



**World Association of Newspapers
2009 Annual Congress
December 2, 2009
Hyderabad, India**

**Speaking Notes for Mr. John Paton, Chairman &
Chief Executive Officer, impreMedia LLC**

Media Migration: Re-Inventing a Newspaper Company for the New News Ecology

Introduction

Let me start today by first thanking Mr. Timothy Balding, Chief Executive Officer of the World Association of Newspapers, for the opportunity to address this gathering on the work we are engaged in at our company - impreMedia.

If they stood alone, Hispanics in the U.S. would make up the third-largest Spanish-speaking nation in the world. Its \$600 billion economy would make it one of the three richest Spanish-speaking economies in the world. impreMedia is a company that didn't exist seven years ago. Today its news and information products are used by a third of all Hispanic adults in the United States: that's a third of 47 million people. It is the single largest and fastest growing demographic in the country, and more than half of all population growth in the U.S. over the next two decades will come from Hispanics alone.

And while our company is just over six years old some of its properties have been in the market for up to 95 years. It was our contention at the founding of our company that, on a national basis, the Hispanic population was grossly under-served and in need of quality journalism - both to inform and reflect the Hispanic community, and to communicate that experience to Americans more generally. So part of the idea was to mediate between the Hispanic community and mainstream American culture, just as Hispanics themselves do everyday.

And as an advertiser, if you want to sell more cars, houses, furniture, food, cinema tickets, or, if you should want to run successfully for president of the United States, you need to be able to communicate effectively with Hispanic USA. That's where we come in.

Our plan was to acquire the most reputable Hispanic newspapers in the country in key markets – Los Angeles, New York, Chicago, San Francisco, Houston, etc – and then invest in them to improve both the journalism and the various media platforms demanded

by today's news consumers. And that we did, until our company, like all the other media companies in the United States – particularly newspaper companies – ran smack into the biggest economic recession since the Great Depression. This is an industry; I don't have to tell you, that has seen some of the greatest newspaper titles in the world close or declare bankruptcy.

I am here today to talk a little bit about how our company dealt with these problems of economic downturn and industry change – specifically how the men and women at impreMedia, with enthusiasm and innovation and more than a little courage, met those challenges. Our story is not one without flaws but in less than two years the employees of impreMedia have successfully transformed a newspaper company struggling through an economic downturn into a multi-platform company with a growing audience, diversified revenue streams and increasing profits while in the process preserving and enhancing the company's key mission: to provide quality journalism serving the U.S. Hispanic community.

This is not a story of creating a better video player, news widget or Killer App – our offerings are better than some and weaker than others. It is a story of how a team of dedicated and talented individuals came together to map out a company's future under trying circumstances because they care deeply about journalism.

Our transformation of two years was led by Arturo Duran, our CEO of impreMedia Digital, Alberto Vourvoulias Bush our Corporate Executive Editor and chief of all content; Monica Lozano, our Senior Vice President of Newspapers, Bob Mason, our Chief Technology Officer; Erich Linker, our head of sales and Bill Graham the Corporate Director of Human Resources. We started with a focus on how news today is created and, more importantly, consumed, hence the title of my presentation:

“Media Migration: Re-Inventing a Newspaper Company for the New News Ecology.”

This is a story of platform migration, as news now migrates around the world at light speed. It is also a story about the people we serve – Hispanics – some of whom have migrated from home countries to the U.S. to better their lives and the lives of their families. For us to be relevant we had to first understand their needs and what role we could play in meeting them.

The great newspaper editor Sir Harry Evans once said: “A newspaper is an argument on its way to a deadline.” We had to first understand what that argument is in the Hispanic community and more importantly what deadline means in a world with Twitter, SMS texting, instant messaging and social media. Armed with laptops, internet connections and multi-use cell phones the world is rapidly becoming a place where anyone can be a one-person news bureau. The barriers to entry to our business have fallen.

And while some traditional media worried about losing authority in a world of user-generated content, we knew that we would have to work **with** and not **against**, this sea change.

We took a research based approach to our transformation, led by the company's VP of Research and Market Insights, Olga Casabona. We tracked not only the obvious changes in technology but also dove deep into how Hispanic families communicated with each other and attempted to decipher what role we played in that process. Olga led a research effort that asked those questions of literally thousands Hispanics across the United States.

Our tool was research and our focus was journalism. From there we were in a better position to understand how to use technology to produce journalism that would serve the community better.

The Model is Broken

Long before the economic nightmare that has engulfed the United States for two years, it was clear the newspaper model was breaking down. Newspaper topline and profits are shrinking and while there will be some cyclical recovery on the topline as the economy rebounds out of this recession there will not be a sustained and significant recovery for the industry if it doesn't adapt. (Don't get me wrong here, I believe newspaper companies have a very bright future but as news companies where print is only one of many products and where each builds audience for the others. Remember when we thought our websites would drive readers to the newspaper? Now it is the other way around, only bigger with more options.)

As if it wasn't already painfully clear it became official on Dec. 23, 2008 when the Pew Center in California reported that for the first time ever that more Americans get their national and international news from the Internet than from newspapers.

The newspaper model is broken. And while this may not be *currently* true in your own country, it nevertheless will be true soon. The only difference between my country and perhaps yours, is timing.

Newspaper companies solely focused on print have limited futures. To paraphrase New York University's Clay Shirky, nothing will replace the newspaper as a print model. "There is no general model for newspapers," he says, "to replace the one the Internet just broke." A harsh assessment but one readily recognizable by any U.S. newspaper management team struggling with the realities of a newspaper cost structure while revenue declines and new multi-media revenues grow too slowly to keep the bottom line from plummeting.

Our internal assessment by, what I believe, is a very smart, management team was equally harsh. We were more talk than walk. We were too siloed despite our efforts at centralization and integration. Yes, we were providing more content over ever more platforms but not very effectively and never maximizing the platforms for their strengths. We allocated resources, both human and financial, ineffectively and truly didn't understand the new ecology of news.

In order for our journalistic mission to be realized, we needed to be financially secure. We realized we were not nimble enough to maximize developing trends. To misuse a line from the Washington Post's investigation of the Watergate scandal, we had to learn to "Follow the Money".

Like many media businesses today, we too had balance sheet issues we have had to deal with. Debt has to be paid. While we were undertaking this transformation the equity and credit markets were essentially closed to print.

Our future was clear – we had to change and we would have to self-fund that change.

What Will Truly Build Value?

Our goal has always been to be the leading news and information media company serving the U.S. Hispanic community. But the financial goal was also clear: We had to build value. We could not do one without the other.

Any question around value had to start with the work. The journalism.

We would only create value if we were a company that produced journalism relevant to our communities. And it had to be journalism that provided context and added value in a world of news consumption driven by algorithmic aggregators like Google. Just a word about the aggregators – we don't see them as the problem. The problem is a growing consumer base that increasingly cannot discern the difference between information that is merely aggregated and information that is contextual and relevant. The so-called algorithmic authority is a challenge all of us in news media must face. The solution has to lie in working with the aggregators and not against them.

Clearly we had to be a company that was growing on both the top and bottom lines. And a company with a rapidly growing audience over multiple platforms. But we, as newspapers, were not going to be able to out aggregate the aggregators. But we could provide contextualized content relevant to our communities which would engage them. And an engaged audience, we knew through research, would be desirable to advertisers.

A growing audience meant creating new and profitable revenue streams over the platforms ever-more preferred by news consumers – mobile, web, video, etc.

Our research showed us how our audience was changing in its consumption of news. More importantly, it showed us the power of our brands in each of their markets and the important roles they played in the Hispanic communities. It also showed that our products when engaging the reader helped create a preference for the advertiser.

We developed a list of priorities to be addressed in our process of transformation.

We would have to:

- Be digital first and brands first. We used digital as shorthand to describe the non-print platforms desired by our customers. Brands first because no matter the platform the brands were trusted by our customers.
- Cut the Legacy Model (read print) costs dramatically to drive offline profit. We had to be self-funding and print was still where the vast amount of revenue was to be had and all of the profit.
- Effectively create new platforms to deliver more audience and new advertiser-desired revenue streams. Content on those platforms had to be prioritized and resources allocated according to the new news ecology and the protocol we created (more on that in a moment). We would no longer be print focused.
- Invest in infrastructure and people with no new net costs.

Finally, to change the valuation metrics applied to newspaper companies we had to not only change the inputs but move to a whole new formula. And to do that we had to have a business plan that:

- Realistically stabilized and grew Print profit going forward.
- Earned 25% of profits from Non-Print products by 2011
- Earned 50% of profits from Non-Print by 2012

With so many moving parts, corporate management created three basic questions to test each new initiative:

- Is it digital first and brands first?
- Does it follow the new news ecology for news creation and consumption (SMS alerts, Web, Social Media, add Audio and Video elements THEN Print and finally enhancing and repackaging for new product lines)?
- Does it bring the outside world in? Does it let us partner with others, whether it be with mainstream media or a local blogger? This was essential if we were to reach our goal of being the source of Hispanic news and information.

On that last point we adopted, both from a journalism and business perspective, the advice of Jeff Jarvis at the City University of New York's Graduate School of Journalism: "Do what you do best and link to the rest." Jarvis calls this the new link economy. You don't have to do everything anymore in a newspaper company, you can link to those who do some things better than you and keep your resources for what you do best.

Cutting Costs Through Investment

Like most newspaper companies only about one-third of our costs were in the areas that truly built value: content, marketing and research around audience aggregation and sales.

Two thirds of our costs were in areas we would get out of if we could - such as pre-press and press production and distribution.

Our internal discussions and our research helped us get comfortable about where our future lay but we had to self-fund that future. Fortunately, we had an Ace card we could play. For a three-year period the company had the good sense to follow the Information Technology strategy mapped out by our Chief Technology Officer Bob Mason. Bob with his team and working with all of the constituent stakeholders sourced and implemented corporate I.T. standards in 14 key areas from content management to ad production.

With Marshall Genger, the company's Chief Financial Officer, carefully husbanding cash, we invested in content platforms. We invested in pre-press platforms. We invested in advertising and telephony systems. We invested in anything that facilitated the company doing more with less at a higher quality. Bob - working with Jim Schumacher, the Corporate Director of Production and Jim Pellegrino, our resident expert on distribution - allowed us to start dramatically reducing the costs in the two-thirds bucket marked infrastructure.

The results and the cost savings were substantial:

- The company outsourced all printing and mailroom processes. In publishing our nine regular printed publications and numerous special publications, we no longer own a press or an inserter or a stacking machine.
- All delivery was outsourced to a wholesaler system we created. Our delivery system is now a source of profitable revenue to the company as we now broker single copy delivery for other daily newspapers
- All pre-press with the exception of the New York office was centralized to Los Angeles. After experimenting for a year we are now comfortable in re-outsourcing those efforts - including all pre-press along with ad make up and some editorial design - to our lower cost partner, Business News Group, in Monterrey, Mexico. That process will be complete in the next 90 days
- All the digital back-end and support for our online sites and portal was outsourced to our partner, LatinWeb, in Mexico City - again at a lower cost.
- Communication costs were lowered through the use of VOIP technology - (even our Mexican operations are only a four digit extension call from any of our offices) - and our use of Skype (an advertiser with us I might add).
- The new I.T. systems also allowed us to centralize and integrate much of our sales efforts across the U.S. which lowered costs, maximized our national sales while allowing an intense focus on local sales in each office.

The results and the cost savings have been meaningful: By the end of this year, on a same store basis, annual operating costs will have been reduced by 40% since 2006, which was the high water mark for newspaper advertising in the United States.

Our online efforts only started in earnest in 2008. As a private-equity initiated company – backed by Clarity Partners, Halyard Capital and ACON Investments, Management and the Lozano family – our “roll-up” of newspaper properties meant inheriting a mish-mash of print and some very basic web operations – some of which were rented.

Starting in late 2007, Arturo Duran, our CEO of Digital recruited a small but highly skilled team and, leveraging on the I.T. infrastructure put into place by our CTO, rapidly built out our digital offerings. Arturo's plan was both simple and elegant. By building a central control box, Arturo was able to offer each publication their own site along with video and mobile platforms that worked both locally and nationally. Many of our publications could not have afforded to build these sites on a standalone basis. The same control box also let the company launch the first Hispanic portal – *impre.com* – dedicated solely to news and information for the Hispanic community. His site architecture let us keep costs low and allowed us to later outsource the back-end without missing a day of production.

More importantly, Arturo's plan puts the company in the position of cost effectively launching new products and partnerships (more on that in a moment). In 2006 the company had nine products on two platforms – print and a weak digital presence. Today with 42% fewer employees the company produces more than 97 products on seven robust platforms of Web, Widgets, Mobile, TV/Video, Audio, Social Media and Print. "Product" now means anything we create in any form. Let me clarify, that by a factor of 2 to 1 our cuts came from areas other than editorial staffing.

A New Structure That Puts the User First

When earlier I referenced New York University's Clay Shirky it was from his much-quoted essay "*Newspapers and Thinking the Impossible*". It has often been misquoted - by those who haven't read it fully, or fully understood it - as a death knell for newspapers in the United States. Shirky, if anyone cares to ask him - and I did - is, sure that:

"The survival of news organizations is a foregone conclusion. There will, of course, be news organizations that are newspaper businesses transformed."

The trick, of course, is to be one of those "newspaper businesses transformed."

Again, we thought we knew from our internal discussions and our research what we had to do – build the new platforms, cut the legacy costs, re-train current employees and swap out those who couldn't learn for those that could.

And, as I have described briefly, we did just that. We brought in digital talent. We started the process of training and we started assessing and learning the strengths of our staff. This effort has been led by our Corporate Director of Human Resources Bill Graham. With a very small staff stretched across properties over the length and breadth of the U.S., Bill has worked diligently with division leaders to respectfully let go those employees we decided had to leave and to find ways to help those who are still with us adapt.

In many ways it is the HR challenge that has been the most difficult. Telling people how you are going to change and even starting that process to change is not the same as living it and getting people to go along with you. In this area our Senior Vice President of Sales

Erich Linker and Monica Lozano, our head of the newspaper division, have led the way. They have kept the confidence of the print staff as the company has made these wrenching changes. This is no easy task and is a thankless one when print resources are being reduced to feed the new and sometimes more exciting digital businesses. Monica and Erich's openness to change and their enthusiastic adoption of the changes have made them leaders by example and have made a difficult process that much easier.

It was, however, in the area of content creation where we had to change the most.

In just about any newspaper chain publishers and editors will tell you how efficient they are at exchanging content and maximizing resources. Now, tell them you are not sending a reporter and a photographer from every one of your dailies to the World Cup and watch them scream. The most compliant are usually from your largest properties. And, they are usually compliant since they are positive it is their reporters and photographers who will be sent on assignment for the chain. In our company from bureaus in Washington D.C. to Mexico City we still have issues with staff identifying themselves solely as the representative of the newspaper that hired them and not the chain.

Scarce resources and content sharing do not always go hand in hand.

But that's another story. The point, of course, is that newspapers want to work in silos but their information is needed for all of the other platforms. In some ways, this mirrors the debate that "information wants to be free" and is everywhere in chains – put there by those (pace Rupert Murdoch) who think pay walls are the answer to declining fortunes. And that, of course, is because information "wants to be expensive because it is so valuable" to quote Stewart Brand from the first Hackers' Conference in 1984. As you will hear me reference a few times today, I believe the solution lies in working with aggregators not against them.

An inventory of our company's products and their content showed what you might have expected - vast amounts of the same content making some stories redundant and much of the effort wasteful with zero prioritization of where resources should be allocated. We allocated resources by tradition rather than the needs of the new ecology for news.

Working under the inspired leadership of Alberto Vourvoulias Bush, the company's Corporate Executive Editor, the process was started to re-map our content creation activities under a new matrix that keyed resources appropriately to title, subject matter and finally media platform. Alberto's pithy mantra of "Goodbye silos, hello matrix" was short and to the point.

Letting our brands work on a horizontal axis to represent both the product and their geography – i.e., La Opinion in Los Angeles and El Diario La Prensa in New York City – Alberto turned each into a local bureau for the new content matrix which fed content verticals such as news, sports, entertainment, politics, etc. On the vertical axis, we streamlined the best boxing and baseball writers across the chain and quality went up. With fewer resources it lets the local products focus on the local market.

The content verticals themselves became creators of value in the online and digital formats and became products – online sports, mobile sports, etc.

Moving Beyond Re-Purposing Print

Of course, Alberto's mapping of the product and content matrix to our new media platforms required a new discipline if we were to be able to afford these initiatives.

A new discipline, a new protocol if you will, required a new look at how we created content, where it would appear and over what platforms. Added to that complexity was the question of determining what content was best suited for each platform and in what order it should be produced.

And here's where we took a big leap, at least for us: Instead of thinking "print first", we broke with convention and started to think about "print last": last in the chain of operations, and indelible as ink on paper.

The newspaper is the slowest part of the news creation process. Producing print and then, perhaps, adding a video component and uploading to the web was a Slow to Fast approach in a world of news creation and consumption that moves at breakneck speed. When asked recently at a conference at Yale University about how long some of his company's news had value, Thomas Glocer, CEO of Thomson-Reuters, replied: "Milliseconds."

Atoms to bits can't beat bits to atoms.

We had heavy resources in print, less in online and even less in the mobile and video platforms. Every new effort was a requirement to add human resources – resources we couldn't afford – print had its staff, a video effort was a request for more resources, ditto mobile. In an environment of declining print profit and none at all in digital, this model could not be sustained.

The answer was cross-training so that reporters and editors became one person multi-media bureaus capable of producing content in multiple and appropriate platforms.

And while this is still in process, it is already working. Because of the innovative and rigid protocol Alberto instituted across all our properties, we prioritize each platform from fast to slow, taking advantage of each platform's strength.

At impreMedia, each story of merit now follows this protocol:

- A story is first an SMS alert. We can send those alerts across our national network or geo-target them to our subscribers. We went from zero a year ago to 1.2 million mobile impressions last month. That's 1.2 million tiny printed pages we

didn't have to print, each with its own small story and ad. Subscribers can sign up for alerts on categories of their choice like news, sports or entertainment.

- Step two is to put the story up on the Web.
- Only after it is on the Web do we use Social Media to spread the word. Each of our publications has their own Twitter, Facebook and MySpace accounts as do many of our reporters and columnists.
- Step 4 is to enhance the story and add value through updates and the addition of video and audio components. These first four steps are repeated throughout the day.
- Step 5 is to produce the newspaper itself. This process, of course, is forcing us to reflect on what the newspaper product should be in this new news ecology of instant alerts and video enhancements.

Step 6 is to re-cap, enhance and re-package for new products. Using the video we have already shot we re-package and now produce weekly TV newsmagazines in New York and Los Angeles and one national edition on our websites. We are currently negotiating with a television network to air the programs over broadcast which provides us a new audience and a new revenue stream with very few incremental costs. Re-purposing and enhancing the audio components of our protocol has allowed us to offer mini radio broadcasts to radio stations who have seen their news budgets cut back. Again, another audience and revenue opportunity.

Perhaps the most innovative application to date for re-purposing our content and creating a new audience and revenue stream without adding costs is our in-call program. Working with our partner Voodooovox, which is a provider of international calling cards, we have developed an initiative to insert a small news clip and advertisement into the 30-seconds of dead time on the call as the call goes through the various long-distance providers. It is a captive audience that we can geo-target information and advertisements to. This is the first case in my career where we have actually had advertisers sign up before we have the news product perfected, so hot is the mobile market.

In a very short time, Alberto has ensured that not all journalistic roads taken lead solely to print. And we are producing different content for different audiences on different platforms. And all with the fewer resources the new economic reality demands for news organizations.

Do What You Do Best and Link to the Rest

Earlier I spoke of Jeff Jarvis, a teacher and media critic at the City University of New York Graduate School of Journalism.

Jarvis, a former newspaperman and the author of *What Would Google Do?* has, through his doggedness, demanded that newspapers assess what they do best as news organizations and reach outside to work with others to do the rest. He has packaged this admonition to self-assess and outreach to the participants in the new news ecology as:

“Do what you do best and link to the rest.”

At impreMedia we think Jarvis is dead right in this approach whether it be with mainstream media partners or local bloggers providing hyperlocal content. We must, as we had decided at the beginning of this process, bring the outside world in.

On the mainstream front we now partner with AOL Latino to provide a news widget which is both national in news content with buttons that allow users to access local news as well from our properties in Los Angeles, New York City, Chicago, etc.

With MySpace we now provide Todo Futbol - a series of widgets offering the best coverage of soccer including star columnists and video offerings to MySpace’s Latino customers.

Both the MySpace and AOL partnerships are gratifying initiatives that allow our journalism to reach an audience that might not use a newspaper or access an online news site. We are fishing where the fish are.

Working with The Associated Press, we recently announced our partnership to provide news and information in Spanish on smartphones, PDAs, iPhones via AP Mobile. Hispanics, particularly young Hispanics, over index in their use of cell phones. Again, we are fishing where the fish are.

We currently work with ESPN shooting sports shows in our LA and New York newsrooms. As well, in New York, we provide the local Univision television network station with news and comment on their evening newscast. Similar arrangements with others are in place in some of our other markets as well.

The aforementioned are just some of our many mainstream media partnerships but we are becoming increasingly excited with our upcoming initiatives on the hyperlocal front. This isn’t just a question of resource constraints. Bloggers and small online news organizations are increasingly competing and beating larger media companies particularly on the local front. If newspaper organizations want to be hyperlocal (and they better want to) then they will have to harness the power of bloggers. And that means we in mainstream media will have to help them make a decent living. The new news ecology and their place in it is here to stay.

Like many other media companies we have been too slow to react to this change. I am pleased today to announce our first major initiative in this area to correct that past mistake.

By the first quarter of next year, our company will establish in our two flagship newspapers in New York and Los Angeles an *impreMedia Community E-Journalism Media Lab*.

The focus will be on hyperlocal journalism. Initially we expect to work with 5 bloggers in each location. At the *Community E-Journalism Media Labs* , located in our newsrooms, the selected bloggers will take part in four-week orientation sessions.

During those weeks they will meet with editors to discuss issues we think important and we will listen to what they think is important. We will discuss what type of content is suitable for us and vice versa. We will set up ways for them to alert us on what they have so we can highlight online or through our own multi-platform systems including print. Their sites would also carry our widgets.

During the orientation, working with our sales staff, we will assist them with their approach to sales (research, media kits, selling techniques, etc). We will also work out an agreement where they can sell very local accounts on to their sites and ours at agreed upon rates and vice versa. By linking to them we would share any revenue earned on their traffic on an agreed upon rate.

Finally, we will promote them online and offline as part of our commitment to community coverage.

We believe this program could be a lucrative initiative to supplement the innovative hyperlocal business models Jarvis and his colleagues have developed at the City University of New York Graduate School of Journalism – you can find those at newsinnovation.com. We believe that this experiment will be successful and that we will extend it to all of our products throughout the U.S.

The Results

As I said at the beginning of my talk today, our story is not about having the best platform, most robust video player or the best Killer Apps. We know there are better sites out there – our limitations have been financial not lack of innovation. Again, ours is a story of transformation in a complex new news ecology.

So far, the results have been encouraging.

We have gone from two platforms to seven and branched out to those areas most sought by our customers and the advertisers trying to reach them. Our audience has responded in kind by coming with us on this journey.

Financially, we are also pleased with the results to date. Our profit in this challenging year will be greatly improved over last year. With just a few weeks left in 2009 we are currently projecting all of our divisions to have an improved profit over last year – some will have their highest profits ever.

We also believe we have moved the company rapidly down the road to creating value through this transformation and created a company that is ever less reliant on print for its

future and thereby positively changing the metrics for valuing the company from a print metric to a multi-media platform metric.

If I have made this transformation sound overly easy or wildly successful let me add some caveats.

This is a transformation which is still in progress. It will take a few years to complete our stated goals. There are days when we execute flawlessly and at times weeks where we struggle to stay on track. There are days when we are no less than excellent and days when we are quite frankly, awful.

Revenue on the online platforms is still small compared to our print revenues and at this point so is the audience. We still experience frustration at the gap between where we are and where we need to be. The incessant criticism of mainstream media by those on its leading edge isn't very helpful either and can be tough on morale because, unfortunately, it is usually accurate. We were slow to change and we are struggling to catch up.

The legendary Washington Post editor Ben Bradlee said it best: "Theories of journalism are a pale imitation of journalism itself." Like many companies we spend a lot of time these days figuring out the delivery system and not enough time on what is being delivered, and that is where our true passion lies.

But figure it out we will. At least now our industry knows it is in a race. And the new tools offered by the various platforms afford us the opportunity, if properly strategized, to concentrate on the journalism. We can put the horse in front of the cart again. We at impreMedia are determined to run that race to the end and be counted among the winners.

We don't pretend to have all of the answers or that ours is the only solution. We do, however, choose to see the new platforms and new news ecology as opportunity. Until the result is known, we can say we have created a profitable and sustainable company – a company worth investing in – and a company that continues to create the kind of journalism that is critical to the success of the communities we serve. And this is important because these are communities made up of people who have found their way to America from across the sea and across land borders in search of a better life. Some have left loved ones behind to seek a brighter future for themselves and their families. And America is richer for it.

"The newspaper is the place where communities are formed," notes New York University professor Aurora Wallace in her book *Newspapers and the Making of Modern America*. Dr. Wallace continues: "Newspapers are ... the engine behind the construction and maintenance of strong communities ... when they falter, we must ask what else will suffer as a result."

We cannot afford to fail our communities. The U.S. Hispanic community is in need of a strong voice and we are optimistic that we can, by continuing to tell their stories, help that voice be heard.

Thank you. I would be pleased to answer any questions you may have.