



## Fact Sheet: Why Mike Reed Should Not Be a Director at Gannett

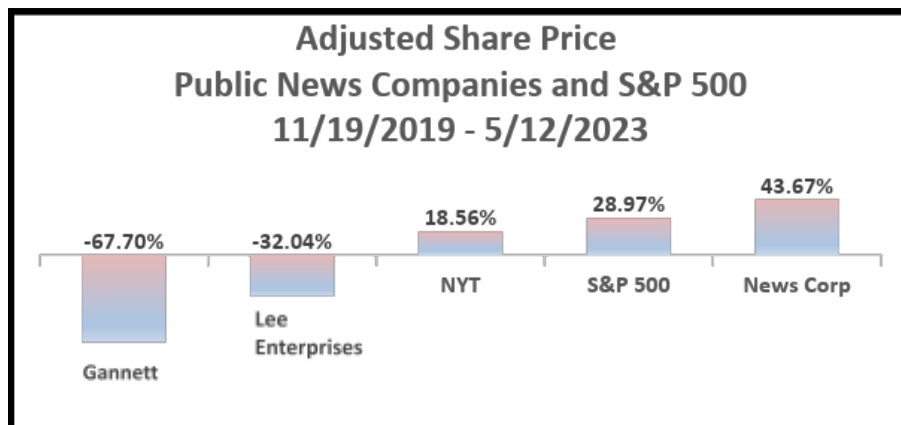
The NewsGuild-CWA asks shareholders to check the box “Withhold All Except” on their Proxy Card and write Mike Reed’s name in the Withhold Box

Mike Reed has been leading Gannett since 2005, first as CEO of GateHouse, then as CEO/Chairman of the merged Gannett since November 19, 2019. Between 2005 and December 31, 2020, he was paid by Fortress Investment Group, the hedge fund that assembled GateHouse and extracted over \$167 million from the company while managing it. During Fortress’ management of GateHouse, Reed engineered the \$1.792 billion loan that paid for the merger of GateHouse and legacy Gannett.

That tremendous debt burden remains 3-1/2 years later. The debt has been refinanced but servicing that debt has taken resources away from newsrooms. By hollowing out those newsrooms to pay down that debt, Reed has mortgaged the company’s future.

### Reed Has Failed Gannett Shareholders

Shareholders lost 67% between November 19, 2019, and May 12, 2023. Gannett’s share price has been beaten by industry peers and the S&P 500.



### Reed Has Failed Gannett Employees

Reed has presided over unprecedented job cuts. According to SEC filings, Gannett has reduced its workforce by **47%** between December 31, 2019, and December 31, 2022.

Gannett is operating “ghost papers” – publications with “newsrooms [that] are either nonexistent or lack the resources to adequately cover their communities” (Penny Abernathy, “The Expanding News Desert”)

- Three Ohio dailies – the *Ashland Times-Gazette*, the *Alliance Review*, and the *Port Clinton News Herald* – are unstaffed.

- The weekly *Mt. Shasta News* in northern California has no full-time reporters.
- Ditto for the *Cambridge (Massachusetts) Chronicle*.
- The *St. Augustine (Florida) Record* has one reporter.
- *The Daily Jeffersonian* in Cambridge, Ohio, has one sportswriter.

The NewsGuild-CWA has identified the following newsroom employment changes:

<b>Newsroom Employment in TNG-CWA Units at Gannett - 2013, 2018, 2023</b>				
	<b>2013</b>	<b>2018</b>	<b>2023</b>	<b>% cut 2013-23</b>
Arizona Republic	200	140	89	55.5%
Austin American-Statesman	200	110	41	79.5%
Milwaukee Sentinel	129	104	83	35.7%
Providence Journal (2014, 2019, 2023)	115	34	25	78.3%
Sarasota Herald Tribune	100	30	18	82%
Indianapolis Star	98	56	43	56.1%
Florida Times-Union (2016, 2018, 2023)	90	62	22	75.6%
Democrat & Chronicle (2011, 2016, 2022)	86	48	19	77.9%
Journal News (Lower Hudson Valley, NY)	73	40	25	65.7%
South Bend Tribune	55	45	14	74.5%
Asbury Park Press (New Jersey)	54	n/a	29	46.3%
Lakeland Ledger	49	24	8	83.6%
Record-Courier (Ohio)	43	29	4	90.7%
Utica Observer-Dispatch	30	20	4	86.7%

**Reed Has Failed Gannett’s Communities**

The cuts in newsroom jobs translate directly into a loss of local news. NewsGuild members counted the number of local stories in their newspapers between 2013 and 2018.

<b>Local News Stories in Select Gannett News Outlets – 2013, 2018, 2023</b>				
	<b>2013</b>	<b>2018</b>	<b>2023</b>	<b>% decrease 2013-23</b>
Journal News (Lower Hudson Valley, NY)	55	18	7	87.3%
Florida Times-Union (Jacksonville)	41	31	10	75.6%
Bergen Record	39	34	15	61.5%
Austin (Texas) American-Statesman	37	30	9	75.7%
Lakeland Ledger	37	24	2	94.6%
Asbury Park Press (New Jersey)	36	21	7	80.6%
Sarasota (Florida) Herald Tribune	35	23	9	74.3%
Record-Courier (Ohio)	34	15	4	88.2%

Palm Beach (Florida) Post	29	21	12	58.6%
Democrat & Chronicle (Rochester, NY)	20	15	3	85%
South Bend Tribune	20	13	7	65%

### **Reed Has Failed Gannett Shareholders And Has Not Grown The Company**

Since the merger, Gannett lags behind its peers:

- Revenue growth has been negative for Gannett but positive for Lee Enterprises, the New York Times Company, and News Corporation.
- Gannett is more dependent on print revenues than its peers.
- Digital-only revenue growth has been faster at Lee Enterprises than at Gannett.
- Average revenue per digital subscriber is lower at Gannett than at Lee, The New York Times, and News Corp.
- At current growth rates:
  - Digital circulation revenues will not exceed print circulation revenues until 3Q2026.
  - Digital advertising will not exceed print advertising until 2Q2045.
  - Digital revenues will not exceed print revenues until 4Q2026.
  - Total revenue will not return to 3Q2022 levels in real terms until 1Q2031.

**Gannett needs to pivot 180, invest in newsrooms, and provide more local news**

**Mike Reed has failed Gannett and does not deserve shareholders' vote to be reelected director**