

# United States Senate

WASHINGTON, DC 20510

April 12, 2019

R. Joseph Fuchs  
Chairman, Board of Directors  
MNG Enterprises, Inc.  
101 W. Colfax Avenue  
Denver, CO 80202

Dear Mr. Fuchs:

I write with respect to your response to my February 21<sup>st</sup> letter requesting information on your efforts to acquire Gannett Co., Inc (Gannett).

In my letter, I raised concerns regarding the potential acquisition of Gannett given Alden Global Capital and MNG Enterprises, Inc.'s (MNG) history of acquiring newspapers, cutting staff, and then selling off real estate and other assets to generate a profit. I wrote that fuller disclosure on how the acquisition would impact the viability of free press was in the public interest because our democracy depends on continued support for the First Amendment. I also wrote that seeking fuller disclosure on how the acquisition would influence employment and competition in my state was critical as a legislator representing thousands of constituents who would be impacted.

As a result, I am troubled that your response did not fully answer several outstanding questions that I posed, including how you would invest proceeds from potential sales of Gannett's real estate assets, if you would make commitments regarding newsroom staffing, and how you would address potential regulatory concerns.

In your response, you declined to provide any specific assurances that the profits from any "rightsizing" would not be diverted to non-journalistic priorities but rather be reinvested in Gannett's newspapers to continue providing high-quality local news coverage. You also declined to make specific commitments to maintain newsroom staffing or provide specific details regarding how MNG would address potential regulatory concerns, including those related to antitrust and pensions.

Although MNG stated it has reviewed pension and antitrust issues, its underlying analysis of how potential regulatory concerns would be addressed or mitigated has not been made available. Given this lack of fuller disclosure, I remain concerned that MNG still has not publicly provided more details regarding the proposed acquisition. Accordingly, I am writing to the Department of Justice and the Pension Benefit Guarantee Corporation seeking additional information to better understand the regulatory concerns that may be raised. Copies of these letters are enclosed.

In smaller and mid-sized cities, local newspapers have been the glue that has helped to hold those communities together. As bigger companies and community banks have become less prevalent, these newspapers remain even more vital—beyond just the profits and losses that they might make. While a fractured media landscape and rapidly changing technology continue to challenge the industry, I remain concerned that the newspapers that may be impacted by this potential acquisition—including the ones serving smaller to mid-size cities in my state of New York—will face devastating cuts by an indifferent media conglomerate that is backed by an even more indifferent hedge fund seeking to generate a profit.

Sincerely,



Charles E. Schumer  
U.S. Senator

Enclosures

CC: Heath Freeman  
President  
Alden Global Capital LLC