

The Provincetown INDEPENDENT

2019 Annual Benefit Report

The *Provincetown Independent* is incorporated as a Massachusetts Benefit Corporation under Chapter 156E of the General Laws, which requires us to adhere to higher standards of accountability and transparency than other for-profit businesses. In accordance with those requirements, we have submitted the following report to the Secretary of State for the year 2019.



Photo Sophie Ruehr

Letter from the Publisher and Editor

On September 6, 2019, the first issue of the *Provincetown Independent* came off the press. We had researched the decline of local newspapers across the United States, and we were ready to prove that the tide could turn.

We believed our community would welcome a new newspaper devoted to promoting civic engagement and contributing to a more sustainable year-round economy on the Outer Cape.

That first issue of the *Independent* was a preview that we hoped would spark interest. Thanks to a small but strong group of writers, photographers, and artists, it did. By the time we started

publishing weekly, on October 10, 2019, we had several hundred subscribers. At the end of the year, we had a total weekly paid circulation of more than 1,500 copies, and our website was getting more than 35,000 unique page views per month.

In the months before that first issue came out, we held a series of small group meetings with over 200 community members, where they told us what they thought was most needed here — thorough and accurate reporting on issues ranging from access to health care to the climate crisis to local government. Their concerns shaped our commitment as a Massachusetts Benefit Corporation, which inspires this report.

The biggest challenge we faced in 2019 was not finding and reporting stories, but finding financial support. We launched the *Independent* without the cash reserves we know will be needed to survive. But with the existing newspapers covering the Outer Cape rapidly becoming “ghost papers,” and with threats against journalists and democracy at the national level, we decided grassroots action was urgent.

We did have support from a group of 10 initial shareholders who invested a total of \$165,000, and we were buoyed when many local business owners signed on to advertise. We are grateful for that support.

Looking ahead, we must face the fact that we are relying too much on too few staff members. Now that we know this can be done, we are recommitting ourselves to building a future for the *Independent* and the talented people who make this newspaper happen.

Teresa Parker, *Publisher*
Edward Miller, *Editor*

I. Our Mission

To produce a high-quality, truly local newspaper devoted to promoting civic engagement and contributing to a more sustainable year-round economy in the four towns of Outer Cape Cod: Provincetown, Truro, Wellfleet, and Eastham.

II. Inspiration

Our vision is to find stories that bring readers closer to their neighbors and to this outermost community. We want to celebrate all that is good here, in a place that's proud of its tradition of welcoming separatists and strangers. We also examine the challenges we face on the far end of this sandbar.

We aim for truth-seeking reporting on our town and regional governments, community organizations, the arts, science and the environment, health and health care, education, children, family life, LGBTQ community concerns, fishing and farming, the Cape Cod National Seashore,

the local economy, and the unique and sometimes eccentric culture of this place. We seek to include a wide range of voices in our research and reporting.

At the same time, we are watching with alarm what is happening to local newspapers and to journalism across the country and the world, conscious of the relationship between a vigorous free press and a democratic and just society. We are part of a growing movement to defend journalism at the grassroots. We are committed to being a homegrown news organization, and we are grateful to be in a community that sees that it matters to recover the capacity to report and produce local news.

III. Guiding Principles: Accountability and Transparency

The Provincetown Independent Inc. was incorporated in January 2019 as a Massachusetts Benefit Corporation, dedicated to community journalism in the public interest for Outer Cape Cod from Eastham to Provincetown. Benefit corporations are held to higher standards of accountability and transparency than other businesses. Their directors are required to consider the impact of the corporation's business activities and practices on all stakeholders, and to publish an annual report of the corporation's performance on a range of social, environmental, and community standards.

This document is the Provincetown Independent's Benefit Report for the year 2019. It lays out both our goals as a benefit corporation and our progress toward achieving those goals in our first year of operation, including publication of our first 13 issues.

IV. Ownership, Governance, and Board Compensation

Other than the publisher and editor, shareholders play no role in guiding the journalism produced by the *Independent*.

As of December 31, 2019, the shareholders in the Provincetown Independent Inc. were:

Louis Black, Austin, Texas, and Wellfleet, Mass.

Jim Campen & Phyllis Ewen, Cambridge and Wellfleet, Mass.

Ben deRuyter, Brewster, Mass.

John & Yvette Dubinsky, St. Louis, Mo. and Truro, Mass.

Doug Freeman, Newton and Wellfleet, Mass.

David Keller & Mary Maxwell, Truro, Mass.

Edmond Macri, Boston and Provincetown, Mass.

Edward Miller & Teresa Parker, Wellfleet, Mass.

Wil Sullivan & Janet Hymowitz, Wellfleet, Mass.

Jay Vivian & Barbara Wood, Truro, Mass.

Carol Warshawsky, Truro, Mass.

The directors of the corporation are Teresa Parker, Edward Miller, and John Dubinsky. Board members received no compensation from the corporation in their capacity as members of the board.

V. Performance Assessment

Selection of Third-Party Standard

Massachusetts General Laws Chapter 156E provides that this annual report should include an assessment of the overall social and environmental performance of the benefit corporation against a third-party standard. The Provincetown Independent Inc. has used the third-party standard framework created by the nonprofit B Lab, supplemented by performance standards specific to a community newspaper suggested by year-round and part-time residents of the four Outer Cape towns, and certified by an independent benefit officer, Carl Sussman of Newton and Wellfleet, Mass., who has prepared this report.

There is no financial or governance relationship between the Provincetown Independent Inc. and either the B Lab or the benefit officer, Carl Sussman, that might materially affect their ability to serve as third-party standard creators.

2019 Performance Assessment—General Public Benefit

In its first year of operation, the Provincetown Independent Inc. succeeded in raising \$165,000 in investments from shareholders and launching a new weekly newspaper, publishing its first 13 issues during September, October, November, and December 2019, thus fulfilling the first step in its stated corporate public benefit purpose. By the end of the year, the newspaper had 6 full-time year-round employees, all of them Cape Cod residents, and had published 440 articles about civic and community life in the towns we cover. Public response to the *Independent* included nearly 1,000 paid subscribers; a paid weekly circulation, including newsstand sales, of over 1,500 copies; and over 35,000 unique page views per month of its website by year's end.

2019 Performance Assessment—Specific Public Benefit

In each of the following four areas, we have listed the specific benefits that the *Independent* seeks to achieve and provided a score of achieved benefits for the year 2019, the corporation's first year of operation. This same scale will be used in future year benefit reports.

A. Environment

1. Recycle all paper, plastics, glass, and metal used in office and newspaper production and distribution, as far as practicable. *Grade: standard achieved.*
2. Keep the number of recycled copies of the newspaper because of newsstand returns under 10 percent of the total number of copies printed. *Grade: standard achieved.*
3. Use recycled, biodegradable, and nontoxic products in all office operations, as far as practicable. *Grade: standard not achieved.*
4. Publish at least three articles per month on critical environmental issues facing the communities of the Outer Cape, including climate change and sea-level rise. *Grade: 16 articles published between September and December 2019 — standard exceeded.*

Environment Score: 3 of 4 standards achieved

B. Workers and Diversity

1. Develop, promote, and practice a nondiscrimination policy for employees. *Grade: standard achieved.*
2. Develop, promote, and practice a sexual harassment policy for employees. *Grade: standard achieved.*
3. Provide health insurance coverage with at least 60-percent company payment of premiums to all employees working 30 hours per week or more. *Grade: standard achieved.*
4. Provide paid sick days, vacation, and personal days for all employees. *Grade: standard achieved.*
5. Provide family leave for full-time employees for pregnancy/childbirth and extended family health emergencies. *Grade: standard not achieved.*
6. Offer professional development opportunities for employees to develop skills relevant to their jobs. *Grade: standard achieved.*
7. Offer a company-sponsored retirement savings plan for all employees. *Grade: standard not achieved.*
8. Publish at least three articles per month on issues of Outer Cape diversity, demographics, working conditions, and housing. *Grade: 14 articles published between September and December 2019 — standard exceeded.*

Workers and Diversity Score: 6 of 8 standards achieved

C. Community

1. Ensure that ownership of the corporation is local, with at least half of the shareholders being full-time residents of Cape Cod. *Grade: standard achieved.*
2. Avoid outsourcing of jobs and business operations to off-Cape workers and companies. *Grade: standard achieved.*
3. Provide regular opportunities for readers and customers to express their opinions and register complaints with the editorial and business directors. *Grade: standard achieved by holding 10 Open Newsroom meetings at local libraries.*
4. Devote space on the editorial pages for at least nine letters to the editor per month as a measure of public engagement. *Grade: 36 letters published between September and December 2019 — standard achieved.*
5. Whenever possible, use local suppliers of goods and services, including banking and payroll. *Grade: standard achieved.*
6. Protect the privacy of subscribers by holding all personal information confidential, not selling or trading subscriber lists, and ensuring that third-party subscription services do not harvest personal information. *Grade: standard achieved.*
7. Publish at least four articles per month on civics and local government. *Grade: 11 articles published between September and December 2019 — standard not achieved.*
8. Publish at least two articles per month on issues specifically affecting the LGBTQ community. *Grade: 5 articles published between September and December 2019 — standard not achieved.*
9. Publish at least two articles per month on children, schools, and family life. *Grade: 5 articles published between September and December 2019 — standard not achieved.*

10. Publish at least two articles per month on access to health care and social welfare. *Grade: 10 articles published between September and December 2019 — standard exceeded.*
11. Publish at least three articles per month on fishing, farming, and the local economy. *Grade: 13 articles published between September and December 2019 — standard exceeded.*

Community Score: 8 of 11 standards achieved

D. Governance

1. Keep board of directors informed of the company's social and environmental performance through monthly board meetings. *Grade: standard achieved.*
2. Provide all employees with company financial information (except salaries) at least quarterly. *Grade: standard not achieved.*
3. Publish accurate data on the newspaper's circulation annually. *Grade: standard achieved.*
4. Publicly disclose names of all shareholders in the corporation. *Grade: standard achieved.*
5. Publicly disclose names of all donors to the nonprofit arm of the company with the amounts of their donations. *Grade: standard not achieved.*
6. Develop and publish a statement of ethical principles and avoiding conflicts of interest for employees to refer to in the practice of news gathering, reporting, fact checking, and correcting errors. *Grade: standard not achieved.*

Governance Score: 3 of 6 standards achieved

Overall Score, Specific Public Benefit: 20 of 29 standards achieved



Photo Sophie Ruehr

VI. Benefit Director and Benefit Officer

The corporation's benefit director is John Dubinsky.

John Dubinsky
Benefit Director
Provincetown Independent
P.O. Box 1034
Provincetown, MA 02657

The corporation's benefit officer is Carl Sussman.

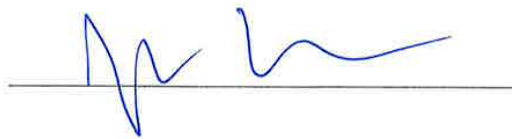
Carl Sussman, president
Sussman Associates
125 Franklin Street
Newton, MA 02458

Statement of the Benefit Director

It is my opinion that the Provincetown Independent Inc. has acted in accordance with its general and specific public benefit purposes in all material respects during 2019, the period covered by this report, and that the directors and officers have complied with the provisions of sections 10 and 12 of Mass. General Laws Chapter 156E: Benefit Corporations. It is also my opinion that the directors and officers have used sound and reasonable judgment in determining corporate actions and the best interests of the benefit corporation in all respects. The Provincetown Independent's status as a benefit corporation, in my opinion, has contributed to the overall positive view of this new newspaper in the community and among shareholders, employees, advertisers, and readers. It is too early to say whether this status will have any effect on shareholders' return on investment.

[signed]

John Dubinsky, Benefit Director



Certification of the Benefit Officer

I hereby certify that the information presented in this annual benefit report for the Provincetown Independent Inc. for the year 2019 is accurate to the best of my knowledge.

[signed]

Carl Sussman, Benefit Officer

