

Hi, Quartz

We have a new home: I have agreed to sell Quartz to [G/O Media](#), the publisher of Gizmodo, AV Club, Jezebel, The Root, and several other great editorial brands. Together, we are forming a digital journalism powerhouse with more than 100 million monthly readers.

Quartz's greatest strengths—our global newsroom and audience, our high-quality advertising work, and our email expertise—will help propel G/O's next phase of growth. G/O, meanwhile, will help us reach a lot more people across its network and unlock new revenue streams that we couldn't on our own. And we will make this combination without any reduction in jobs.

That's the business logic, but I'm sure this news will nevertheless come as a surprise. After taking Quartz private in 2020, we had sought to raise money and remain on our own. Selling was not the plan, but it became the very best path for Quartz, and for all of you, when we started talking to G/O earlier this year. I think the key details will help explain why:

- Quartz goes forth from this deal unabated, with as much ambition and purpose as before. Our newsroom will stay independent and focused on global business news and analysis. Our mission is still to make business better, including our own business.
- Everyone at Quartz is coming along for this next chapter. There are no layoffs connected to the sale, nor planned once we integrate. That's not what this is. G/O is profitable, growing, and eager to welcome all of us across the company.
- All current employees of Quartz who do come along will be eligible for deal bonuses from the proceeds of the sale, totaling more than \$1 million. Look out for more information about the terms of this deal bonus in a separate email today.

All of those outcomes are only possible because G/O saw the great value in Quartz and knows that it's our people—our employees and our readers—who make it so. At a time

when other digital media companies have been forced to retreat from news, G/O is making a big investment in Quartz and plans to make other acquisitions, as well.

Joining a larger firm will provide more resources for our most strapped teams at Quartz and more opportunities for career growth across the new company. It will also mean a lot of change, which I'm sure will feel turbulent at times—but also exciting and meaningful and new, if we're doing it right. While each newsroom at G/O operates separately, we plan to integrate with every other department, from advertising to product to operations, over the next few months to form one media company. But nothing changes today. We'll be able to figure out new structures and processes together with our new colleagues after the deal closes in a week or so.

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I'll be leading us all through this transition and beyond as general manager and—here's some more news—editor in chief of Quartz. This is an exciting new role for me: I've worn many hats in a decade at Quartz, but never had the privilege of leading our newsroom. I'm excited to get back into news and work alongside our executive editors, Kira Bindrim, Heather Landy, Walt Frick, and Francesca Donner. We'll talk a lot more about this change in editorial meetings this week.

Katherine Bell, who has helmed the newsroom with brilliance and grace since January 2020, amid some of the biggest news events in a generation, has decided that it's time to try something new. We remain business partners, and struck this deal with G/O together. She supports it. Katherine will continue as an advisor to Quartz and to me.

As general manager, I will remain responsible for the Quartz business during the transition and in charge of successfully integrating with G/O by leveraging the best of both our companies. That part of my role will become moot at some point when we've succeeded, and my plan is to continue focusing on the Quartz newsroom after that.

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G/O's strategy is to build a stable of editorial brands, each with its own identity, voice, and readers. What unifies the sites are a fearless approach to journalism and a common

technology stack for publishing, data, and monetization. G/O has 11, going on 12, separate newsrooms, but one product team, one commerce team, one sales team, and so on. It's the same kind of structure employed by competitors with similar business models, like Vox Media, BuzzFeed, Bustle, etc.

Quartz, in that sense, becomes G/O's business publication. But no one wants us simply to conform—in tone, design, worldview, or otherwise. Quartz's most distinctive traits remain key to attracting loyal readers, paying members, and high-quality advertising. So we'll continue to employ a global newsroom, with half of our reporters outside the US, and apply a progressive lens to our coverage. We'll continue to obsess over the reading experience and usability of our products. And we'll continue to sell, create, and support high-quality advertising.

Indeed, another way to think about the deal is that G/O has also acquired Quartz's expertise in those areas and more. Part of my role is to share our best practices across the company and ensure that Quartz benefits from all the things G/O does really well, from commerce to video to programmatic ads. And having been through these kinds of integrations before at Quartz, we plan to apply the lessons learned about making these changes with care.

To that end, each department at Quartz will proceed with the integration differently:

- **Editorial:** No change in organizational structure, now or in the future.
- **Business:** No *initial* changes to structure. We'll work with our new colleagues at G/O to fully integrate our businesses in a thoughtful way over the next several months. This includes partnerships, Quartz Creative, media strategy and operations, and marketing.
- **Product:** We'll integrate our teams right away and start working on plans to merge our infrastructure. Some reporting lines will remain the same, and others will change. We'll talk about this in more detail in product meetings this week.
- **Operations:** We'll integrate our teams in finance, accounting, people operations, and information technology from the start, and this work is already underway.

I want to emphasize again, since most M&A deals of this sort result in layoffs, that this integration is *not* about redundancies or other euphemisms. The goal of this integration is to preserve and grow the best parts of Quartz; generate new revenue opportunities; and form a media company that's greater than the sum of its parts. I think that is one of the more exciting challenges right now in digital media, as we and our competitors pursue business models that can sustain great journalism.

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This is the third time Quartz has been sold. That we have kept changing hands is a testament both to the enduring value of Quartz and the difficult market conditions for digital journalism and independent media, in particular, in the last five years. Most of the sites that form G/O Media today have similarly impressive histories going back two decades. G/O itself is only three years old, still very much a startup like us, but better-financed and better-able to help us grow.

Quartz is a stronger business and news organization than we've been in many years, thanks to all of you. We generated more than \$11 million in revenue two years in a row, while cutting our losses by more than half in that time, a truly monumental feat amid the pandemic and other disruptions. We also became a much more diverse company in that time, with people of color representing 42% of all staff and 50% of our newsroom. We won two SABEWs the other week. Our NPS score among readers went from -14 to 45 in two years, as we increasingly focused on our relationship with loyal readers. In the process, email became our single largest audience platform, eclipsing the web for the first time. And just this month, we aligned our mission and membership by lifting the paywall on QZ.com to make business better for everyone.

All of those accomplishments have laid the groundwork for Quartz's next decade. Before we talk about the future, though, I owe you more details about the process that led us here after splitting from Uzabase in Nov. 2020 and seeking to finance the company on our own.

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Throughout fundraising, our top priorities were to put the company on strong financial footing, with enough capital to plan confidently for the long term; to sustain the best and most important parts of Quartz; and to protect everyone's jobs. We had other hopes and dreams, as you know from some of our town halls last year, but only three requirements.

Katherine and I spent the last year pitching to and considering offers from individual investors, funds, and other media companies. Most of them loved Quartz, but too often their visions for our future began with slashing jobs. My feeling was that we already did that, in 2020, emerging from that painful period as a very different and much stronger business. Our mission and editorial focus are clearer than ever, thanks to a lot of hard work these past two years. We've been moving quickly toward profitability, but most investors, and even large media companies, preferred to accelerate the plan through layoffs, which we felt was misguided. We needed to find a source of capital better aligned with our thinking and goals.

From our first conversation, G/O CEO Jim Spanfeller was enthusiastic about Quartz and eager to talk about growing the business, not shrinking it. It wasn't hard to get commitments to no layoffs and editorial independence. I know Jim is a strong believer in both the social and business value of news, and he has lots of prior experience in business news, especially. This deal is G/O's biggest move since launching in 2019, and they are prepared to invest in us accordingly. That's what won me over. It also meant a lot that G/O was able to put up enough cash in this deal for Quartz staff to get a cut, which wouldn't have been possible in any other scenario.

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The history of the company now known as G/O Media starts in 2002 with the creation of Gizmodo, Gawker, and a handful of other groundbreaking websites in SoHo lofts not far from where Quartz would launch a decade later. Those sites defined a new journalistic style that rewarded obsession, abhorred bullshit, and let writers write. It worked really well, influencing a generation of journalists whose careers started on the web, like me, while generating a lot of competition and some enemies along the way. One of them, Peter Thiel, financed an ugly defamation lawsuit that bankrupted the company in 2016. But that was just the beginning.

Univision bought most of the sites at a time when the broadcaster was trying to form a digital news empire called Fusion. The biggest among those sites was Gizmodo, one of the first great tech destinations. Univision also bought The Root, the trailblazing Black news site, from Slate, and invested in The Onion, the sultan of satire, and its sister sites like AV Club, which invented whole new genres of culture writing. It was an incredible, diverse portfolio of editorial brands and talent, and they produced amazing work in that era. It was also, as one of their own sites would report, “a fucking mess,” roiled by shifting priorities and corporate politics.

This was around the same time that Quartz, which had done plenty of our own pioneering in business journalism, was sold to Uzabase in Japan. We did great work then, too, and made our own messes. Uzabase and Univision both lasted just two years before retreating from digital media and putting their properties up for sale. I bought Quartz from Uzabase. Univision sold almost all of its sites to [Great Hill Partners](#), a growth-equity firm that has invested in consumer brands like Bombas, media companies like ZiffDavis, and lots of fintech startups.

Great Hill formed G/O Media in 2019 to house all of the sites it had just acquired: Gizmodo, Kotaku, Jalopnik, Deadspin, Lifehacker, Jezebel, The Root, The AV Club, The Takeout, and The Onion. There was mess at the beginning then, too, when the editorial staff of Deadspin quit over disagreement with management over the site’s direction. But that early tumult has given way to stability and profit. The union representing most of G/O’s editorial staff, which was the first digital newsroom in the US to organize back in 2015, just won a strong new contract. And a new era of growth for the whole company begins today with the acquisition of Quartz.

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You can look back at that history in so many ways. The most obvious narrative is the tendency of money to make things more complicated. As someone who deeply loves several of those sites, and grew up in this industry with them, I find the perseverance to be inspiring. But mostly, I hope it offers some long-term perspective on recent ups and downs at Quartz, G/O, and the rest of our industry, which has gone through the same kind of consolidation, often in far more turbulent fashion. Those that withstood the

change, including Quartz and many of our competitors, are now among the strongest digital news organizations out there.

Of course, that's entirely thanks to all of you who cut through the noise to produce excellent work for our readers and advertisers throughout. You helped to clarify and hone our strategy when we needed it. You pushed us to be a better, more inclusive company. And you supported each other through two incredibly difficult years for humans everywhere.

My only request is that you keep doing those things. Stay Quartz. The most important lesson I've learned in my decade here is that a company is really just a group of people. Our values, our talents, our backgrounds—those end up defining the company more than anything else. If you bring that along, we will be successful, and all of us at G/O will be the better for it.

I look forward to meeting with everyone and taking your questions.

With gratitude,  
Zach