



December 20, 2019

David Dreier, Chairman
Tribune Publishing LLC
160 North Stetson Avenue
Chicago, IL 60611

Dear Mr. Dreier:

Tribune Publishing recently added two additional members to its board of directors, Christopher Minnetian and Dana Goldsmith Needleman. We believe there are significant questions about whether Mr. Minnetian and Ms. Needleman can competently represent all Tribune Publishing shareholders, as well as other stakeholders, including employees and customers. Please find below a set of questions that the Board of Directors should ask Mr. Minnetian and Ms. Needleman. In the interest of transparency, we demand that the board make Mr. Minnetian's and Ms. Needleman's answers publicly available.

Mr. Minnetian and Ms. Needleman were added hastily at the recommendation of Alden Global Capital, a New York hedge fund that's now the largest Tribune Publishing shareholder. Alden's actions at MediaNews Group, another major newspaper publisher, as well as at retail companies Payless Holdings and Fred's Inc., which recently filed for bankruptcy, raise questions about whether the interests of Alden, Mr. Minnetian, and Ms. Needleman are aligned with other Tribune Publishing shareholders, employees, and customers.

Since it assumed control of MediaNews Group, also known as Digital First Media, Alden Global Capital has played a particularly destructive role in local journalism. It has slashed staff and sold real estate to extract cash from its newspapers, without regard to the vital role those newspapers play in the communities they serve. MNG invested these extracted sums in unrelated businesses outside the company. In the process, Alden has depleted newsrooms, eliminated beats, and made it virtually impossible for its newspapers to fully tell the stories of their communities.¹

Alden has taken unorthodox actions at MediaNews Group that should be of particular concern to the Tribune Publishing board and shareholders.

Investment of MediaNews Group employees' pension funds in Alden funds

Beginning in 2013, Alden-controlled MediaNews Group invested nearly \$250 million of several MNG pension funds in assets managed by Alden Global Capital.²

Between 2013 and 2018, the San Jose Mercury News Retirement Plan, three pension funds for Denver Post employees, and the MediaNews Group Defined Benefit Plan for Certain Employees

all invested in multiple Alden Global Capital managed funds, including Alden Global CRE Opportunities Fund and the AGBPI Fund.³ In 2015, for example, the San Jose Mercury News Retirement Plan had 89.5% of its assets invested in Alden-managed funds, with 77.3% of the pension fund's assets invested in the AGBPI Fund alone.⁴

The pension investments have triggered federal scrutiny. In April 2019, a spokesman for Alden confirmed that the hedge fund was being investigated by the U.S. Department of Labor for management of the pensions.⁵

Converting MediaNews Group into a hedge fund

Under Alden's ownership, MediaNews Group has, in effect, converted into a hedge fund, investing its balance-sheet capital in unrelated companies and assets.

For example, between 2016 and 2018, MediaNews Group invested approximately \$168 million in shares of Fred's⁶, a discount pharmacy chain that recently filed for bankruptcy.⁷ Under Alden's stewardship, MediaNews Group made a money-losing investment in an unrelated retail chain rather than investing in local journalism.

In the last few years, MediaNews Group also has invested in online job site owner Monster Worldwide⁸, coal miner Peabody Energy⁹, Payless Holdings debt¹⁰, Gannett Inc.¹¹, New Media Investment Inc,¹² and Alden's own Alden Global CRE Opportunities Master Fund LP.¹³

Sale of MediaNews Group real estate to Alden-affiliated Twenty Lake Holdings

In 2013, Alden affiliate Twenty Lake Holdings began taking ownership of some of the real estate owned by MediaNews Group newspapers. In some cases, MNG has sold the newspapers' real estate to Twenty Lake and then leased back all or part of the space. After MediaNews Group acquired The Denver Post, for example, it sold the newspaper's printing plant and its offices to Twenty Lake Holdings. The Post is now a tenant of Alden-controlled Twenty Lake Holdings.¹⁴

Mr. Minnetian, in serving on the board of MediaNews Group, bears some responsibility for and should answer for the above actions.

Ms. Needleman, in serving on the board of Fred's Inc., bears responsibility for actions taken by Fred's in the lead-up to and following its June 2019 bankruptcy filing.

We demand that the Tribune Publishing board direct that Mr. Minnetian and Ms. Needleman answer the questions below and that those answers be made publicly available.

Sincerely,



Jon Schleuss
TNG President

cc: Tribune Publishing board of directors

Questions for Alden-nominated directors at Tribune Publishing

Christopher Minnetian

General

- What public company board experience have you had?
- How will you objectively evaluate and advise on the actions the board takes on behalf of all Tribune shareholders rather than just on behalf of Alden?

Questions related to Mr. Minnetian's role on the MNG board

Investment of MNG employees' pension funds

- As a director at MNG, did you approve the investment of MNG employees' pension funds in Alden Global Capital-managed investment funds? If so, why? If not, what steps did you take when you became aware of this practice?
- Do you believe the investment of MNG employees' pension funds in Alden Global Capital-managed investment funds is legal under ERISA?
- How did Alden Global Capital-managed investment funds perform as an investment for MNG employees' pension funds?
- Do you believe the Tribune Company pension plans should be invested in Alden Global Capital-managed investment funds?

Investment in unrelated businesses

- As a director at MNG, did you approve the investment of MNG balance-sheet capital in unrelated investments, such as retail chain Fred's, coal miner Peabody Energy, Greek sovereign debt, and debt of retailer Payless Holdings?
- If so, why? If not, what steps did you take when you became aware of this practice?
- How have these investments (e.g. Fred's) performed as investments of MNG's balance sheet capital? Does Alden have plans to return lost capital to MNG?
- As a director at MNG, did you approve the investment of MNG balance-sheet capital in Alden funds, such as the Alden Global CRE Opportunities Master Fund LP? What steps have MNG directors taken to evaluate related-party transactions?
- Will you approve the investment of Tribune Publishing balance-sheet capital in unrelated businesses?

Sale of MNG real estate

- What steps have MNG directors taken to evaluate related-party transactions, such as the sale of real estate to Alden Global Capital affiliate Twenty Lake Holdings LLC?
- How have MNG directors ensured that the value MNG received for real estate it sold to Twenty Lake Holdings is fair?
- How much of the proceeds from such real estate sales been returned to the newsrooms?

- Will you recommend Tribune Publishing similarly sell real estate to an affiliate of Alden Global Capital? If such a sale were to take place, what steps would you recommend to ensure that Tribune receives fair value for its sale?

Provision of information to minority shareholders

- In 2018, MNG was sued by a minority shareholder, Solus Alternative Asset Management, for failing to disclose information such as financial results and transactions with related parties. Did MNG fail to provide this information to minority shareholders? Why?
- What steps did you take as a director at MNG to ensure that minority investors received information about the company's operations and related-party transactions?
- What do you believe is your responsibility at Tribune Publishing to ensure that minority shareholders are provided with information about the company's operations?

Questions related to Mr. Minnetian's role on the Hostess Brands board

- What role did you play in the 2012 bankruptcy and liquidation of Hostess Brands? As a board member at Hostess, what steps did you take to avert bankruptcy and liquidation?
- What return did Ripplewood Holdings generate on its investment in Hostess?
- Did you approve the company's request for \$1.8 million in executive bonuses during the liquidation process? If so, why?

Dana Goldsmith Needleman

General

- What public company board experience have you had?
- How will you objectively evaluate and advise on the actions the board takes on behalf of all Tribune shareholders rather than just on behalf of Alden?

Questions related to Ms. Needleman's service on Fred's Inc. board

- What role did you play in Fred's Inc.'s 2019 bankruptcy? As a board member at Fred's, what steps did you take to avert bankruptcy and liquidation?
- Did you approve Fred's decision to move its headquarters to a Dallas office building owned by Alden founder Randall Smith?
- Did you approve of any other related-party transactions that benefitted Alden Global Capital or its principals?
- Did Alden purchase or profit from credit default swaps related to Fred's debt?

¹ ["A hedge fund's 'mercenary' strategy: Buy newspapers, slash jobs, sell the buildings," Washington Post, Feb 11, 2019.](#)

² ["The hedge fund trying to buy Gannett faces federal probe after investing newspaper workers' pensions in its own funds," The Washington Post, Apr 17, 2019.](#)

³ San Jose Mercury-News Retirement Plan Form 5500, 2013-2017, MediaNews Group Defined Benefit Plan for Certain Employees Form 5500, 2013-2017, Denver Newspaper Pressmen's Ret Plan, Denver Newspaper Mailers' Ret Plan, Denver Typographical Ret Plan form 5500's, 2013-2017.

⁴ San Jose Mercury-News Retirement Plan Form 5500, 2015.

⁵ ["The hedge fund trying to buy Gannett faces federal probe after investing newspaper workers' pensions in its own funds," The Washington Post, Apr 17, 2019.](#)

⁶ [SC 13 D for Fred's, Dec 22, 2016. SC 13D/A Oct 31, 2018, SC 13D/A, Oct 26, 2018, SC 13D/A, Oct 19, 2018.](#)

⁷ ["Fred's to close all of its stores in Chapter 11 bankruptcy liquidation," USA Today, Sept 9, 2019.](#)

⁸ [Monster Worldwide SEC Form 13D, Oct 24, 2016.](#)

⁹ [SEC Form 424B5 for Peabody Energy, Aug 21, 2017.](#) Finance.google.com, accessed Jul 31, 2019.

¹⁰ [APPLICATION OF THE DEBTORS PURSUANT TO 11 U.S.C. §§ 105\(a\) AND 363\(b\) TO \(I\) RETAIN ALVAREZ & MARSAL NORTH AMERICA, LLC AS A CONSULTANT, Mar 201, 2019.](#)

¹¹ [SEC Form 13D, Apr 29, 2019.](#)

¹² [SEC for 13D, Aug 9, 2019.](#)

¹³ Sola Ltd v. MNG, Feb 28, 2018. Admitted by MNG, Defendant's Answer to Verified Complaint, Mar 19, 2018.

¹⁴ ["A hedge fund's 'mercenary' strategy: Buy newspapers, slash jobs, sell the buildings," Washington Post, Feb 11, 2019.](#)