



SNA PRESS RELEASE

Community Papers Perform Well in 2008 Despite Challenging Economy

1/28/2009

2008 REPORT CARD: Community Newspapers are Better Positioned to Weather Economic Challenges
News Release

For more information, contact Nancy Lane, SNA President, at nancy.lane@suburban-news.org or (843) 390-1531.

Overall, community newspapers performed well in 2008 despite the challenging economy. Financial results for community newspapers were tracked quarterly last year for the first time ever, in an attempt to measure this segment of the industry. Suburban Newspapers of America coordinated the effort and the accounting firm of Dennis, Gartland & Niergarth, collected the data and verified the results. Community newspapers are not experiencing the massive ad revenue declines that are being felt by some others in the industry nor are they experiencing massive layoffs. Data collected in 2008 showed a 1.7% decline in advertising for the third quarter, 2.4% in the second quarter and 2.7% in the first quarter (all were measured against the same reporting period from the prior year). Fourth quarter results will be available in late February. These results compare to industry-wide double-digit declines of 18.1% (third quarter 2008), 15.1% (second quarter 2008) and 12.8% (first quarter 2008), as reported by Newspaper Association of America. Hundreds of daily and weekly community newspapers, representing over 10.5 million in circulation with annual revenues of nearly \$2 billion, participated in the SNA financial reporting group for the third quarter. The National Newspaper Association teamed up with SNA starting with the third quarter reports and will continue to be a partner in future quarters.

"Community newspapers are not in a crisis", said Nancy Lane, President of SNA, "Certainly, they are affected by the economic downturn just like every other industry, but they have a bright and profitable future. No other medium is able to offer hyper-local news and information, down to neighborhood levels. Local news is extremely valued and as a result, advertisers are able to reach an engaged consumer."

Community newspapers are experiencing slight declines in advertising revenue mainly due to classified categories that have been hard hit by the slumping economy. In many cases, they have made up much of those losses on the retail and preprint side. Large retailers, for example, have added many community papers to their buy in the last few years to increase their preprint penetration in key markets. For complete quarterly report information, visit SNA's Web site at www.suburban-news.org.

Suburban Newspapers of America is a trade association representing nearly 2,400 daily and weekly newspapers in the United States and Canada. SNA has experienced eight years of record growth — another indication of the strength of this segment of

the industry. LocalPoint Media, a new national network managed by SNA's for-profit subsidiary, placed \$400,000 in 2008, representing all new national business for the community newspaper industry. For more information, www.suburban-news.org, www.snalocalpapers.com and www.localpointmedia.com.

Established in 1885, the National Newspaper Association is the voice of America's community newspapers and the oldest national newspaper association in the country. NNA represents an industry that serves, informs, educates and entertains more than 60 million readers every week from Main Streets across the nation For more information, www.nna.org.

Note about the third quarter report: financial data was tracked for all products published except dailies over 100,000 (although most SNA and NNA members do not publish papers in this size range). Due to the wide variety of reporting procedures, only total advertising was tracked. Category variances were explained in open-ended fields. The accounting firm of Dennis, Gartland & Niergarth handled the collection of data and the verification process.

###

AMERICA'S LARGEST SUBURBAN NEWSPAPER NETWORK

11710 Plaza America Drive • Suite 420 • Reston, VA 20190

703-904-1004 • FAX 703-904-1009 • www.wspnet.com