

# THE STATE OF THE NEWS INDUSTRY THE NEWS-GAZETTE

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# BREAKING NEWS

November 10 2019

- Sale completed

November 11, 2019

- Half of editorial staff laid off: From about 32 to 16. Five full-time reporters left in downtown office. Most copy editors, news editors, and photographers laid off (not “rehired.)
- Monday edition eliminated
- Delivery of national papers (NY Times, Wall Street Journal, etc) cut without warning to

# BREAKING NEWS

November 11, 2019

- Delivery of national papers (NY Times, Wall Street Journal, etc) cut without warning to subscribers, national papers, or delivery folks. No plan to replace delivery services.
- Rural delivery switched to U.S. mail only
- Danville office closed

# BREAKING NEWS

November 11, 2019, memo:

- “Rehired staff”
- Starting today, the newsroom is 16 strong.
- That doesn't count LorenTate and Tom Kacich, who will continue in their contributing ways.
  
- The full-time roster: Bob Asmussen, Jeff D'Alessio, Matt Daniels, Jim Dey, Niko Dugan, Mike Goebel, Colin Likas, Deb Pressey, Scott Richey, Jim Rossow, Mary Schenk, Robin Scholz, Joe Vozzelli, Julie Wurth, Ben Zigterman, Anthony Zilis”

# STRATEGIES FROM NEW OWNER

- **Champaign, IL** – Champaign Multimedia Group files a \$4.5 million deal to buy AC “Lite Rock 97.5” WHMS-FM, “Classic Hits 107.9” WKIO, and talk/sports “News Talk 1400” WDWS from the News-Gazette newspaper. The deal also includes the Champaign, IL-licensed translator W230CW at 93.9 FM which is used to give WDWS an FM signal. Larry J. Perrotto-led Champaign Multimedia Group announced in September it would buy the newspaper portfolio and its radio stations. The News-Gazette filed for chapter 11 bankruptcy reorganization in August as part of that transaction. The sale maintains a radio-newspaper combination that dates to 1937.

# BACKGROUND

- CMG, headquartered in downstate West Frankfort, IL owns and operates community newspapers with websites in several Midwestern states, including Illinois, Indiana and Iowa, as well as newspapers in Michigan, Pennsylvania and New York.
- <http://www.communitymediagroup.com/>



# BACKGROUND

- Larry J. Perrotto, Chairman since the company's inception in 1996. Mr. Perrotto has been involved in all phases of the industry for more than thirty years. First as a principal in a privately held group of 33 daily and weekly newspapers and from 1987 to 1996 as President and Chief Executive Officer of American Publishing Company and also as President and Chief Executive Officer of the Chicago Sun Times Company from 1994 to 1996. During this period, American Publishing grew to become one of the major publishing entities in the United States. The company expanded, under Mr. Perrotto's direction, in less than a decade from the original small group of 33 publications to 486 publications including the Chicago Sun Times and the Jerusalem Post in Israel. American Publishing Company became a public company in 1994.

# BACKGROUND

- “Mr. Perrotto is studying product launches, particularly one that would give the Sun-Times better market penetration by reaching non-subscription households. A table in his office is cluttered with a dozen free-circulation magazines, most devoted to classified advertising for automobiles.”
- “We've done an awful lot of this around the country,” he says, gesturing toward the table. “This can be a significant growth area. The information glut isn't going to diminish.”