

# Gannett net profit down 23 percent on ad slide

18 April 2011



USA Today newspaper is seen on a stand in Long Beach, California 2009. USA Today publisher Gannett said Monday that net profit fell 23 percent in the first quarter as a double-digit boost in digital revenue failed to make up for a continued print advertising slide.

USA Today publisher Gannett said Monday that net profit fell 23 percent in the first quarter as a double-digit boost in digital revenue failed to make up for a continued print advertising slide.

The McLean, Virginia-based Gannett, the largest US newspaper chain, said revenue fell 3.7 percent to \$1.25 billion in the quarter which ended on March 27, while [net profit](#) declined 22.8 percent to \$90.5 million.

Total publishing revenue fell 6.2 percent to \$929.8 million with [print advertising](#) revenue down 6.9 percent in the United States and 12.4 percent at Newsquest, Gannett's British operation.

Total digital revenue rose 12.4 percent to \$251.3 million on higher advertising demand at job search site CareerBuilder. Digital revenue at flagship [USA Today](#) rose 19.2 percent.

Gannett said digital revenue now accounts for around 20 percent of the company's total operating revenue.

Revenue from Gannett's broadcasting outlets fell \$3.6 million to \$163.9 million.

"During the quarter, we continued to focus on enhancing content distribution on every platform and sales across platforms," Gannett chairman and chief executive Craig Dubow said in a statement.

"Our publishing segment results for the quarter reflect the current state of the domestic economy with strength in the auto and employment sectors," Dubow said. "However, softness persists in certain sectors, particularly the real estate market here, and more broadly in the UK."

Gannett shares were up 3.18 percent at \$15.27 in mid-day trading on Wall Street.

Like other US newspapers, Gannett has been grappling with declining print [advertising revenue](#), falling circulation and the migration of readers to free news online.

Gannett publishes around 80 daily US newspapers and more than 600 magazines and non-dailies. It also has 23 US television stations. Newsquest publishes newspapers, magazines and trade publications in Britain.

(c) 2011 AFP

APA citation: Gannett net profit down 23 percent on ad slide (2011, April 18) retrieved 21 April 2021 from <https://phys.org/news/2011-04-gannett-net-profit-percent-ad.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.*