

Beat: Local

NUJ reacts to Gannett takeover bid

World News

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USPA NEWS - Gannett has today confirmed it has received a proposal from MNG Enterprises Inc. to acquire Gannett for \$12 per share in cash. The current share price for Gannett is \$9.75.

Gannett has said their board of directors will now review the proposal. Gannett owns Newsquest, the second largest regional and local newspaper company in the UK.

In reaction to the proposal, the union expressed grave concern about the bid and the potential detrimental impact on quality, sustainable journalism in the UK.

Federica Bedendo, NUJ Newsquest group chapel MoC, said: "We are really concerned about the news of a potential acquisition by MNG Enterprises Inc. to acquire Gannett. Journalists within Newsquest already think this company has hit rock bottom and the prospect of being acquired by an organisation that's renowned for cost cutting and job slashing isn't going to do anything to benefit our titles or indeed our working conditions. We already operate on a shoe-string, morale is at an all-time low, stress levels are through the roof and we lose more and more talent each day due to the way that Newsquest operates. What angers us most is that Newsquest is financially in a very enviable position compared to other publishers, yet its top bosses seem to be prepared to do anything for profit. NUJ members are being driven away from the newspaper industry by these money-chasing operations."^[1]

Chris Morley, Newsquest NUJ national coordinator, said: "The proprietorship of Gannett over Newsquest as its UK operation has been a sorry tale of shameless cost-cutting that has threatened to bring low once mighty titles through the pursuit of unsustainable profits and starvation of investment. But the reports coming out of the US from those who should know, is that Gannett itself is being pursued by the most predatory of vulture capitalist corporate raiders who are far distant from the needs and responsibilities of a modern media company. Our long suffering members at Newsquest deserve far better than this for all their heroic efforts to maintain quality journalism in the teeth of often cynical sabotage by their own bosses over the last decade. In this time of great uncertainty, the NUJ will be vigilant in upholding and defending the interests of its members and the essential journalism they produce."^[2]

On Sunday, The Wall Street Journal reported that MNG Enterprises Inc. is better known as Digital First Media, the private-equity-backed publisher.

In the Columbia Journalism Review (CJR) published today, Jon Allsop said: "The largest shareholder of Digital First Media, which owns about 200 publications nationwide, is Alden Global Capital, a New York-based hedge fund that specializes in investing in troubled companies."^[3] He added: "The names Digital First and Alden made headlines last April after flagship paper The Denver Post ran an editorial excoriating them as 'vultures' alongside a striking all-staff photo, from 2013, with tens of since-laid-off employees blacked out. A few weeks later, the editor of a neighbouring Digital First title, Boulder's Daily Camera, was fired over a similar rebuke; then, in early May, the Post's editorial page editor himself resigned, accusing Digital First executives of further attempts at censorship. As tensions rose, staffers from Digital First papers as far away as California travelled to protest outside Alden's New York offices."^[4]

Article online:

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