

Gannett buys Belo TV stations in shift to multi-media

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USA Today publisher Gannett Co. announced Thursday it was buying Belo Corp. and its 20 television stations for \$2.2 billion, its latest step towards becoming a "diversified multi-media company."

Gannett, which has its own group of 23 local television stations and newspapers around the United States, will boost its broadcast presence, adding nine stations in the top 25 markets with the deal.

The plan, approved by both boards, calls for Gannett to acquire all outstanding shares of Belo for \$13.75 per share in cash, plus the assumption of \$715 million in debt.

That is a 28.1 percent premium to the closing price of Belo on Wednesday.

"We are thrilled to bring together two highly respected media companies with rich histories of award-winning journalism, operational excellence and strong brand leadership," said Gracia Martore, president of Gannett.

"We have been successfully transforming Gannett into a diversified multi-media company with broadcast, digital and publishing components across high-growth markets nationwide, and this is another important step in the process."

A joint statement from the firms said the combination creates a broadcast "Super Group," making Gannett the nation's fourth-largest

owner of major [broadcast network](#) affiliates, reaching nearly a third of all US households.

"By enhancing our portfolio with one of the largest, most geographically diverse and network-balanced [TV station](#) groups in the country, the new Gannett will be well positioned to lead innovation, bolster our existing growth initiatives and take advantage of new opportunities in the emerging digital [media landscape](#)," said Martore.

The deal, expected to close by the end of 2013, is subject to approval by US antitrust authorities and the [Federal Communications Commission](#), as well as two-thirds of the voting power of Belo shares.

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