

Newsmax out of Newsweek bidding, deadline for bids expires

July 2 2010



People stand outside Newsweek headquarters in midtown Manhattan in May 2010. Publisher Newsmax Media said Thursday it has pulled out of the running for Newsweek, as the deadline expired for bids for the magazine.

Publisher Newsmax Media said Thursday it has pulled out of the running for Newsweek, as the deadline expired for bids for the magazine.

"Newsmax Media made a serious bid to acquire [Newsweek](#), which we believe is an extraordinary publishing property with great potential as both a print and online product," the Florida-based conservative publisher said.

"We will not be participating in the final bid process, but the company remains committed to its long term objective to diversify and expand into numerous distinct media brand offerings," Newsmax said in a statement.

The deadline for final bids for The Washington Post Co.-owned Newsweek expired at 5:00 pm (2100 GMT) on Thursday. The Post Co. has said it will not release any information about the sale until any transaction is completed.

Newsmax was the only bidder to publicly confirm its interest in the money-losing publication.

According to The [New York Times](#), the Post Co. told Newsmax and another bidder, Thane Ritchie, an Illinois hedge fund manager, that their offers would not be considered.

The Times, citing "people familiar with the bidding," said at least two people were preparing to make offers for Newsweek: electronics magnate Sidney Harman and Fred Drasner, a former publisher of the New York Daily News.

The Times said OpenGate Capital, a private equity fund that owns TV Guide, may also be interested in submitting a bid.

Post Co. chairman Donald Graham announced on May 5 that the company had decided to sell Newsweek, which was founded in 1933 and purchased by the Post Co. in 1961.

"Newsweek is a lively, important magazine and website, and in the current climate, it might be a better fit elsewhere," Graham said.

"The losses at Newsweek in 2007-2009 are a matter of record," Graham said. "Despite heroic efforts on the part of Newsweek's management and staff, we expect it to still lose money in 2010."

Like many other US magazines, Newsweek has been grappling with a steep drop in [print advertising](#) revenue, steadily declining circulation and

the migration of readers to free news online.

Newsweek, which has been engaged in a fierce decades-long rivalry with Time magazine, lost more than 28 million dollars last year and advertising revenue dropped 37 percent.

(c) 2010 AFP

Citation: Newsmax out of Newsweek bidding, deadline for bids expires (2010, July 2) retrieved 10 April 2024 from <https://phys.org/news/2010-07-newsmax-newsweek-deadline-expires.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.