NY Times sees losses, drop in ad revenues

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The New York Times Co. on Thursday reported a third-quarter loss, hit by a writedown related to the sale of the Boston Globe and declines in advertising revenues.

The newspaper group said its loss was $24.2 million, compared with a profit of $2.7 million in the same period a year ago.

Revenues increased 1.8 percent from a year ago to $361 million, with circulation revenue leading the way with an increase of nearly five percent to $204 million.

The Times, which has sold off most of its smaller newspapers and non-core operations, struggled to keep up advertising revenues, with declines even in the digital space, but made up for that with gains in digital subscriptions.

The total number of digital subscribers at the end of the third quarter was approximately 727,000, a 28 percent year-on-year increase.

Total advertising revenues declined two percent in the quarter.

Print advertising sales fell 1.6 percent and digital advertising revenues decreased 3.4 percent. The company cited "ongoing secular trends and an increasingly complex and fragmented digital advertising marketplace."

The Times booked a $34 million loss on the sale of the Boston Globe and related assets, a deal completed last week for $70 million.

But the company said its operating profit, which excludes many special items, rose to $39.9 million.

"The third quarter of 2013 was a strong one for the company," said Mark Thompson, president and chief executive officer, in a statement.

"We increased our revenue, decreased our costs and, as a result, significantly increased our operating profit compared with the same quarter last year. We also made significant progress on our strategic initiatives. But we recognize that, despite these positive developments, we still have a great deal of work to do to transform our business model and to achieve our goal of long-term sustainable growth."

The Times is shifting its focus from print to digital as it strives to adapt to a decline in readership and competition from other sources of news online.

Shares traded up 1.8 percent at $14 after the earnings.