

GateHouse Media files for Chapter 11 in Delaware

September 27 2013, by Randall Chase

GateHouse Media Inc., which owns more than 400 community newspapers around the country, has filed for Chapter 11 bankruptcy protection in Delaware.

Friday's filing comes after the Fairport, N.Y.-based company announced earlier this month that it would file a prepackaged bankruptcy plan in order to restructure \$1.2 billion in debt.

Under the plan, Newcastle Investment Corp., which owns 52 percent of GateHouse's outstanding secured debt, will combine GateHouse's media holdings with a batch of Dow Jones Local Media publications it recently bought from News Corp.

Newcastle will then issue stock in a new publicly traded holding company called New Media Investment Group. Holders of GateHouse secured debt could take stock in the new company or cash at 40 cents on the dollar.

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