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MONDAY, JULY 25, 2016

Business Day

The New York Times

In Media Company Advertising, Sponsored Content Is Becoming King

By JOHN HERRMAN

For some publishers unsettled by a fast-changing online advertising business, sponsored content has provided much-needed relief.

In recent years, publications large and small have invested in teams to make sponsored content — written stories, videos or podcasts that look and feel like journalistic content — hoping to make up for declines in conventional advertising. To varying degrees, they have succeeded.

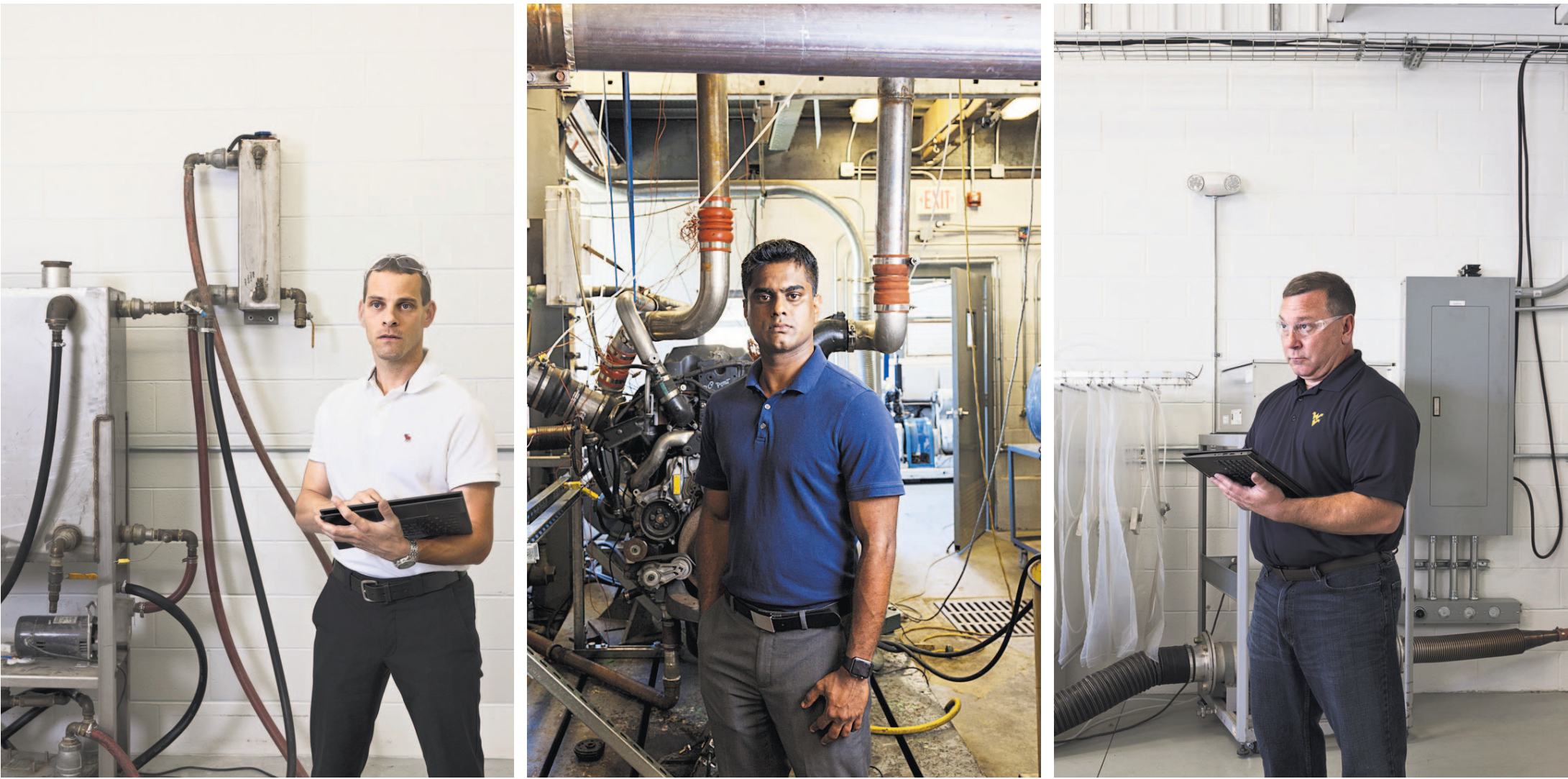
Younger companies like Vice and BuzzFeed have built whole businesses around the concept. The Atlantic has said that three-quarters of its ad revenue now comes from sponsored content. Slate, the web publisher, says that about half of its ad revenue comes from native ads, as sponsored content is also called, and the other half from traditional banner or display ads. Many major newspapers, including The New York Times, have declared sponsored content to be an important part of their strategies.

But as the relationship between publishers and social platforms like Facebook grows closer — and as more straightforward forms of advertising are devalued by ad-blocking and industry automation, the role, and definition, of sponsored content has shifted. Now, publishers, social media companies and advertisers are negotiating new relationships.

Audiences have migrated away from websites and toward Facebook and other social media destinations, which for a competitive price can provide advertisers access to larger and more finely targeted groups of people, challenging the value of a publisher's own channels. With a weaker claim over audiences, publishers have been left to compete for advertising on different terms, leaning less on the size or demographics of their readerships, and more on the sorts of campaigns they can engineer for advertisers — campaigns that are then used across the internet.

"The differences between five years ago and now, in client expectations, are enormous," said Keith Hernandez, the president of Slate.

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PHOTOGRAPHS BY TOM M. JOHNSON FOR THE NEW YORK TIMES

Celebrated but Struggling

Research Team That Uncovered Volkswagen Scandal Scrambles for Funding

By JACK EWING

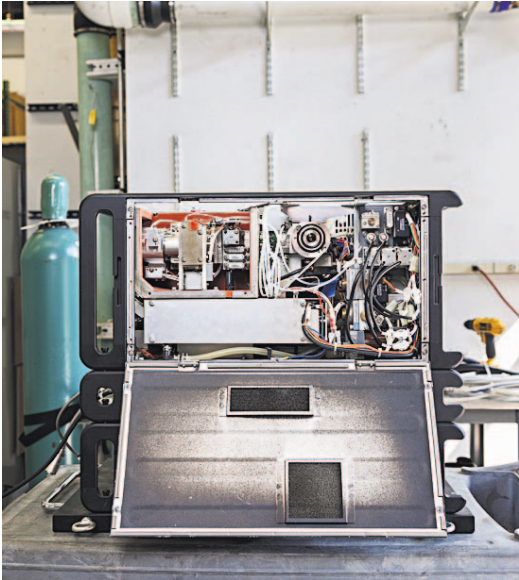
MORGANTOWN, W.Va. — The scientific detective work that forced Volkswagen into a \$15 billion settlement began with a handful of researchers armed with just \$70,000.

For years, the research team at West Virginia University, which first noticed big discrepancies in Volkswagen's diesel emissions, has scrounged for grants and research funding to survive. Only a fraction of its \$1.5 million annual budget comes from the university, and that is being cut.

"I still have sleepless nights trying to figure out how I'm going to pay the guys the next pay cycle," said Dan Carder, director of the university's Center for Alternative Fuels Engines and Emissions.

The success of Mr. Carder's David against Volkswagen's Goliath illustrates the huge disparity in resources between carmakers and oversight groups. The road testing technology that exposed Volkswagen to a raft of criminal investigations and lawsuits never attracted much interest — or money — from regulators or carmakers until recently, and that is still not certain to relieve the group's financial pressure.

Since the deception came to light last year,



Top from left, Marc Besch, Arvind Thiruvengadam and Dan Carder of the Center for Alternative Fuels Engines and Emissions. Above, a portable emissions measurement system.

Mr. Carder, 46, has achieved a degree of celebrity not usually accorded to vehicle emissions experts. Time magazine named him to its annual list of the world's 100 most influential people, alongside Nicki Minaj, Vladimir Putin and Pope Francis.

But fame does not necessarily equal riches, or even stability, in the world of academia.

The agreement between Volkswagen and federal and state governments includes \$4.7 billion for research into clean transportation and projects to offset the emissions from about 500,000 Volkswagen diesel engines that are polluting more than the law allows.

At best, Mr. Carder hopes to claim a sliver of that research money for the testing center in this hilly region cut by the Monongahela River. Or he could land contracts to verify the effectiveness of repairs that Volkswagen plans to make on cars with excess emissions.

Every little bit of funding helps.

The center he runs received \$70,000 in 2013 from an environmental group, the International Council on Clean Transportation, to conduct the study that eventually exposed how Volkswagen had rigged vehicles to deceive regulators. The

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Once \$50,000. Now, VCR Collects Dust.

By JONAH ENGEL BROMWICH

Many new technologies are born with a bang: Virtual reality headsets! Renewable rockets! And old ones often die with a whimper. So it is for the videocassette recorder, or VCR.

The last-known company still manufacturing the technology, the Funai Corporation of Japan, said in a statement on Thursday that it would stop making VCRs at the end of this month, mainly because of "difficulty acquiring parts."

The Japanese newspaper Nikkei reported on the impending demise earlier this month.

The news was the death rattle of a technology that was considered revolutionary when it was introduced in

The DVD's debut sounded the older hardware's death knell.

the 1950s. It took several decades for the VCR to make its way into consumers' homes, but in its heyday it was ubiquitous and dominant.

According to the company — which said in the statement, "We are the last manufacturer" of VCRs "in all of the world" — 750,000 units were sold worldwide in 2015, down from millions decades earlier.

In 1956, the Ampex Electric and

Manufacturing Company introduced what its website calls "the first practical videotape recorder." Fred Pfost, an Ampex engineer, described demonstrating the technology to CBS executives for the first time. Unknown to them, he had recorded a keynote speech delivered by a vice president at the network.

"After I rewound the tape and pushed the play button for this group of executives, they saw the instantaneous replay of the speech. There were about 10 seconds of total silence until they suddenly realized just what they were seeing on the 20 video monitors located around the room. Pandemonium broke out, with wild clapping

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ADVERTISING

Planned Parenthood Seeks Out Next Generation on Tumblr

By MARTHA C. WHITE

As it undertakes an ad campaign in celebration of its 100th anniversary, Planned Parenthood of New York City is trying to reach a younger generation with a message about sexual and reproductive health. That message does not shy away from what one expert in nonprofit marketing called "the elephant in the room" — abortion.

To connect with those who were born after Roe v. Wade, the organization and its advertising agency, Kraftworks, turned to the microblogging social net-

work Tumblr.

"We really are doing this partially to get a younger audience engaged in supporting Planned Parenthood," said Neil Kraft, the chief executive of Kraftworks. "They do, to some extent, take it for granted."

The campaign, called Care That Counts, features stories of patients, staff members and volunteers told through text, photos and video to create what Carrie Mumah, a Planned Parenthood spokeswoman, characterized as a series

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