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FOR IMMEDIATE RELEASE

Goddard Files Action to Prevent Closure of *Tucson Citizen*

(Phoenix, Ariz. – May 15, 2009) Attorney General Terry Goddard today filed a motion in Federal Court in Tucson for a temporary restraining order to prevent Gannett Corp. from closing the *Tucson Citizen*.

A lawsuit filed along with the motion alleges that Gannett's closure of the *Citizen* violates state and federal anti-trust laws. According to court documents, closing the *Citizen* is the result of an agreement between Gannett and Lee Enterprises, Inc. (Lee), owner of the *Arizona Daily Star*, to eliminate competition and increase profits to both companies.

Gannett and Lee are participants in a Joint Operating Agreement (JOA) through which both companies share in the profits and losses of their daily Tucson papers, the *Tucson Citizen* and *Arizona Daily Star*, respectively. The JOA was only possible due to a congressionally-mandated federal anti-trust exemption that was established to maintain competition in local newspaper markets. The JOA resulted in over \$16 million profit to Gannett and Lee last year alone.

According to Goddard, while the profits of both newspaper ownership groups will increase by shutting down the *Citizen*, the shut down would violate the purpose for which the antitrust exemption was granted.

"The Tucson Citizen is a 138-year-old institution that has served Arizona well," Attorney General Terry Goddard said. "I believe serious questions must be answered about whether this action violates the anti-trust laws. The agreement between Gannett and Lee will result in decreased competition and, consequently, monopoly profits to both companies."

The complaint and motion for a temporary restraining order were filed in U.S. Federal District court today. Judge Collins has been assigned to the case.

For more information, please contact Anne Hilby at (602) 725-2200.

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