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Committee on
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Congress of the United States
House of Representatives
Washington, DC 20515-0533

HENRY A. WAXMAN
33rd District, California

December 19, 2013

Mr. Peter Liguori
President and Chief Executive Officer
Tribune Company
435 North Michigan Avenue
Chicago, IL 60611

Dear Mr. Liguori:

I am writing on behalf of my constituents who rely daily on the *Los Angeles Times* for their national news and local reporting. I am concerned that corporate actions the Tribune Company is taking may not be in the best interests of the *Los Angeles Times*.

First published in 1881, the *Los Angeles Times* is the largest metropolitan newspaper in the United States.[1] Millions of people in Southern California and throughout the country use the *Los Angeles Times* as their primary source of distinguished and reliable news gathering and reporting. Since 1942, the *Los Angeles Times* has won 41 Pulitzer Prizes, six of which are gold medals for public service.[2] It is in the interests of both Southern California and the nation that the *Los Angeles Times* remain a vibrant news source.

In recent years, the *Los Angeles Times* has suffered as Tribune Company reduced staffing levels by approximately 900 positions in 2012, 560 positions in 2011, and 360 positions in 2010.[3] In November, the Tribune Company announced to its staff it intended to further lay off 700 employees, representing an additional cut of 6% of its workforce.[4]

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[1] *The Times' 128-year history,* Los Angeles Times (online at www.latimes.com/about/mediagroup/la-mediacenter-milestones,0,1502162.story#axzz2nlWqS6b4).

[2] *Times' Pulitzer Prizes,* Los Angeles Times (online at www.latimes.com/la-mediagroup-pulitzers,0,737028.htmlstory#axzz2nlWqS6b4).

[3] Securities and Exchange Commission, *Tribune Publishing Company – Form 10 General Form for Registration of Securities Pursuant to Section 12(b) or 12(g) of the Securities Exchange Act of 1934* (Dec. 9, 2013).

[4] *Tribune Company to Cut 700 Newspaper Employees,* New York Times (Nov. 20, 2013).

Now the difficulties faced by the *Los Angeles Times* may get worse. According to paperwork filed with the Securities and Exchange Commission on December 9, 2013, the Tribune Company intends to spin off its newspaper unit, which includes the *Los Angeles Times*.[5] According to the filing, the newspaper unit would be required to pay an undetermined cash dividend to the Tribune Company funded exclusively through borrowing.[6] And the historic *Los Angeles Times* building will become the property of the Tribune Company, with the newspaper paying money to rent its own facility.[7]

I recognize that recent years have been difficult for the newspaper industry. There have been layoffs throughout the industry, so I understand that cost-cutting at the *Los Angeles Times* may have been unavoidable. But I have questions about how the terms of the spin-off could affect the future of the *Los Angeles Times*. The requirement that the newspaper unit go into debt to pay a cash dividend to the Tribune Company will undoubtedly enrich the Tribune Company, but it may do so at the expense of the financial health of the *Los Angeles Times* and the other papers in the newspaper unit, all of which are already facing financial strains. Some have described the obligation of the *Los Angeles Times* to pay rent to the Tribune Company to occupy the paper's own building as tantamount to "life as a corporate orphan."[8]

I would like to learn more about the transaction you are proposing and how it will impact the *Los Angeles Times* and my constituents. I ask that company officials knowledgeable about the transaction contact Shawn Chang on my staff to schedule a briefing on why the transaction was structured this way and what the ramifications will be for one of the nation's most important sources of news.

Sincerely,

Henry A. Waxman

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[5] Securities and Exchange Commission, *Tribune Publishing Company – Form 10 General Form for Registration of Securities Pursuant to Section 12(b) or 12(g) of the Securities Exchange Act of 1934* (Dec. 9, 2013).

[6] Securities and Exchange Commission, *Tribune Publishing Company – Form 10 General Form for Registration of Securities Pursuant to Section 12(b) or 12(g) of the Securities Exchange Act of 1934* (Dec. 9, 2013).

[7] *Id.*

[8] *LA Times now a renter in its own building,* LA Observed (Dec. 11, 2013) (online at www.laobserved.com/archive/2013/12/la_times_now_a_renter_in.php).