



Utah Newspaper Project

For a competitive, diverse,
and
free marketplace of ideas

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PRESS AVAILABILITY

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*Utah Newspaper Project dba Citizens for Two Voices v.
Deseret News Publishing Co. and Kearns-Tribune, LLC*

Joan O'Brien, 801 712 7799, Ted McDonough, 801 793 1217,
And Patty Henetz, phenetz@xmission.com

Utah Newspaper Project/Citizens for Two Voices agreed to dismiss its public-interest antitrust lawsuit today upon closing of the sale of The Salt Lake Tribune to Utah businessman Paul Huntsman.

The nonprofit group dropped its challenge of the October 2013 "Joint Operating Agreement following the signing of new contracts between owners of the Deseret News and the Tribune.

"We are satisfied that new contract terms will leave the Tribune with a sustaining portion of revenue from the two newspapers' business partnership," said Joan O'Brien, board member of Utah Newspaper Project, the plaintiff in the federal court lawsuit. The new agreement also changes contract language that had given the LDS Church-owned Deseret News unfettered say over ownership of the larger-circulation Tribune.

The group is pleased the newspaper deal that closed today resolves major issues raised in its antitrust litigation filed two years ago.

Utah Newspaper Project/Citizens for Two Voices organized in the fall of 2013, a few weeks after the Deseret News and the New York owner of the Tribune signed a Joint Operating Agreement that cut in half revenues of Utah's largest newspaper. The Deseret News had paid up to \$25 million for real property and for those JOA terms, which also turned over control of the papers' 65-year-old joint business to the News.

We alleged that 2013 deal would send the Tribune into a downward spiral, as the paper would not have the revenue necessary to finance its newsgathering. Those familiar with Tribune operations now openly acknowledge the deal would have doomed the paper. Today's transaction provides the Tribune with 40 percent of revenue from the newspapers' joint operation. We are assured the increased profit

share, coupled with other revenue sources, will allow the Tribune to survive long term.

The newspapers' advertising and production partnership, allowed under the limited antitrust exemption of the Newspaper Preservation Act, will continue. And so will Utah Newspaper Project, said board member Ted McDonough. "We appreciate the support of so many people in our long fight on behalf of Tribune readers and advertisers," he said. "We promise to continue to monitor this partnership to ensure the public interest is served in our unique marketplace of ideas."

Utah Newspaper Project/Citizens for Two Voices ended its antitrust litigation only after weeks of due diligence. "We studied the confidential sale documents," said board member Patty Henetz. "We met with Paul Huntsman, who imposed no restrictions on the questions we could ask. Mr. Huntsman answered our questions candidly and in good faith."

Additionally, the group reviewed documents produced by the defendants over the past two years of litigation, said board member Janet Goldstein. "We spoke with industry consultants and others knowledgeable about the issues in the case," she said. "We are comfortable that the provisions now in place will protect the Tribune."

Conversations with Mr. Huntsman have convinced the group's board of directors that he is sincere in assuring The Salt Lake Tribune will continue as an independent institution, said board member Harry Fuller. "For now, we join in wishing the newspaper and its new ownership extended, deservedly earned success."

News coverage of last month's announcement that Paul Huntsman had negotiated to buy the Tribune included commentary from Politico media analyst Ken Doctor, who called the purchase a best-case scenario. "You have a local owner with deep pockets and a civic commitment who wants to see a long-term survival of a strong newspaper," Doctor told the Associated Press. "That stands in distinction to many of the shorter-term players, like Digital First Media."

Until today, the hedge-fund-backed Digital First Media owned the Tribune.

Board members of Utah Newspaper Project/Citizens for Two Voices are encouraged by the Huntsman family's expressions of appreciation for the essential independent voice of the Tribune in our community, and by their years-long efforts to ensure that voice remains strong through these difficult times in the newspaper industry.