

SHAREHOLDER PROPOSAL

RESOLVED: Shareholders request that the Board of Directors prepare an annual “journalism report” detailing the company’s commitment to its core product – news. Available to investors, this report should be prepared at reasonable cost, omitting proprietary information, and consider the relative benefits and drawbacks of the Company’s approach to journalistic integrity as determined at the judgement and discretion of the Board of Directors and management.

Supporting Statement

Reporters at *The Arizona Republic* and the USA Today Network covered the fallout of President Trump’s plans to build a wall between the U.S. and Mexico. The work won a Pulitzer Prize for explanatory reporting in 2018.

The Indianapolis Star broke the story — which eventually went national, — about sexual abuse allegations at USA Gymnastics. *The Star* was the first to identify Larry Nassar, the team doctor, as a suspect. Nassar has since been accused of molesting more than 150 girls and is now serving a 175-year prison sentence. The reporting won an Investigative Reporters and Editors Award for investigative reporting in 2016.

Reporters at *The Sarasota Herald Tribune* linked deep budget cuts within Florida’s mental health system to a spike in systemic violence and abuse at its state-run hospitals. It won a Pulitzer Prize for investigative reporting in 2016.

This is high quality journalism, and we could cite many other examples at Gannett papers. Our proposal seeks to ensure that community journalism is measured and maintained. Studies have shown that areas where local news has been severely diminished, where civic institutions aren’t monitored as closely, have seen municipal bond rates increase and civic involvement decline. Recent research from the University of Illinois–Chicago and the University of Notre Dame found that communities that have become “news deserts” also pay higher taxes and are at greater risk of political corruption. Other studies show lower voter turnout and increased partisanship.

While our company currently measures its revenue, expenses, and profitability attached to creating news, it does not reveal to investors the impact its choices about news coverage might be having. We believe tracking and reporting on our core service news is critical for investors to assess our company. Measured much like environmental sustainability reports, the internal audit that we propose could include baseline data on insourcing/outourcing, staffing, beats covered at each property, geographic coverage areas, and the number of days published year to year, among other metrics. For investors concerned about the fate of journalism, such public monitoring represents a means to understanding how our company creates value.

Brand and reputation matter. Companies with a good reputation perform better financially than companies with poorer reputations. This proposal helps to protect the brand and reputation of our company. Measuring and reporting how we report the news is the first step in protecting our brand, nurturing the watchdogs, and continuing to act as the Fourth Estate.