

Tabline

Deferred-charge, pay-per-use access for independent publishers — and the entitlement rail for the machine readers arriving behind them.

ABSTRACT

Sixteen percent of Americans pay for online news, and the number is falling. Subscriptions have hit a ceiling: paying households stop at one or two titles, and every reader who bounces off a paywall is revenue no one collects. Micropayments — the obvious answer — failed for twenty-five years for three specific, now-addressable reasons: card fees make small charges uneconomic, per-article decisions exhaust readers, and publishers fear cannibalizing subscriptions. Tabline answers all three. A reader unlocks an article for a dollar in one click; nothing is charged at that moment; purchases accrue on a tab charged once at \$5 or 30 days. Publishers keep 80%, receive the reader's email, and get a subscription upsell on every unlock. The same signed-token entitlement mechanism is the shape publishers now adopt for AI-agent licensing — positioning one pipe to serve human and machine readers alike.

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The problem

The economics of online news have bifurcated. A handful of national titles have made subscriptions work — the New York Times holds 12.8 million digital subscribers at roughly \$10 a month. For everyone else the model is stalling: median monthly churn near 5.8%, most paying households capped at one or two subscriptions, and US payment rates declining year over year. The Reuters Institute's 2026 report describes subscriptions as having "hit a ceiling."

Meanwhile the drive-by reader — arriving from search, a social link, a newsletter — is worth almost nothing. A pageview yields one to four cents of advertising. The paywall converts a fraction of a percent of these visitors and turns the rest away. Surveys consistently find a large latent middle: roughly a third of non-payers say they would pay something, at prices far below a subscription. No mechanism serves them.

The industry's own experiments now show the mechanism works once the friction is removed:

+83% conversion-rate lift from a \$2 per-article option — Washington Post, Flexible Access, 2026	+35% lift from a \$4 day pass, cannibalization "within an acceptable range" — Washington Post	~9% average revenue uplift across 1,000+ publishers — Google Offerwall	10–15% of per-article buyers convert to subscribers — Winnipeg Free Press, Supertab deployments
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Per-use access is not a subscription competitor. Measured, it is a subscription funnel.

2

Why micropayments failed — and the design that answers each failure

Card economics

a \$0.25 charge loses most of itself to the 30¢ fixed fee

Tabline never charges per item. Purchases accrue on a tab; one charge covers many unlocks, amortizing the fixed fee to noise.

Mental transaction cost

Szabo & Shirky's objection, confirmed by Blendle's data

Tabline defers the money. The click delivers the article instantly; the charge arrives later as one legible batch ("Tabline: 3 unlocks — \$3.00"). No wallet to fund, no balance anxiety, and a 24-hour self-refund on any purchase.

Cannibalization fear

aggregators historically
competed with their supply

Tabline is the publisher's funnel. The publisher sets prices, the unlock screen carries their subscription offer, they receive the reader's email — and when the reader subscribes, Tabline steps aside and counts the conversion, the dashboard's headline metric.

Money-transmission law

the failure prior attempts never
examined

A tab is a receivable, not stored value. A prepaid wallet spendable across unaffiliated merchants is presumptively money transmission in ~49 states. Deferral is a legal design as much as a UX one: no balance exists to regulate, no breakage to escheat (\$7).

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How Tabline works

For the reader. On a partner article, a small box offers "This article · \$1.00" and "24-hour pass · \$3.00." First use: enter an email, click a one-time sign-in link, save a card — explicitly consented for merchant-initiated charges, nothing charged at save. Every later unlock, on any partner site, is one click. The account page shows the open tab, full history, and one-click refunds. When the tab reaches \$5 — or 30 days, whichever is first — the saved card is charged once. Declines pause new purchases and retry on a schedule.

For the publisher. Install is a WordPress plugin (Leaky Paywall and Newspack aware), a Ghost integration, or a two-line script plus a forty-line token check. A dashboard reports unlocks, unique paying readers, revenue, refunds, and — the number that matters — Tabline readers who became subscribers. Payouts arrive continuously: each settled tab transfers the publisher's 80% share to their own Stripe account, tied to the specific charge that funded it. If Tabline is unreachable, the integration fails open: the page behaves exactly as it did before Tabline existed.

```
reader clicks unlock → ledger line + entitlement + signed token · no payment call
tab reaches $5/30d → one merchant-initiated charge (UCOF) · consent recorded
at card save
per publisher → Stripe Connect transfer, source_transaction · payout tied to
its charge
refund / dispute → proportional reversal of payment + transfer · idempotent,
replayable
```

The money flow. Every operation carries an idempotency key; a crashed settlement run replays safely.

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Entitlements a publisher's system never has to model

A publisher's access control answers one question: *may this request see this article?* Tabline never asks it to learn new concepts. All entitlement state — unlocks, day passes, refunds, revocations — lives in Tabline's ledger. What the publisher receives is proof: a short-lived Ed25519-signed token whose claims say "this reader, this publisher, this article (or a pass), until this time." Verification is offline against Tabline's published keys, so no network call sits in the request path — Tabline can never take a partner's site down — and a copied token is bounded by its expiry and article binding.

A day pass, from the publisher's side, is indistinguishable from a stream of single unlocks: Tabline mints a fresh per-article token on every page until the pass expires. Expiry, refund revocation, and early termination on subscription all happen in Tabline's database and simply stop new tokens. Nothing on the publisher's side needs cleanup.

For publishers who prefer their own membership system to hold the state, a mirror mode exists: signed webhooks (`unlock.created` with pass expiry, `unlock.refunded` , `pass.ended`) plus a query API let their system do what it already does — grant a temporary access level until time T — with Tabline as the feed.

The cross-outlet account

The reader's account is Tabline's compounding asset: one sign-in, one card, one tab, spendable at every partner. Each additional publisher makes the account more valuable to readers; the accumulated readers make Tabline more valuable to the next publisher. Prior consumer plays — Blendle, Scroll, Post.news — tried to bootstrap this network with consumer marketing and died of acquisition costs. Tabline inverts the order: distribution is the publisher's own paywall, where the highest-intent readers already are, at zero acquisition cost. The consumer network is the *result* of publisher adoption, not the prerequisite.

The account also works at the paywall itself, on the largest barrier a one-dollar purchase faces: not the dollar, but the prospect of creating yet another account for a single article. Tabline says so at the point of decision — the unlock box and sign-up screen both tell the reader that one sign-up works on every site that offers Tabline — reframing the ask from "an account for this article" to "an account for reading." And for the reader who already has one, the barrier is gone entirely: their second site, like their second article, is one click.

Economics

PER \$1 UNLOCK	AMOUNT	NOTES
Publisher share	\$0 . 80	vs. \$0.01–0.04 ad value of the same pageview — a 20–80× uplift on a bouncing reader, plus the email, plus a 10–15% subscription chance
Tabline platform fee	\$0 . 20	covers payment processing and the platform
Tabline contribution per settled \$5 tab	≈\$0 . 55	\$1.00 gross margin less ≈\$0.45 payment costs

The take rate alone does not make a venture-scale consumer business at small volumes; it makes a sound bootstrapped B2B business whose year-one goal is not revenue but twenty live publishers and a quotable conversion statistic. That statistic is simultaneously the sales tool for the next publisher, the basis for association-

channel distribution, and the asset an eventual acquirer would be buying. The larger prize is the network: at scale, the cross-outlet account and its ledger are the consumer-side rail the industry's per-use future needs.

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Legal architecture

Tabline's structure was chosen against the primary sources (full analysis in the companion legal memo). **No money transmission:** Tabline fits the FinCEN payment-processor exclusion — it facilitates purchases, entirely through BSA-regulated rails, under formal agreements with each seller; no prepaid access exists because no funds are paid in advance. **Agent of the payee:** each publisher appoints Tabline in writing as its limited collection agent, and payment to Tabline extinguishes the reader's obligation — tracking the statutory exemption enacted in thirty-plus states. **Not a prepaid account; not a negative option:** with no stored funds the CFPB prepaid rule's definitions don't attach, and because every purchase is an affirmative click, ROSCA's trigger is absent — though its disclosure and consent elements are implemented anyway, alongside the card networks' stored-credential requirements, with consent recorded (timestamp, IP, terms version). **Open items are known and scoped:** state marketplace-facilitator sales tax as volume grows, and two states whose statutes lack the standard exemption. Counsel review precedes the first signature.

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Agents: the same pipe, without the mental transaction cost

The most consequential shift of 2025–26 is that the paying reader is no longer always human. Cloudflare blocks AI crawlers by default and operates Pay Per Crawl; TollBit meters bot access for hundreds of publishers; Microsoft's Publisher Content Marketplace and Perplexity's revenue pools pay per use; OpenAI's leadership has publicly proposed agents paying "\$0.17 per article." The objection that killed consumer micropayments — the human cost of deciding, over and over, whether an article is worth cents — does not exist for a machine operating under a budget.

Tabline is built so that serving agents is a configuration change, not a new system.

Same tokens

Tabline's entitlement proof is a JWT (EdDSA) with issuer, subject, resource, and expiry claims, verified against a published JWKS — deliberately the same shape as the RSL license tokens publishers are adopting for crawler licensing. A publisher who has wired Tabline's verification for human readers has already wired the general mechanism; honoring an agent's token is the same forty lines.

Same account, held by the operator

An agent does not get a card; its *operator* does. An agent credential attaches to a human-owned Tabline account, under the operator's spending caps — per article, per day, per publisher. The agent-of-the-payee analysis is unchanged: a human still owes and pays through the same rails, and sees every machine purchase in the same ledger, refundable under the same rules.

Same tab, solving the same fee problem

Per-request payment protocols (HTTP 402 flows such as x402) face exactly the economics that killed human micropayments: a 17-cent purchase can't carry a card transaction. Aggregation-then-settlement is Tabline's core mechanic. An agent's hundred small fetches become one charge — and settle in dollars through the publisher's existing Stripe account, with no crypto integration on the publisher's side.

```
agent GET /article      ← 402 Payment Required + price + Tabline endpoint
agent POST /v1/unlock   → entitlement on the operator's tab    · caps enforced
agent GET /article +token → 200                               · verified like any
human's token
```

The agent flow. Publishers set separate human and agent pricing; the ledger records which is which.

The strategic claim is modest and testable: publishers will not maintain two licensing stacks. Whoever's entitlement rail serves both the human who won't subscribe and the agent that can't will own the per-use layer. Tabline's human-side network — real publishers, real conversion data — is the credibility the agent conversation requires; the agent side is why the pipe is worth owning.

Status and roadmap

Live in production at tabline.net — deployed on managed infrastructure with managed Postgres, TLS, and transactional email on the tabline.net domain; validated end to end against Stripe's sandbox with open test coverage. Working today: the ledger and settlement engine with retries, refunds, transfer reversals, and dispute handling; Ed25519 tokens and JWKS; the full reader flow — magic-link sign-in delivered by email, consented card save, one-click unlocks, self-refund; the publisher dashboard with conversion reporting; the WordPress/Leaky Paywall plugin with an automated interop test suite; the entitlement query API and signed publisher webhooks; per-publisher CORS allowlisting and rate limiting. Try it yourself: the unlock flow is live at tabline.net/demo (test card 4242 4242 4242 4242), and a 90-second walkthrough is at youtu.be/BP7YAT16i1I.

Before first pilot: Stripe live-mode activation, entity formation, counsel review of the drafted publisher agreement, reader terms, and privacy policy.

With first partners: Newspack meter integration, Ghost integration, per-article price overrides, edge rate limiting.

Following demand: agent credentials and the 402 flow, agent pricing controls, and platform partnerships — hosted-CMS providers whose one integration reaches many publishers at once.

Conclusion

Every consumer micropayment venture of the past twenty-five years failed on the same four rocks: card fees, decision fatigue, publisher distrust, and — unnoticed — money-transmission law. Tabline's deferred-charge design was built rock by rock against that record, at the moment the industry's own data finally shows per-use access growing subscriptions rather than eating them, and the arrival of machine readers removes the deepest objection entirely. The plan is deliberately unglamorous: prove the conversion number with a handful of independent publishers,

let their own funnels build the cross-outlet account, and be the rail that is already installed when the agents show up to pay.

David Baugher · working draft for discussion.

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