

St. Louis Post Dispatch owner files for bankruptcy

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A newspaper salesman sells papers at his newspaper stand in California in 2006. Lee Enterprises, one of the largest newspaper chains in the United States, filed for bankruptcy on Monday, the latest victim of the crisis gripping the US newspaper industry.

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The St. Louis Post Dispatch, the largest of the Lee dailies, said on its website that the filing for Chapter 11 bankruptcy will allow the Davenport, Iowa-based company to refinance some \$1 billion in debt.

Chapter 11 protects a company from its [creditors](#) while it restructures.

Lee had announced its plan to file for bankruptcy 10 days ago in a letter to stockholders and employees.

"Although the refinancing will require Lee to pay higher interest rates, it and our strong cash flow will keep Lee on solid financial footing as we continue reshaping our company for long-term growth by expanding our digital platforms, building audiences, driving sales and improving our balance sheet," Lee president and chief executive Mary Junck said in the letter.

Lee will continue to publish its newspapers during the bankruptcy proceedings.

Lee owns around 50 US newspapers with daily circulation ranging from 191,000 -- the St. Louis Post Dispatch of St. Louis, Missouri -- to just 3,719 -- the Baraboo News Republic of Baraboo, Wisconsin.

Its newspapers have total daily circulation of 1.34 million and total Sunday circulation of 1.63 million.

Like other newspaper publishers in the United States, Lee has been grappling with a slide in [advertising revenue](#), declining circulation and the migration of readers to free news online.

Several other newspaper owners have also declared bankruptcy in recent years including the [Tribune Co.](#), owner of the [Chicago Tribune](#), [Los Angeles Times](#) and other dailies.

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