250	28,500
Graphic designer	32,100	11,600
Communications	39,750	24,875
Other	9,200	900
Travel and meetings	35,223	17,005
Total Program Services	<u>242,147</u>	<u>173,137</u>
Supporting Services		
Management and general		
Payroll and related	108,223	49,815
Professional fees	19,132	12,618
Insurance	11,787	9,029
Administrative and general	7,433	4,585
Fundraising	11,065	6,040
Total Supporting Services	<u>157,640</u>	<u>82,087</u>
Total Expenses	<u>399,787</u>	<u>255,224</u>
Increase in Net Assets	248,374	128,195
Net assets, beginning of year	<u>181,799</u>	<u>53,604</u>
Net assets, end of year	<u>\$ 430,173</u>	<u>\$ 181,799</u>

Our Publishing Partners

ABC's World News Tonight with Diane Sawyer

ABC's Good Morning America

Center for Investigative Reporting

Eating Well

High Country News

Medium

Modern Farmer

Mother Jones

NBCNews.com

Newsweek Japan

PRI's The World

San Francisco Chronicle

San Francisco Magazine

Slate

The American Prospect

The Atlantic

The Daily Meal

The Nation

Washington Post

Personnel

Sam Fromartz, Editor-in-Chief

Susan West, Executive Editor

Tom Laskawy, Executive Director

Paula Crossfield, Managing Editor

Naomi Starkman, Strategic Media Adviser

Elizabeth Royte, Contributing Editor

Board

Dan Pullman, Board President and Treasurer

Ralph Loglisci, Board Secretary

Nat Brown

Mike Rankowitz

Sam Fromartz

Editorial Advisors

Ruth Reichl

Charles Wilson

Katrina Heron

Brian Halweil

Elizabeth Royte

Major Foundation Supporters:

The 11th Hour Project

David & Lucille Packard Foundation

McKnight Foundation

Food and Farm Communications Fund

Clarence E. Heller Foundation

Nell Newman Foundation

The Gaia Fund

Cloud Mountain Foundation

Sand Dollar Fund

Columbia Foundation

Loews Foundation

Jewish Communal Fund

Joyce and Irving Goldman Foundation



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