

## **GANNETT | EMPLOYEE FAQS**

THE PATH FORWARD – 10.16.2019

### **PUBLISHING**

#### **Q. HOW WILL THIS APPROACH PREVENT FURTHER SHIFTS TOWARD THINNER PUBLICATIONS WITH MORE NON-LOCAL STORIES?**

**A.** Local news is at the heart of what we do, and keeping local expertise in our communities is a cornerstone of our business model going forward.

Print remains an important platform for a large segment of our readers, although we know digital is our future. Our USA TODAY and local print products continue to be great businesses for us with loyal customer bases. However, we do need to respond to consumer's preferences, which are shifting to consuming news online and mobile. To be clear, the decision will be made by the market telling us where we should focus. We will continue to maintain print if consumers are asking for it and the economics make sense.

Our goal is to hold as steady as we can on print while focusing on transforming our digital business through increased efforts on digital subscription acquisition and retention. And to do that, of course, we need robust local news reporting.

#### **Q. HOW LONG DO YOU SEE THE COMPANY PRINTING PAPERS 7-DAYS A WEEK?**

**A.** While there continues to be market demand for a 7-day home delivery option across our markets, we are always evaluating any changes at the market level. Today, there are a handful of markets where we do not offer a 7-day home delivery option. We have learned a lot about both the consumer and advertiser impacts, both good and bad. The print edition continues to be important to many of our loyal customers and a strong financial contributor to the business.

### **INTEGRATION**

#### **Q. I WORK FOR GPS. HOW IS THIS MERGER GOING TO AFFECT GPS?**

**A.** GPS has begun meeting with the production and distribution staff at Gatehouse in coordination with Alix Partners (the consulting firm we hired). Together, we are sharing best practices, identifying operational efficiencies and determining the best-operating structure for the combined companies. As this process continues, we will communicate any important information or forthcoming changes to the GPS team on a timely basis.

#### **Q. YOU SAY THAT LOCAL COMMUNITY PAPERS ARE A PRIORITY, BUT WE'VE BEEN DEALT THE BRUNT OF THE CUTS AND DOWNSIZING, EVEN AT PAPERS WHICH ARE STILL PROFITABLE — WHILE USA TODAY AND REGIONAL EFFORTS SEEM TO BE PRIORITIZED IN TERMS OF STAFF AND RESOURCES. CAN YOU SPEAK TO THIS AT ALL?**

**WILL THE COMBINED COMPANY CONSIDER PROVIDING ADDITIONAL RESOURCES TO NEWSROOMS IN SMALLER MARKETS TO ENABLE THEM TO EXECUTE THAT MISSION?**

**HOW CAN WE BE ASSURED THAT WE WILL NOT MEET THE SAME FATE AND THE READERS WILL NOT SUFFER?**

**A.** All downsizing is painful, and especially so in our smaller newsrooms where resources are already tight. However, the size of the cuts has not been disproportionate as it relates to those markets. Many of the regional efforts we've undertaken are designed to benefit the smaller and mid-sized newsrooms. These newsrooms may not be able to have some resources in their newsroom, such as design studios, digital optimization teams (DOTs), and the video production center (VPC) to handle important work that does not necessarily require local expertise but rather specialized skills.

In terms of how resources will be allotted after the merger, we're just starting that process now. But it's important to emphasize that the focus throughout this process will be on ensuring we keep our local newsrooms strong.

**Q. CAN WE VOLUNTEER TO WORK DIRECTLY WITH THE INTEGRATION CONSULTING TEAM? I AM NOT A MANAGER BUT HAVE MORE THAN 30 YEARS OF EXPERIENCE WITH GANNETT/USA TODAY AND DO NOT WANT TO BE OVERLOOKED SIMPLY BECAUSE OF MY TITLE. (ALSO, THANKS FOR SETTING UP THE MEETINGS, SENDING THE EMAILS AND ENTERTAINING OUR QUESTIONS.)**

**WHEN INTEGRATION TEAMS ARE FORMED, WILL STAFF THAT IS ON THE "GROUND LEVEL" BE GIVEN AN OPPORTUNITY TO BE INCLUDED IN THIS CRITICAL TASK?**

**A.** I encourage employees who want to be a part of the integration team to speak with their leadership team about opportunities to contribute. The integration leads are working on building out integration workstreams. We, most likely, will have more volunteers than needed. That said, we will make sure everyone is represented in this process.

#### **GENERAL HR QUESTIONS**

**Q. IT SEEMS IRRESPONSIBLE THAT GANNETT CONTINUES TO TAKE ON NEW HIRES AND POST NEW JOBS AT A TIME WHEN THERE IS SO MUCH UNCERTAINTY AND POSSIBLE LAYOFFS IN JUST A FEW MONTHS. WHY IS GANNETT CHOOSING TO DO THIS RATHER THAN WAIT TO MAKE NEW HIRES UNTIL AFTER THE INTEGRATION?**

**A.** We are continuously evaluating each open position based on our needs to achieve our goals. To do this, we need to make sure we have the right people in the right opportunities at the right time to advance the business. For example, we are currently filling roles that are focused on generating revenue and are critical in supporting client success.

**Q. IT'S BEEN STATED THAT "NEW MEDIA HAS AGREED TO PROVIDE GANNETT EMPLOYEES WITH BENEFITS THAT ARE COMPARABLE TO THOSE CURRENTLY ENJOYED THROUGH 2020." CAN YOU PLEASE CONFIRM THAT THIS INCLUDES ABA THERAPY AND OTHER COVERAGE FOR AUTISM TREATMENTS?**

**A.** It is expected that the current coverage for ABA therapy and other Autism treatments will continue through 2020. You will be notified if anything changes.

## **PENSION**

**Q. I'M CONCERNED ABOUT THE SMALL BUT EARNED PENSION THAT HAS BEEN FROZEN SINCE THE EARLY 90S WITH GANNETT. IN MY DEPARTMENT, THERE ARE NOT A LOT OF PEOPLE LEFT WITH THE YEARS I HAVE, AND I WAS JUST WONDERING IF THAT IS STILL GOING TO BE AVAILABLE TO ME WHEN I RETIRE? OR DID WE LOSE THAT IN THE MERGER?**

**A.** Your pension will be available to you when you retire. Any pension benefits you have earned to date are protected and will not be adversely affected by the merger.

## **CUSTOMER SERVICE**

**Q. WHY DOES THE SUBSCRIPTION PAGE NOT GIVE THE PRICE FOR A SUBSCRIPTION AFTER THE INITIAL THREE-MONTH DEAL RUNS OUT?**

**(WHEN YOU CLICK SUBSCRIBE, IT ASKS YOU TO CREATE A PROFILE, THEN GOES RIGHT TO THE BILLING AND DELIVERY PAGE. IT'S NOT HELPFUL TO READERS IF THEY DON'T KNOW WHAT THEY'RE SIGNING UP FOR AFTER THE FIRST THREE MONTHS.)**

**A.** The subscription landing page includes a series of promotional offers and calls out the temporary nature of the rate. This is a common industry practice.

**Q. OUR CUSTOMER SERVICE AT GANNETT REMAINS BROKEN, DESPITE REPEATED ASSURANCES THAT IT WOULD BE FIXED. WHAT ARE WE DOING TO FIX IT?**

**ARE WE DOING ANYTHING TO IMPROVE/INVEST IN CUSTOMER SERVICE AND PRINT DELIVERY?**

**A.** Thank you for raising these important questions. We agree that our customer service has not been meeting expectations and that it's a real problem that needs to be addressed. We understand that it can be frustrating not to have news delivered when you need it through the means at which you want it.

So, here's what we've been up to lately to make customer service better. First, we have migrated Customer Service to our servicing partner, Sitel. They helped us answer calls in less than 15 seconds. We also improved staffing and technology to provide more self-service options for customers. And, we routinely audit those customer service calls to identify trends and training opportunities.

Next, we are launching a multi-platform Customer Service campaign promoting various ways customers can contact us - telephone, email, chat, and the self-service options available.

There are a few ways you can help us improve customer service, as well. If you receive a call from a customer, please use our customer service escalation process by logging into the SharePoint portal: <https://gannett.sharepoint.com/sites/csc/Newspaper/SitePages/Home.aspx>

The process enables us to:

- a. properly record specific information about the call
- b. identify trends that must be addressed
- c. directly respond to the customer's complaint and document the resolution
- d. keep you informed of the decision

## **EMPLOYMENT**

**PAUL, I STARTED MY JOB HERE ON SEPTEMBER 26, 1990, I AM HAPPY TO CELEBRATE THESE YEARS. 29 YEARS HAVE GONE BY SO FAST, AND I AM CONCERNED ABOUT LAYOFFS. I WANT TO THINK IF THERE IS A REDUCTION IN SALES STAFF THAT THERE WOULD BE BUYOUTS POSSIBLY.**

**A.** We have not made any final decisions at this time regarding “buyouts” or any new employee retirement program (EROP), but we will continue to evaluate options. As soon as we have more information, we’ll be sure to share it with employees.

### **Q. HOW DOES THIS MERGER AFFECT DIGITAL MARKETING EMPLOYEES?**

**A.** The integration work is still in the early phase. While we expect to bring all parts of our businesses together, we haven’t made any decisions yet. Throughout this integration process, we are committed to being transparent, timely, and thoughtful in our communications with you.

### **Q. HOW FAR IN ADVANCE WILL WE BE INFORMED IF WE WILL BE IMPACTED BY A LAYOFF OR REDUCTION IN WORKFORCE?**

**A.** We will work to notify employees as soon as possible. At this point, no decisions have been made yet.

## **QUESTIONS FOR PAUL**

**Q. YOU HAVE BEEN SPENDING TIME IN MANY OF OUR MARKETS WITH THE NEWSROOM, PRODUCT AND SALES TEAMS. DO YOU HAVE ANY PLANS IN THE NEAR TERM TO VISIT SOME OF OUR OPERATION LOCATIONS AND TEAMS?**

**A.** I continue to visit our locations in the US and UK. Over the course of my recent market visits, I have been able to meet with team members from various functions beyond just the news and sales teams. In fact, I toured the Milwaukee operation site last week. I currently have site visits

scheduled a few weeks in advance. As we add more to my schedule, we will be sure to let those locations know in advance before my visit.

**Q. WHAT DOES YOUR DAY-TO-DAY ROLE ENTAIL? HOW DO YOU THINK THIS WILL CHANGE WITH THE MERGER/ACQUISITION?**

**A.** For the past few weeks, much of my day has been consumed with understanding the current business. I try to read through reports and data, sit in on multiple presentation sessions, and get out into offices to listen to our employees (or groups of employees). I also need to ensure our day-to-day operations are moving the business forward as we focus on strong journalism and partner with clients to find the best solutions.

More recently, I have been turning my attention to the future. We have a general sense of the emerging opportunity for us that I shared in my town hall. However, the reality is that executing any new strategy involves much work to validate assumptions. We need to conduct small experiments to test ideas. If those ideas work, then we need to estimate the time and effort and assign owners to implement them. It's many meetings with people who are deep experts in these areas where we debate and agree on what to do next and who will be accountable.

At the same time, I am deeply involved in the integration process, working with teams as we think through future organizations and capabilities. Yes, more meetings. Lastly, there are simple administrative things that come with the job. I have to turn in my expenses, or I get in trouble. Occasionally, I sneak out to get a slice of pizza on the next block when I need some clean NYC air. I don't expect the work will substantially change much after the merger. We will be a much bigger company, and integration will continue for some time. There will be more people to get to know and more offices to visit, but our opportunity remains the same and the need to move quickly.

**Q. I WAS IN THE MILWAUKEE MEETING AND WANTED TO SHARE THAT I BELIEVE YOU DID AN EXCELLENT JOB WITH THE MILWAUKEE TEAM. I REALIZE YOU HAVE DONE THIS MANY, MANY TIMES, BUT PART OF WHAT MADE THE DISCUSSION GREAT IS THAT IT FELT TAILORED TO THE MILWAUKEE TEAM, VERSUS COOKIE CUTTER, REPETITIVE RESPONSES. IN MY OPINION, MILWAUKEE IS A PRETTY SAVVY, HARD WORKING GROUP, SO THE DIRECT, TRANSPARENT, AND SINCERE COMMUNICATION WAS VERY MUCH APPRECIATED.**

**A.** Thank you! I appreciate the feedback. I am sorry we ran out of pizza, I didn't expect so many people to show up. The questions were direct and unflinching. I am completely ready for investors.

**Q. CAN YOU PLEASE EXPLAIN THE SHAREHOLDERS LAWSUIT?**

**A.** As of October 11, 2019, four separate lawsuits have been filed with respect to the New Media transaction. These lawsuits primarily challenge whether the public disclosures that Gannett and New Media made about the transaction were adequate. It is very common in a

transaction like this to see lawsuits like these filed – in fact, the law firms that have filed these cases have filed many others like them in other transactions. We do not believe that the lawsuits have any merit. While defending lawsuits like this can be a distraction and require resources, we do not see these as standing in the way of closing the transaction.