

Newspaper Acquisitions

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First Half 2019 Report

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"If Americanism means anything, it means freedom of speech, freedom of thought, freedom of press."

- William Allen White

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Deal Activity Stays Strong

32 daily newspapers sold in first half of 2019, tops last year's numbers

Daily newspapers continued to change hands at a brisk pace in the first half of 2019, largely driven by the sale of family-owned titles.

In total, 32 daily newspapers were sold or agreed to be sold in the first six months of the year, more than the number of dailies involved in transactions during the same period last year.

New Media Investment Group, through its subsidiary GateHouse Media, continued to be an active acquirer, buying newspapers owned by Schurz Communications and one other in a separate deal. Paxton Media Group acquired four dailies in three transactions, and Adams Publishing Group acquired four daily newspapers in three deals in Wisconsin.

As has been the case for several years now, buyers were looking to build a larger regional footprint through strategic acquisitions.

Forum Expands in MN



Forum Communications, a family-owned company with a large media presence in Minnesota, North Dakota, South Dakota and Wisconsin, acquired the 24,000-circulation Rochester Post Bulletin in southeastern Minnesota.

Among other publications, Forum owns the nearby Red Wing Republican Eagle and other publications on both sides of the Mississippi River south of St. Paul.

The Post Bulletin had been owned by Small Newspaper Group since 1977. Small will continue to own publishing operations in Kankakee, Illinois.

The origins of Forum Communications date to the acquisition of the Fargo (ND) Forum in 1878. Forum president Bill Marciel Jr. is the fifth generation of the family to own and operate the company, which now includes 36 newspapers, television and radio holdings.

One of the regional strategies of Forum is to create services for its media properties, such as the Forum News Service and digital offerings.

Reading Eagle Joins MNG

The owner of suburban dailies and weeklies in the greater Philadelphia area added the 37,000-circulation Reading Eagle to the fold. The deal also included the weekly South Schuylkill News.

MediaNews Group acquired the 151-year-old Reading Eagle through a U.S. Bankruptcy Court proceeding. MediaNews Group also owns the Pottstown Mercury, the Daily Times in Delaware County, the West Chester Daily Local News and the Norristown Times Herald among other publications in southeastern Pennsylvania.



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Deal Activity Stays Strong

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The Reading Eagle had been owned by the same family since its founding in 1868. In 2009, the newspaper completed a new production facility at its downtown Reading location.

MediaNews Group is one of the nation's largest owners of daily newspapers, with operations in 10 states.

Separately, Twilight Broadcasting agreed to buy the license for the Reading Eagle's AM talk radio station, WEEU. The station is the oldest in the city and has been operating continuously for 87 years.

Adams Scores Four in WI



Minnesota-based Adams Publishing Group bought four daily newspapers in Wisconsin in three separate transactions.

In the largest of the deals, Adams acquired two daily newspapers and non-daily publications from Bliss Communications. The two dailies are the Gazette in Janesville and the EagleHerald in Marinette.

The Gazette was established in 1845

and is the oldest continuing business in Janesville. Members of the Bliss family have owned the newspaper since 1883.

The transaction included a number of weekly community newspapers in and around the Janesville market, as well as the company's printing and production facility in Janesville, located in southern Wisconsin. Marinette is located in northeastern Wisconsin.

In a separate deal, Bliss agreed to sell its radio division to Big Radio, which is headquartered in southern Wisconsin.

Adams also acquired the Beloit (WI) Daily News from Hagadone Newspapers. Beloit is located just south of Janesville. In addition, Adams bought the Antigo (WI) Daily Journal in northern Wisconsin from the Berner family.

Sure for Schurz

New Media Investment Group bought 10 daily newspapers and associated non-daily publications from Schurz Communications for \$30 million in the largest transaction of the year so far.

The newspapers are located in Indiana, South Dakota,



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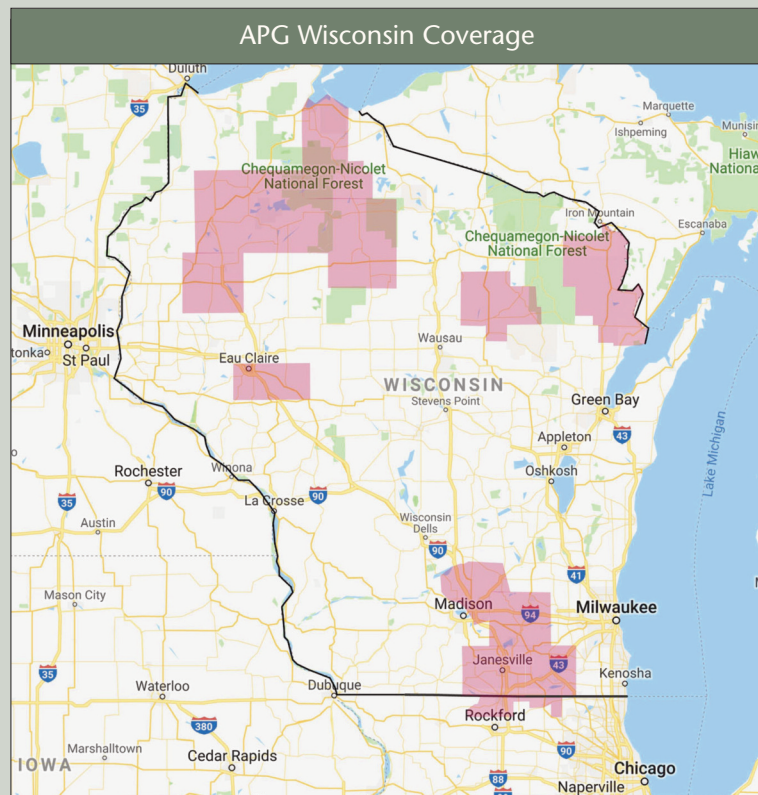
Adams Publishing Group Adds in Wisconsin

Adams Publishing Group increased its number of Wisconsin dailies from four to eight during the first half of 2019, also adding several companion publications.

The map to the right shows APG's circulation coverage in Wisconsin after making these acquisitions.

Gannett and Lee Enterprises have also found the Badger state to be a good place to own newspapers, owning 11 and eight dailies respectively.

Measured by daily circulation, Gannett controls approximately half of the daily circulation in the state. Lee Enterprises controls an additional 25% and APG now controls 15% of the total daily circulation.



Deal Activity Stays Strong

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Maryland, Michigan and Pennsylvania and included two well-known college markets – South Bend, Indiana, home of Notre Dame University; and Bloomington, Indiana, home of Indiana University and setting of the iconic 1979 movie Breaking Away.

The Schurz family had owned the South Bend Tribune since 1872. The group of 10 dailies has average daily circulation of approximately 105,000.

New Orleans Combo

Dathel and John Georges, owners of the Baton Rouge Advocate and New Orleans Advocate, bought the Times-Picayune and combined operations in New Orleans to create one publication for Louisiana's largest city.

The Georges family acquired the Baton Rouge Advocate in 2013 and later expanded into New Orleans to compete with the Times-Picayune, which had been owned by the Newhouse family's Advance Local Media prior to the sale.

The combined New Orleans newspaper will use the brands and features from both the Times-Picayune and Advocate. It will operate online as nola.com, which was the Times-Picayune digital presence.

Samuel I. Newhouse purchased the Times-Picayune from local owners in 1962. It has won four Pulitzer Prizes since then. The Baton Rouge Advocate won its first Pulitzer Prize in April this year.

John Georges owns other Louisiana businesses, including Imperial Trading, a convenience store supplier; and an interest in Galatoire's, a landmark restaurant on Bourbon Street in New Orleans.

New Media Adds One More

New Media Investment Group subsidiary GateHouse Media acquired the Newton (NJ) New Jersey Herald from family-owned Quincy Media.

GateHouse owns several newspapers in the region near Quincy, which is located in northwestern New Jersey. These include the Times Herald-Record in Middletown, New York; and the Pocono Record in eastern Pennsylvania.

Separately, Quincy Media bought the Hannibal (MO) Courier-Post from GateHouse. Hannibal is located across the Mississippi River from Quincy Media's daily newspaper in Quincy, Illinois.

Quincy Media began as Quincy Newspapers in 1926 when two Quincy newspapers merged to create the



Herald-Whig. It has since become a large owner of broadcast television, with properties in 16 television markets.

Cox/Apollo Form OH Firm

Cox Enterprises' Ohio newspapers were sold into a new media company formed in partnership with private equity heavy-weight Apollo Global Management that included Cox's broadcast television stations and Ohio-based radio stations.

The newspapers include three daily newspapers – the Dayton Daily News, the Springfield News-Sun and the Journal-News in Hamilton, all in southwestern Ohio. The Dayton Daily News, the Dayton broadcast television station WHIO-TV and the radio stations operate jointly in a combined news-gathering and advertising business.

Cox maintained a minority interest in the new company formed with Apollo. Cox later added its entire radio portfolio of 60 stations in 11 markets to this company.

Dayton was the city where Cox Enterprises got its start when founder James M. Cox bought the Dayton Evening News in 1898. Cox was governor of Ohio twice, a U.S. Representative from Ohio and the Democratic nominee for President in 1920, with Franklin D. Roosevelt as his vice president.

Lee Bulks up in WI

The Brown family sold the 20,000-circulation Kenosha (WI) News and weekly Lake Geneva Regional News to Lee Enterprises.

Howard Brown acquired the Kenosha newspaper in 1961 and later expanded the company to own newspapers in other parts of the country. The Kenosha and Lake Geneva publications were the last ones owned by the family's company, United Communications.

Lee owns a number of newspapers in Wisconsin, including the Wisconsin State Journal in Madison, the Racine Journal Times and a number of others in southern Wisconsin.

Bakersfield CA Sold

The Harrell-Fritts family, which had owned the Bakersfield (CA) Californian for 122 years, sold the newspaper to Sound News Media, a new company led by Steven Malkowich.

The current generation of the former family owners of the Bakersfield newspaper included Virginia F. "Ginger" Moorhouse, Virginia L. "Ginny" Moorhouse and Garret P. "Peter" Cowenhoven.

Affiliated companies of Sound News Media own other newspapers in California, including the Antelope Valley Press in Palmdale and the Porterville Recorder in Southern California.



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Southern MI Group Expands



Rick Burrough's View Newspaper Group and Michigan Web Press acquired a family-owned publishing and printing operation in Greenville, Michigan to augment the companies' presence in the central and southern parts of the state.

The acquisition included the Daily News in Greenville, which became the 19th community newspaper owned by View Newspaper Group, and Stafford Printing, which joins Burrough's Michigan Web Press. Michigan Web Press prints more

than 120 daily, weekly and monthly newspaper and periodical titles.

The Daily News had been owned by the Stafford family since 1951. In the 1960s John Stafford started a commercial printing company called PrintCo, which was later sold and today is Quad Graphics.

Paxton Scores Four

Paxton Media Group acquired four daily newspapers and affiliated publications in three separate transactions. All four dailies were in different states.

Paxton bought the Grand Haven (MI) Tribune and Lebanon (TN) Democrat from Sandusky Newspapers. Sandusky continues to own other newspapers in Ohio and eastern Tennessee.

In addition, Paxton added the Rochester (IN) Sentinel from local owners and the Log Cabin (AR) Democrat in Conway, Arkansas from GateHouse Media. In all three acquisitions, Paxton already owned newspapers in the respective regions.

Western Sells Clusters

Bend, Oregon-based Western Communications sold two clusters of newspapers to separate buyers.



EO Media Group acquired the La Grande (OR) Observer and Baker City (OR) Herald in eastern Oregon. EO Media owns daily newspapers in Astoria and Pendleton, Oregon, among other publications in Oregon and southwest Washington.

Meanwhile, Country Media bought the Bookings (OR) Curry Coastal Pilot and Crescent City (CA) Del Norte Triuplicate along the Oregon/California border region known as the Wild River Coast. Country Media, owned by Steve and Carol Hungerford, owns 15 non-daily newspapers in four states.

Wick Takes Two



Wick Communications bought two newspaper operations strategic to its existing properties in Colorado and Minnesota.

In the first deal, Wick acquired the 137-year-old Delta County (CO) Independent near Wick's daily newspaper in Montrose. The Sunderland family had owned the Independent for more than 30 years.

Arizona-based Wick owns more than two dozen newspapers and associated publications in 11 states.

Separately, Wick bought the Fergus Falls (MN) Daily Journal in western Minnesota from Boone Newspapers. Wick owns the nearby Daily News in Wahpeton, North Dakota.

Other News

Horizon Publications acquired the Shelby (OH) Daily Globe from the Gove and Stambaugh families. The Stambaugh family's ownership of the newspaper goes back to 1900 when the publication was founded.

Patrick Graham bought the Times-Journal of Fort Payne, Alabama from Southern Newspapers. Graham had been managing editor of the newspaper previously. The deal included two non-daily newspapers.

The owners of the Anchorage Daily News added three weekly newspapers to its expanding group – the Arctic Sounder, the Bristol Bay Times/Dutch Harbor Fisherman and the Homer Tribune. The three newspapers had been owned by Alaska Media, LLC.

The Anchorage Daily News was acquired by the Binkley Company in 2017; in 2018 Binkley folded in the Alaska Journal of Commerce and the Chugiak-Eagle River Star from Morris Communications.

The owner of the Santa Cruz' Good Times weekly bought the Watsonville (CA) Register-Pajaronian and complementary publications from News Media Corp. ■

Renowned Small-Town Journalist William Allen White Featured in New Documentary

A recently released documentary on William Allen White, the renowned small-town journalist from Emporia, Kansas, is a must watch video for those in the newspaper industry today.

William Allen White: What's the Matter with Kansas re-introduces the Sage of Emporia to new generations in a society that could benefit from a bit of his prairie wisdom. Dirks, Van Essen, Murray & April was pleased to have participated in the funding of this production.

Michael Gartner, in his book *Outrage Passion and Uncommon Sense*, called White one of the greatest editorial writers in the history of our nation. White believed the editorial was the heart and soul of any newspaper.

The film was directed by renowned independent filmmaker Kevin Willmott and narrated by acclaimed broadcast journalist, Bill Kurtis. The film features interviews with journalists, authors, and family friends, including PBS's Jim Lehrer.

White met his wife Sally while working at the Kansas City Star. They decided they wanted their own newspaper and found it an hour away in Emporia, Kansas, where in 1890 they purchased the Emporia Gazette for \$3,000.

White changed the political conversation of the country in the early 1900's through his platform at the Emporia (KS) Gazette. He was always looking out for Main Street. He became the confidant of many powerful political leaders including presidents Theodore Roosevelt and Herbert Hoover.

What's the Matter with Kansas, an editorial written by William Allen White in 1896, is considered a masterpiece of opinion writing. This famous editorial was written at a time when populism was taking hold of Kansas and White wanted none of it. The editorial

caused a sensation and was widely reprinted.

White was also known as a staunch defender of freedom of speech. He argued that suppression was more dangerous than violence because violence was the child of suppression. White said, "if Americanism means anything, it means freedom of speech, freedom of thought, freedom of press."

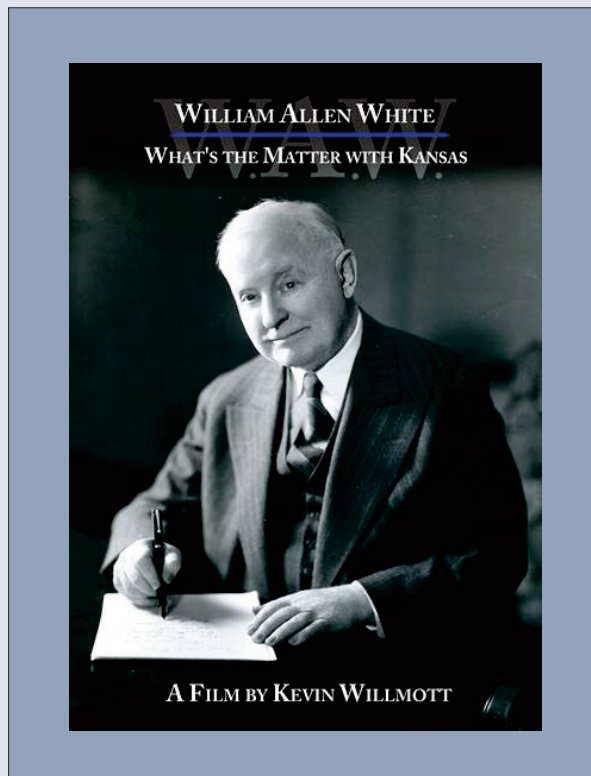
White lashed out at the growing Klu Klux Klan movement in Kansas after the end of World War 1. He

was so troubled by the rise of this movement that he decided to run for governor of the state. Although he lost the election, his convictions and strong showing empowered other candidates to speak out against this movement.

Kevin Willmott, director of this new documentary about William Allen White, grew up in Junction City, Kansas and received his BA in Drama from Marymount College in Salina, Kansas. After graduation, he returned home and worked as a peace and civil rights activist, fighting for the rights of the poor, creating two Catholic Worker shelters for the homeless, and forcing the integration of several long standing segregated institutions. He attended graduate studies at

New York University, Tisch School of the Arts, receiving several writing awards and his M.F.A. in Dramatic Writing.

As a screenwriter, Willmott won an Academy Award for best adapted screenplay for *BlacKkKlansman* with Spike Lee, David Rabinowitz, Charlie Wachtel in 2019.



For more information, or to purchase a DVD, contact the William Allen White School of Journalism and Mass Communications at the University of Kansas at jschool@ku.edu or 785-864-4755.