



Office of the City Clerk

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Legislation Details (With Text)

File #: R2020-166
Type: Resolution
Status: Failed to Pass
File created: 2/19/2020
In control: City Council
Final action: 5/24/2023

Title: Call for hearing(s) on Alden Global Capital acquisition of controlling interest in Tribune Publishing and plans for continued investment in local newspapers

Sponsors: O'Shea, Matthew J.

Indexes: Committee on Workforce Development

Attachments: 1. R2020-166.pdf

Date	Ver.	Action By	Action	Result
5/24/2023	1	Committee on Committees, Rules and Ethics	Failed to Pass	
2/19/2020	1	City Council	Referred	

RESOLUTION

WHEREAS, The City of Chicago is committed to supporting local journalism, including fair economic investment in newsroom staffing and resources; and

WHEREAS, In November 2019, Alden Global Capital, the hedge fund described as a "destroyer of newspapers," increased its stake in Tribune Publishing Company to 32%, making it the largest shareholder of the company; and

WHEREAS, Alden's increased ownership in Tribune Publishing, which owns the Chicago Tribune, along with several other regional and local newspapers, is troubling because of its well-documented history of exacerbating financial problems by extracting short-term profits from already lean operations by dramatically slashing newsroom jobs and denying employees fair wages and benefits; and

WHEREAS, The U.S. Department of Labor is investigating Alden for taking nearly \$250 million worth of employee pension investments and reallocating them to its own funds; and

WHEREAS, Twenty-one U.S. Senators, in a letter to Alden's leadership, condemned the hedge fund's "pattern of profiteering" and its "newspaper-killing business model" as "bad for newspaper workers and retirees, bad for communities, bad for the public, and bad for democracy;" and

WHEREAS, Local news is vital to communities; research shows that it generates economic benefits to society, leads to increased political participation, and assists in holding elected officials accountable; and

WHEREAS, Immediate support and a vigorously expressed appreciation for local journalism are imperative because in mid-2020, Alden may have the opportunity to increase its stake or gain control of Tribune Publishing; now, therefore,

BE IT RESOLVED, That we, the Members of the City Council of the City of Chicago, assembled this nineteenth day of February, 2020, urge Alden Global Capital to take the following actions:

- Invest in Tribune Publishing and its newspapers so that they may more expansively perform their role in communities; and
- Not seek to increase ownership interest in Tribune Publishing; and
- Consider in good faith any offers from outside entities that would return Tribune Publishing newspapers to civic-minded ownership; and

BE IT FURTHER RESOLVED; That we call upon Alden Global Capital to appear before the City Council's Committee on Workforce Development-to fully address this matter; and

BE IT FURTHER RESOLVED, That suitable copies of this resolution be transmitted to Alden Global Capital and to Tribune Publishing Company as a sign of our dedication tp and support of this important issue.

Matthew CASnea .Alderman,
19th Ward