

United States Senate

WASHINGTON, DC 20510

February 28, 2020

Heath Freeman
President
Alden Global Capital LLC
885 Third Avenue, 34th Floor
New York, NY

Dear Mr. Freeman,

I write to request information related to Alden Global Capital's (Alden) recent transactions to acquire a 32 percent stake in Tribune Publishing (Tribune), a print and online media publishing company that owns and operates a number of critical newspapers across the country, including the New York Daily News in my home state of New York.

As I previously expressed to you and MNG Enterprises Chairman R. Joseph Fuchs last year in letters during Alden's attempt to acquire media company Gannett, I remain concerned with the lack of transparency related to Alden's business practices and its history of drastically cutting staff at newspapers and selling off the real estate and other assets in order to generate a profit. These practices include mass layoffs and the elimination of over 1,000 newspaper jobs at critical publications serving communities across the country, such as The Denver Post in Colorado, The Delaware County Daily Times in Pennsylvania and the San Jose Mercury News in California. Alden Global is also reportedly under federal investigation by the U.S. Department of Labor for its management of the pension funds under its control, including for investing millions in employee pension savings into its own accounts.

Additionally, I am troubled by the lack of transparency surrounding Alden's investors, which remain shrouded in secrecy. According to filings with the Securities and Exchange Commission (SEC), approximately 80 percent of Alden's clients are unnamed non-United Statespersons.

Accordingly, I was alarmed to learn of Alden's acquisition of such a substantial 32 percent position in Tribune and concerned about your intentions for the future of the thousands of employees at vital newspapers Tribune publishes and the communities they serve. In addition to the New York Daily News, Tribune also owns the Chicago Tribune; Baltimore Sun; Hartford Courant; Orlando Sentinel; South Florida's Sun Sentinel; the Capital Gazette in Annapolis, Maryland; The Morning Call in Allentown, Pennsylvania; the Daily Press in Newport News, Virginia; and The Virginian-Pilot in Norfolk, Virginia.

Alden successfully negotiated the addition of two representatives to Tribune's board of directors and also agreed not to mount a proxy fight or collaborate with other shareholders to "seek to control or knowingly influence the management, board or policies of the company," according to a December 1, 2019 filing with the SEC. However, there are various provisions in this so-called standstill agreement that could lead to its termination.

Because our democracy depends on continued support for the First Amendment, understanding how Alden's investment in Tribune and involvement in the company would impact the viability of a free press is in the public interest. Therefore, to better understand your efforts with regard to Tribune Publishing, I ask that you respond by March 13, 2020 in writing to the following questions:

1. What is the status of the U.S. Department of Labor's investigation into Alden's management of employee pension savings under its control? If it remains ongoing, is Alden cooperating with this inquiry?
2. How will Alden address any potential conflicts of interest and corporate governance challenges created by the presence of Alden executives Dana Goldsmith Needleman and Christopher Minnetian on the Tribune Board of Directors? What steps will be taken to ensure these directors are acting in the best interest of all of Tribune publishing's shareholders and not the interests of Alden as a separate entity?
3. According to filings with the Securities and Exchange Commission, 80 percent of Alden's clients are non-U.S. persons. In these same filings, Alden also indicated that approximately \$832 million in assets under management are attributable to non-United States persons. Would you commit to sharing more information on the identity or background of these clients?
4. One of your major funds, the Alden Global Opportunities Fund, is registered in the Cayman Islands, a foreign jurisdiction known as a tax haven with weak corporate disclosure laws. This fund's \$536 million in assets is funded primarily by clients who are non-U.S. persons. Please provide more information on why Alden has chosen to domicile its largest fund in an offshore jurisdiction.
5. Does Alden plan to lay off journalists at Tribune newspapers? Will you make specific commitments to maintain newsroom staffing to ensure Tribune's newspapers can continue serving their communities?
6. Does Alden intend to sell, lease or redevelop office and printing facilities currently held by Gannett? If so, will Alden, including MNG Enterprises, use its own affiliates or subsidiaries to execute these transactions? What proportion and dollar value of the proceeds from these transactions will be invested in companies not related to media?

Sincerely,



Charles E. Schumer
United States Senator