



Digital First Media Membership Bulletin

January 2, 2020

DFM workers continue fight to #SaveLocalNews Denver City Council passes resolution condemning Alden Global Capital

Five months after the expiration of 12 Guild contracts nationwide, workers at Digital First Media – showing characteristic resolve – continue to press their relentless campaign against Alden Global Capital for investment in their work and their newspapers.

Just one month after Denver Post employees staged a [noisy, midday walkout](#) during negotiations, the Denver Guild won passage of a Dec. 23 [City Council resolution](#) that condemns Alden, which has slashed staff at The Post by 75 percent since taking control of DFM.

That resolution – part of the [#SaveLocalNews campaign](#) launched by DFM workers – will be followed by others as workers expand and escalate their effort to draw attention to

Alden’s role in the destruction of local journalism.

As of Jan. 1, 11 of 12 Guild DFM contracts remain unresolved, largely because Alden has refused pay increases after crowing earlier this year about double-digit profits. Alden only has agreed to one raise in more than a decade, while cutting staff at more than twice the national rate.

Undeterred by [its failed hostile takeover of Gannett](#), Alden acquired a 32 percent stake in Tribune Publishing in mid-November, prompting [deep concern among recently organized employees](#) in Allentown, Annapolis, Chicago, Hartford, Newport News, and Norfolk.

Alden’s new stake in Tribune Publishing comes at a time of increased media focus on the practices of the New York hedge fund, which will be featured in an upcoming documentary called [“Stripped for Parts: American Journalism at the Crossroads.”](#)

Alden also receives attention in [a new book by journalist Nicholas Shaxson](#), who writes, “It’s clear how financialization has transferred wealth: A private equity company like Alden can load up a company with debt, pay the proceeds to itself, crush the company – and walk away rich.”

All of Alden’s unwanted scrutiny is testimony to the tireless work of hundreds of Guild members [who’ve investigated](#) and [rallied against the hedge fund](#) during a four-year campaign, before which Alden and its executives were largely unknown and hidden from public view.

Recent campaign actions have included a well-attended [Nov. 19 rally in Oakland](#) and [leafletting in Monterey on Dec. 6](#).



Reporter Thomas Peele speaks at our Nov. 19 rally in Oakland. |



James Herrera, Danielle Landaker, Michael Applegate, George Kelly and Thy Vo leaflet in Monterey |

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Denver City Council calls out Alden

Proclamation urges the hedge fund to invest in newsrooms or sell

By Julie Reynolds

Decrying culture hedge fund Alden Global Capital’s “devastating effect on local journalism around the nation,” the Denver City Council on Monday unanimously passed a unique proclamation aimed at protecting local news.

The news spread rapidly across social media, including a [detailed Twitter thread](#) describing the vote by The Denver Post’s politics reporter Conrad Swanson, who began with, “Denver City Council unanimously approves a proclamation calling for Alden Global Capital — owner of The Denver Post — to either invest in local journalism or divest its interest in the more than 100 local/regional paper it owns.”

The proclamation — subtitled “Urging Alden Global Capital to Either Invest in Local Journalism or Divest its Interests” — has no legal authority over Alden’s practices, but it does send a strong message that the struggle to save local news organizations from plundering hedge funds has become an urgent civic concern.

“Since Alden Global Capital took control of MediaNews Group in 2011, its newspapers including The Denver Post have been gutted, their staffs slashed and many of their assets sold,” the proclamation states.

“Staff at The Denver Post has been reduced by 75 percent in those eight years, and staff at newspapers Alden Global Capital controls has been reduced by more than twice the industry’s national average since 2012.”

The council also ordered the city and county clerk to forward the statement to Alden.

How it happened

In 2017, the Denver City Council issued a general proclamation about the importance of local news, inspired by the growing #NewsMatters campaign of the Denver NewsGuild, said

Councilman Kevin Flynn, a former journalist.

“Since then, things have gotten only more dreary,” Flynn told DFMworkers.

[Read more at DFMworkers.org>>](#)



Tribune braces for the barbarians at the gate as hedge fund Alden takes two new board seats

Real estate sell-off and increased debt are possible outcomes of an Alden takeover

By Julie Reynolds

One week after Alden Global Capital announced it took a nearly one-third stake in Tribune Publishing, the New York hedge fund appears positioned for a full takeover of Tribune newspapers by next summer.

Alden just cut a deal with Tribune’s board to hold off acquiring any more shares until after June 30, an arrangement called a “standstill” agreement. That’s the same day another standstill agreement expires. That deal was made with the chain’s second-largest shareholder, Dr. Patrick Soon-Shiong, who owns just under a quarter of Tribune’s shares that he’ll be free to sell after June 30, kindling speculation that Alden is jockeying to buy Soon-Shiong’s shares and complete a full takeover of Tribune next year.

[Tribune](#) publishes the Chicago Tribune, The Baltimore Sun, The Hartford Courant, the New York Daily News, The Virginian-Pilot, the Daily Press, the Allentown Morning Call and others.

Alden owns the Digital First Media



Manhattan’s Lipstick Building, where Alden Global Capital’s offices occupy the top floor. | Philip Johnson, Creative Commons

newspaper chain, which includes the Denver Post, San Jose Mercury News, East Bay Times, St. Paul Pioneer Press, Boston Herald and Orange County Register, among scores of other local papers.

Alden made its move late last month, when it purchased 9.07 million shares from former Tribune board chair Michael W. Ferro for around \$118 million. The purchase was made by the Cayman Islands-based Alden Global Opportunities Master Fund, L.P. and Alden Global Value Recovery Master Fund, L.P., according to an SEC filing. A few days later, it acquired more shares, bringing its ownership stake to around 32 percent.

The two Alden funds listed as the actual purchasers of Ferro’s stock are among the five Alden shell companies that together own Digital First Media, now rebranded as MNG after years of critical press coverage (much of it here) apparently tainted the Digital First brand’s reputation.

[Read more at DFMworkers.org>>](#)



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