SCRIPPS E W CO /DE
Form 10-K
March 02, 2009

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-K

þ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2008

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to

Commission File Number 0-16914
THE E. W. SCRIPPS COMPANY
(Exact name of registrant as specified in its charter)

Ohio	**31-1223339**
(State or other jurisdiction of incorporation or organization)	*(IRS Employer Identification Number)*
312 Walnut Street	**45202**
Cincinnati, Ohio	*(Zip Code)*
(Address of principal executive offices)	

Registrant s telephone number, including area code:
(513) 977-3000

Title of Each Class	Name of Each Exchange on Which Registered
Securities registered pursuant to Section 12(b) of the Act: Class A Common shares, $.01 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
Not applicable

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes þ No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 of Section 15(d) of the Act. Yes o No þ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. þ

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer þ	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes o No þ

The aggregate market value of Class A Common shares of the registrant held by non-affiliates of the registrant, based on the $41.54 per share closing price for such stock on June 30, 2008, was approximately $3,604,000,000. All Class A Common shares beneficially held by executives and directors of the registrant and The Edward W. Scripps Trust have been deemed, solely for the purpose of the foregoing calculation, to be held by affiliates of the registrant. There is no active market for our common voting shares.

As of January 31, 2009, there were 41,886,630 of the registrant s Class A Common shares, $.01 par value per share, outstanding and 11,933,401 of the registrant s Common Voting Shares, $.01 par value per share, outstanding.

Certain information required for Part III of this report is incorporated herein by reference to the proxy statement for the 2009 annual meeting of shareholders.

Index to The E. W. Scripps Company Annual Report on Form 10-K for the Year Ended December 31, 2008

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As used in this Annual Report on Form 10-K, the terms Scripps, we, our or us may, depending on the context, refer The E. W. Scripps Company, to one or more of its consolidated subsidiary companies, or to all of them taken as a whole.

Additional Information

Our Company Web site is www.scripps.com. Copies of all of our SEC filings filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are available free of charge on this Web site as soon as reasonably practicable after we electronically file the material with, or furnish it to, the SEC. Our Web site also includes copies of the charters for our Compensation, Nominating & Governance and Audit Committees, our Corporate Governance Principles, our Insider Trading Policy, our Ethics Policy and our Code of Ethics for the CEO and Senior Financial Officers. All of these documents are also available to shareholders in print upon request.

Forward-Looking Statements

Our Annual Report on Form 10-K contains certain forward-looking statements related to our businesses that are based on our current expectations. Forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from the expectations expressed in the forward-looking statements. Such risks, trends and uncertainties, which in most instances are beyond our control, include changes in advertising demand and other economic conditions; consumers tastes; newsprint prices; program costs; labor relations; technological developments; competitive pressures; interest rates; regulatory rulings; and reliance on third-party vendors for various products and services. The words believe, expect, anticipate, estimate, intend and similar expressions identify forward-looking statements. All forward-looking statements, which are as of the date of this filing, should be evaluated with the understanding of their inherent uncertainty. We undertake no obligation to publicly update any forward-looking statements to reflect events or circumstances after the date the statement is made.

PART I

Item 1. *Business*

We are a diverse media concern with interests in newspaper publishing, television, and licensing and syndication. All of our media businesses provide content and advertising services via the Internet. On October 16, 2007, the Company announced that its Board of Directors had authorized management to pursue a plan to separate Scripps into two independent, publicly traded companies (the Separation) through the spin-off of Scripps Networks Interactive, Inc. (Scripps Networks Interactive or SNI) to the Scripps shareholders. To effect the Separation, Scripps Networks Interactive was formed on October 23, 2007, as a wholly owned subsidiary of Scripps. The assets and liabilities of the Scripps Networks and Interactive Media divisions of Scripps were transferred to Scripps Networks Interactive, Inc. Scripps Networks Interactive is the parent company which owns the national television networks and the online comparison shopping services businesses as of the Separation date and whose shares are owned by the existing Scripps shareholders. On May 8, 2008, the Board of Directors of Scripps approved the distribution of all of the common shares of Scripps Networks Interactive.

The distribution of all of the shares of SNI was made on July 1, 2008 to the shareholders of record as of the close of business on June 16, 2008 (the Record Date). The shareholders of record received one SNI Class A Common Share for every Scripps Class A Common Share held as of the Record Date and one SNI Common Voting Share for every Scripps Common Voting Share held as of the Record Date.

Financial information for each of our business segments can be found under Management s Discussion and Analysis of Financial Condition and Results of Operations beginning on page F-5 and Note 17 on page F-55 of this Form 10-K.

Newspapers

We operate daily and community newspapers in 15 markets in the United States. Through December 31, 2008, one of our newspapers was operated pursuant to the terms of a joint operating agreement (JOA). We also own and operate the Washington-based Scripps Media Center, home to the Scripps Howard News Service, a supplemental wire service covering stories in the capital, other parts of the United States and abroad. All of our newspapers subscribe to the wire service.

Our newspapers contributed approximately 57% of our company s total operating revenues in 2008, down from 61% in 2007.

Newspapers managed solely by us The markets in which we publish and solely manage daily newspapers and the circulation of these daily newspapers is as follows:

Newspaper	2008	2007	2006	2005	2004
			(In thousands)(1)		
Abilene (TX) Reporter-News	28	30	31	30	33
Anderson (SC) Independent-Mail	29	34	35	36	37
Corpus Christi (TX) Caller-Times	52	52	52	50	58
Evansville (IN) Courier & Press	64	66	66	66	66
Henderson (KY) Gleaner	10	10	10	10	10

Kitsap (WA) Sun	28	29	30	30	30
Knoxville (TN) News Sentinel	113	117	116	118	119
Memphis (TN) Commercial Appeal	144	152	156	165	172
Naples (FL) Daily News	54	56	58	58	57
Redding (CA) Record-Searchlight	31	32	34	35	35
San Angelo (TX) Standard-Times	24	25	25	25	26
Treasure Coast (FL) News/Press/Tribune	99	102	102	100	102
Ventura County (CA) Star	83	85	86	89	92
Wichita Falls (TX) Times Record News	27	29	30	30	32
Total Daily Circulation	786	819	831	842	869

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Circulation information for the Sunday edition of our newspapers is as follows:

Newspaper	**2008**	**2007**	**2006**	**2005**	**2004**
			(In thousands)(1)		
Abilene (TX) Reporter-News	37	39	39	40	42
Anderson (SC) Independent-Mail	32	38	40	41	43
Corpus Christi (TX) Caller-Times	72	71	71	71	76
Evansville (IN) Courier & Press	83	87	88	89	92
Henderson (KY) Gleaner	11	12	12	11	12
Kitsap (WA) Sun	31	32	33	33	33
Knoxville (TN) News Sentinel	138	145	147	150	153
Memphis (TN) Commercial Appeal	177	193	204	216	236
Naples (FL) Daily News	62	63	67	70	69
Redding (CA) Record-Searchlight	33	35	37	39	39
San Angelo (TX) Standard-Times	28	29	30	30	31
Treasure Coast (FL) News/Press/Tribune(2)	112	112	113	112	115
Ventura County (CA) Star	94	95	99	100	106
Wichita Falls (TX) Times Record News	30	33	34	34	36
Total Sunday Circulation	940	984	1,014	1,036	1,083

(1) Based on Audit Bureau of Circulation Publisher s Statements (Statements) for the six-month periods ended September 30, except figures for the Naples Daily News and the Treasure Coast News/Press/Tribune, which are from the Statements for the twelve-month periods ended September 30.

(2) Represents the combined Sunday circulation of the Stuart News, the Vero Beach Press Journal and the Ft. Pierce Tribune.

Our newspaper publishing strategy seeks to create local media franchises anchored by the market s principal daily newspaper. Each newspaper manages its own news coverage, sets its own editorial policies and establishes local business practices. Our corporate staff sets the basic business, accounting and reporting policies, and provides other services and quality control. Additionally, certain centralized functions such as newsprint and ink procurement activities and information technology processes provide support for all of our newspapers.

We believe each of our newspapers has an excellent reputation for journalistic quality and content and that our newspapers are the leading source of local news and information in their markets. This strong brand recognition attracts readers and provides access to an audience which we sell to advertisers.

Over the years we have supplemented our daily newspapers with an array of niche products, including direct-mail advertising, total market coverage publications, zoned editions, youth-oriented specialty publications, and event-based publications. These product offerings allow existing advertisers to reach their target audience in multiple ways, while also giving us an attractive portfolio of products with which to acquire new clients, particularly small and mid-sized advertisers. While we strive to make such publications profitable in their own right, they also help retain advertising in the daily newspaper.

Our newspapers also operate Internet sites, offering users information, comprehensive news, advertising, e-commerce and other services. Online advertising, particularly classified advertising, has become one of the fastest growing revenue sources at our newspapers. Together with the mass reach of the daily newspaper, the Internet sites and niche publications enable us to maintain our position as a leading media outlet in each of our newspaper markets.

To protect and enhance our market position we must continually launch new products, offer good, relevant local content, ensure quality service, invest in new technology and cross-brand our newspapers, Internet sites and niche publications. We expect to continue to expand and enhance our online services and to use our local news platform to launch new products, such as streaming video or audio.

Advertising provided approximately 77% of newspaper segment operating revenues in 2008. Newspaper advertising includes Run-of-Press (ROP) advertising, preprinted inserts, advertising on our Internet sites, advertising in niche publications, and direct mail. ROP advertisements, located throughout the newspaper, are grouped into one of three categories: local, classified or national. Local ROP refers to any advertising purchased by in-market advertisers that is not included in the paper s classified section. Classified ROP includes all auto, real estate and help-wanted advertising and other ads listed together in sequence by the nature of the ads. National ROP refers to any advertising purchased by businesses that operate beyond our local market and who typically procure advertising from numerous newspapers by using advertising agency services. Preprint advertisements are generally printed by advertisers and inserted into the newspaper. Internet advertising ranges from simple static banners and listings appearing on a Web page to more complex, interactive, animated and video advertisements.

Advertising revenues on a given volume of local and national ROP advertisements are generally greater than the revenues earned on the same volume of preprinted and other advertisements. Most of our newspaper markets have experienced a consolidation of retail department stores and the growth of discount retailers. Discount retailers do not traditionally rely on newspaper ROP advertising to deliver their commercial messages. The combination of these trends has resulted in a shift in advertiser demand away from the purchase of local ROP advertising and to the purchase of pre-printed advertising supplements. In response to changing advertising trends, we have launched new products in each of our markets and continually work to upgrade our advertising sales force by providing them with advanced training and innovative sales strategies. These techniques have been effective in generating advertising sales from new customers and replacing some of the lost advertising revenue from our traditional customers.

Advertising is generally sold based upon audience size, demographics, price and effectiveness. Advertising rates and revenues vary among our newspapers depending on circulation, type of advertising, local market conditions and competition. Each of our newspapers operates in highly competitive local media marketplaces, where advertisers and media consumers can choose from a wide range of alternatives, including other newspapers, radio, broadcast and cable television, magazines, Internet sites, outdoor advertising, directories and direct-mail products.

Typically, because it generates the largest circulation and readership, advertising rates and volume are higher on Sundays. Due to increased demand in the spring and holiday seasons, the second and fourth quarters have higher advertising revenues than the first and third quarters.

Circulation provided approximately 20% of newspaper segment operating revenues in 2008. Circulation revenues are produced from selling home-delivery subscriptions of our newspapers and single-copy sales sold at retail outlets and vending machines.

Our newspapers seek to provide quality, relevant local news and information to their readers. We compete with other news and information sources, such as television stations, radio stations and other print and Internet publications as a provider of local news and information.

Employee costs accounted for approximately 51% of segment costs and expenses in 2008. Our workforce is comprised of a combination of non-union and union employees. See Employees.

We consumed approximately 92,000 metric tons of newsprint in 2008. Newsprint is a basic commodity and its price is sensitive to changes in the balance of worldwide supply and demand. Mill closures and industry consolidation have decreased overall newsprint production capacity and increased the likelihood of future price increases.

We also operate Media Procurement Services (MPS), a wholly owned subsidiary company. MPS provides newsprint and other paper procurement services for both our newspapers and other non-affiliated newspapers and printers. By combining the purchasing requirements of several companies for newsprint and other services, MPS is able to negotiate more favorable pricing with newsprint producers. MPS purchases newsprint from various suppliers, many of which are Canadian. Based on our expected newsprint consumption, we believe our supply sources are sufficient.

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Newspapers operated under JOAs and partnerships At December 31, 2008, one of our newspapers was operated pursuant to the terms of a JOA. The Newspaper Preservation Act of 1970 provides a limited exemption from anti-trust laws, permitting competing newspapers in a market to combine their sales, production and business operations in order to reduce aggregate expenses and take advantage of economies of scale, thereby allowing the continued operation of both newspapers in that market. Each newspaper maintains a separate and independent editorial operation.

In Denver, our Denver Rocky Mountain News newspaper is operated pursuant to the terms of joint operating agreement (JOA), which expires in 2051. The other publisher in the JOA is The Denver Post, owned by MediaNews Group, Inc.

The combined sales, production and business operations of the newspapers are either jointly managed or are solely managed by one of the newspapers. The sales, production and business operations of the Denver newspapers are operated by the Denver Newspaper Agency, a limited liability partnership (the Denver JOA). Each newspaper owns 50% of the Denver JOA and shares management of the combined newspaper operations.

Under the terms of a JOA, operating profits earned from the combined newspaper operations are distributed to the partners in accordance with the terms of the joint operating agreement. We receive a 50% share of the Denver JOA profits.

In 2006, we formed a partnership (Prairie Mountain Publishing LLP) with MediaNews Group, Inc. (MediaNews) that operates certain of both companies newspapers in Colorado, including their editorial operations. We receive a share of the partnerships profits equal to our 50% residual interest.

In December 2008, we announced that we were seeking a buyer for the Rocky Mountain News. In February 2009, we announced we would exit the Denver market and close the Rocky Mountain News after its final edition on February 27, 2009. Rocky Mountain News employees will remain on our payroll through April 28, 2009. We are working with MediaNews Group to formulate a plan to unwind the partnership. We intend to transfer our 50% interest in Prairie Mountain Publishing to our partner.

In the third quarter of 2007, we announced that we were seeking a buyer for The Albuquerque Tribune and intended to close the newspaper if a qualified buyer was not found. In February 2008, we closed the newspaper and the Albuquerque Tribune published its final edition on February 23, 2008. We also reached an agreement with the Journal Publishing Company, the publisher of the Albuquerque Journal (Journal), to terminate the Albuquerque joint operating agreement between the Journal and our Albuquerque Tribune newspaper following the closure of our newspaper. Under an amended agreement with the Journal Publishing Company, we will continue to own an approximate 40% residual interest in the Albuquerque Publishing Company, G.P. (the Partnership). The Partnership will direct and manage the operations of the continuing Journal newspaper and we will receive a share of the Partnership s profits commensurate with our residual interest.

Gannett Co. Inc. (Gannett) terminated the Cincinnati JOA upon its expiration in December 2007 and we ceased publication of our newspapers that participated in the Cincinnati JOA at the end of 2007.

Information regarding Denver, the market we publish a daily newspaper pursuant to the terms of a JOA and the daily circulation of this newspaper is as follows:

Newspaper	**2008**	**2007**	**2006**	**2005**	**2004**
			(In thousands)(1)		

Denver (CO) Rocky Mountain News(2)	210	225	256	263	275

Sunday circulation information is as follows:

Newspaper	**2008**	**2007**	**2006**	**2005**	**2004**
		(In thousands)(1)			
Denver (CO) Rocky Mountain News(2)	545	600	694	725	751

(1) Based on Audit Bureau of Circulation Publisher s Statements for the six-month periods ended September 30.

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(2) The Denver JOA publishes the Rocky Mountain News and the Denver Post Monday through Friday, and a joint newspaper on Saturday and Sunday. Reported daily circulation represents the Monday through Friday circulation of the Rocky Mountain News.

Our share of the operating profits of the combined newspaper operations in the JOA markets and our newspaper partnerships is affected by similar operational, economic and competitive factors included in the discussion of newspapers managed solely by us.

Television

Television includes six ABC-affiliated stations, three NBC-affiliated stations and one independent. Our television stations reach approximately 10% of the nation s television households.

Our television stations provided approximately 33% of our total operating revenues in 2008, up from 30% in 2007.

Information concerning our television stations, their network affiliations and the markets in which they operate is as follows:

Station	Market	Network Affiliation/ DTV Channel	Affiliation Expires in/ DTV Service Commenced	FCC License Expires in	Rank of Mkt(1)	Stations in Mkt(2)	Station Rank in Mkt(3)	Percentage of U.S. Television Households in Mkt(4)	Average Audience Share(5)
WXYZ-TV	Detroit, Ch. 7	ABC	2010	2005(6)	11	9	1	1.7%	12
	Digital Service Status	41	1998						
KNXV-TV	Phoenix, Ch. 15	ABC	2010	2006(6)	12	15	4	1.6%	6
	Digital Service Status	56	2000						
WFTS-TV	Tampa, Ch. 28	ABC	2010	2013	13	13	4	1.6%	6
	Digital Service Status	29	1999						
WEWS-TV	Cleveland, Ch. 5	ABC	2010	2005(6)	17	9	2T	1.3%	9
	Digital Service Status	15	1999						

WMAR-TV	Baltimore, Ch. 2	ABC	2010	2012	26	6	3	1.0%	6
	Digital Service Status	52	1999						
KSHB-TV	Kansas City, Ch. 41	NBC	2010	2006(6)	31	8	4	0.8%	7
	Digital Service Status	42	2003						
KMCI-TV	Lawrence, Ch. 38	Ind.	N/A	2014	31	8	5T	0.8%	2
	Digital Service Status	36	2003						
WCPO-TV	Cincinnati, Ch. 9	ABC	2010	2005(6)	34	7	2	0.8%	12
	Digital Service Status	10	1998						
WPTV-TV	W. Palm Beach, Ch. 5	NBC	2010	2005(6)	38	9	1	0.7%	13
	Digital Service Status	55	2003						
KJRH-TV	Tulsa, Ch. 2	NBC	2010	2006(6)	61	10	3	0.5%	8
	Digital Service Status	56	2002						

All market and audience data is based on the November Nielsen survey.

(1) Rank of Market represents the relative size of the television market in the United States.

(2) Stations in Market does not include public broadcasting stations, satellite stations, or translators which rebroadcast signals from distant stations.

(3) Station Rank in Market is based on Average Audience Share as described in (5).

(4) Represents the number of U.S. television households in Designated Market Area as a percentage of total U.S. television households.

(5) Represents the number of television households tuned to a specific station from 6 a.m. to 2 a.m. each day, as a percentage of total viewing households in the Designated Market Area.

(6) Renewal application pending. Under FCC rules, a license automatically is extended pending FCC processing and granting of the renewal application.

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Historically, we have been successful in renewing our expiring FCC licenses.

Our television strategy is to optimize the ratings, revenue and profit potential of each of our stations. Strong local news content and compelling network and syndicated programs are the primary drivers of the ratings, revenue and profitability of our stations. To further extend our brand, we operate Internet sites in our television markets. Our Internet sites provide news, weather, and entertainment content. We believe the opportunities afforded by digital media, such as digital multi-casting, streaming video, video-on-demand and podcasts of local news and information programs are important to our future success. We also believe that there is demand for real-time news, particularly traffic and weather, delivered to mobile devices such as cell phones and personal digital assistants (PDAs). We devote substantial energy and resources to integrating such media into our business.

National television networks offer a variety of programs to affiliated stations, which have a limited right of first refusal before such programming may be offered to other television stations in the same market. Networks sell most of the advertising within the programs and compensate affiliated stations for carrying network programming. The network affiliation agreements for our nine affiliated stations expire in 2010.

In addition to network programming, our television stations produce their own programming and air programming licensed from a number of different independent program producers and syndicators. News is the primary focus of our locally produced programming. To differentiate our programming from that of national networks available on cable and satellite television and other entertainment media, our stations have emphasized and increased hours dedicated to local news and entertainment.

The sale of local, national and political commercial spots accounted for 94% of television segment operating revenues in 2008. In addition to advertising time, we also offer additional marketing opportunities, including sponsorships, community events, and advertising on our Internet sites.

Advertising revenues are also influenced by various cyclical factors, particularly the political cycle. Advertising revenues dramatically increase during even-numbered years, when congressional and presidential elections occur. Advertising revenues also are affected by whether our stations are affiliated with the national networks broadcasting major events, such as the Olympics or the Super Bowl. Due to increased demand in the spring and holiday seasons, the second and fourth quarters normally have higher advertising revenues than our first and third quarters.

Our television stations compete for advertising revenues primarily with other local media, including other local television stations, radio stations, cable television systems, newspapers, other Internet sites and direct mail. Competition for advertising revenue is based upon audience size and share, demographics, price and effectiveness.

The price of syndicated programming is directly correlated to the programming demands of other television stations within our markets. Syndicated programming costs were 20% of total segment costs and expenses in 2008.

Our television stations require studios to produce local programming and traffic systems to schedule programs and to insert advertisements within programs. Our stations also require towers upon which broadcasting transmitters and antenna equipment are located.

Employee costs accounted for 53% of segment costs and expenses in 2008.

Federal Regulation of Broadcasting Broadcast television is subject to the jurisdiction of the FCC pursuant to the Communications Act of 1934, as amended (Communications Act). The Communications Act prohibits the operation of broadcast television stations except in accordance with a license issued by the FCC and empowers the FCC to revoke, modify and renew broadcast television licenses, approve the transfer of control of any entity holding such licenses, determine the location of stations, regulate the equipment used by stations and adopt and enforce necessary regulations. The FCC also exercises limited authority over broadcast programming by, among other things, requiring certain children s programming and limiting commercial content therein, regulating the sale of political advertising, and restricting indecent programming.

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Broadcast television licenses are granted for a term of up to eight years and are renewable upon request, subject to FCC review of the licensee s performance. At the present time, seven of our stations applications for license renewal are pending. While there can be no assurance regarding the renewal of our broadcast television licenses, we have never had a license revoked, have never been denied a renewal, and all previous renewals have been for the maximum term.

FCC regulations govern the multiple ownership of television stations and other media. Under the FCC s current rules (as modified by Congress with respect to national audience reach), a license for a television station will generally not be granted or renewed if the grant of the license would result in (i) the applicant owning more than one television station, or in some markets under certain conditions, more than two television stations in the same market, or (ii) the grant of the license would result in the applicant s owning, operating, controlling, or having an interest in television stations whose total national audience reach exceeds 39% of all television households. The FCC also has generally prohibited cross ownership of a television station and a daily newspaper in the same community, but the FCC in 2007 completed a Congressionally mandated periodic review of its ownership rules and determined to relax this cross ownership ban in the largest television markets. This decision is under appeal.

The FCC adopted a series of orders to implement the transition from an analog system of broadcast television to a digital transmission system. It granted most television stations a second channel on which to begin offering digital service, and each of our broadcast stations now offers digital broadcast service. Congress originally set February 17, 2009 as the deadline for completing the digital transition and the return of broadcasters analog spectrum, but it recently delayed this deadline until June 12, 2009. The Company was prepared to effect the digital transition in all its markets by the original deadline, but, consistent with the actions of most major market stations, it elected to defer any cessation of analog broadcasting until after February 17. The Company will continue to assess individual market conditions and directions from the FCC in determining when to complete the digital transition in each of its television markets.

A significant number of technical, regulatory and market-related issues remain unresolved regarding the transition to digital television. These issues include some continuing uncertainty about how the FCC will manage the final stages of the transition; whether the FCC will adopt new rules further affecting broadcasters use of their digital spectrum; when and how Congress or the FCC will further address cable and satellite carriage of digital broadcast programming; concerns over protecting broadcasters digital signal coverage, including protecting broadcast signals from harmful interference from newly authorized, and possibly unlicensed, users of former broadcast spectrum; protecting digital broadcast signals from illegal copying and distribution; and uncertainty over the level of consumer demand for new digital services. We cannot predict the effect of these uncertainties on our offering of digital service or our business.

Broadcast television stations generally enjoy must-carry rights on any cable television system defined as local with respect to the station. Stations may waive their must-carry rights and instead negotiate retransmission consent agreements with local cable companies. Similarly, satellite carriers, upon request, are required to carry the signal of those television stations that request carriage and that are located in markets in which the satellite carrier chooses to retransmit at least one local station, and satellite carriers cannot carry a broadcast station without its consent. The FCC has determined that most cable operators will be required to carry both a digital and an analog version of broadcasters signals for three years after the digital transition if necessary to provide all their subscribers with access to broadcasters signals, but the FCC declined to require carriage of the multiple program streams that broadcasters can present with digital technology. The FCC has not yet addressed satellite carriers obligations to carry local stations digital signals except per congressional direction in Hawaii and Alaska.

The Company has generally elected to negotiate long-term retransmission consent agreements with the major cable operators and satellite carriers for our network-affiliated stations. The FCC is currently examining whether it is appropriate to continue to allow broadcasters to seek the carriage of affiliated program channels in connection with granting retransmission consent. We cannot predict the outcome of this proceeding or its possible impact on the Company.

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During recent years, the FCC has substantially increased its scrutiny of broadcasters programming practices. In particular, it has heightened enforcement of the restrictions on indecent programming. Congress decision to greatly increase the financial penalty for airing such programming has at the same time increased the threat to broadcasters from such enforcement. In addition, the FCC in 2008 adopted new regulations requiring broadcasters to maintain more detailed records of their public service programming and to make such information more accessible to the public via their web sites. Implementation of these new FCC regulations has been delayed while the FCC considers imposing more specific obligations with respect to broadcasters programming service to their local communities. We cannot predict the outcome of this proceeding or its possible impact on the Company.

Licensing and Other Media

Licensing and other media aggregates operating segments that are too small to report separately, and primarily includes syndication and licensing of news features and comics. Under the trade name United Media, we distribute news columns, comics and other features for the newspaper industry. Newspapers typically pay a weekly fee for their use of the features. Included among these features is Peanuts, one of the most successful strips in the history of comic art.

United Media owns and licenses worldwide copyrights relating to Peanuts, Dilbert and other properties for use on numerous products, including plush toys, greeting cards and apparel, for promotional purposes and for exhibit on television and other media. Charles Schulz, the creator of Peanuts, died in February 2000. We continue syndication of previously published Peanuts strips and retain the rights to license the characters. Peanuts provides approximately 95% of our licensing revenues. Licensing of comic characters in Japan provides approximately 41% of our international licensing revenues, which are approximately $52 million annually.

Merchandise, literary and exhibition licensing revenues are generally a negotiated percentage of the licensee s sales. We generally negotiate a fixed fee for the use of our copyrighted characters for promotional and advertising purposes. We generally pay a percentage of gross syndication and licensing royalties to the creators of these properties.

We also represent the owners of other copyrights and trademarks, including Raggedy Ann and Precious Moments, in the U.S. and international markets. Services offered include negotiation and enforcement of licensing agreements and collection of royalties. We typically retain a percentage of the licensing royalties.

Employees

As of December 31, 2008, we had approximately 6,000 full-time equivalent employees, of whom approximately 4,100 were with newspapers, 1,500 with television, and 100 with licensing and other media. Various labor unions represent approximately 1,000 employees, primarily in newspapers. We have not experienced any work stoppages at our current operations since 1985. We consider our relationships with our employees to be generally satisfactory.

Item 1A. ***Risk Factors***

For an enterprise as large and complex as ours, a wide range of factors could materially affect future developments and performance. In addition to the factors affecting specific business operations, identified elsewhere in this report, the most significant factors affecting our operations include the following:

We derive the majority of our revenues from marketing and advertising spending by businesses, which is affected by numerous factors. Declines in advertising revenues will adversely affect the profitability of our business.

Approximately 76% and 78% of our revenues in 2008 and 2007, respectively, were derived from marketing and advertising spending by businesses operating in the United States.

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The demand for advertising in our newspapers or on our television stations is sensitive to a number of factors, both nationally and locally, including the following:

- Seasonal nature of advertising and marketing spending by our customers can be subject to seasonal and cyclical variations.
- Television advertising revenues in even-numbered years benefit from political advertising.
- General economic conditions in the US and the local economies in which we operate our local media franchises. Three of the states that have been hardest hit by the current recession are Michigan (the location of our largest television station), Ohio (location of two of our television stations) and Florida (from which we derive significant newspaper and television revenues and operating profits).
- The size and demographics of the audience reached by advertisers. Continued declines in our newspaper circulation could have an effect on the rate and volume of advertising, which are dependent on the size and demographics of the audience we provide to our advertisers. Television audiences have also fragmented in recent years as the broad distribution of cable and satellite television has greatly increased the options available to the viewing public. In addition, technological advancements in the video, telecommunications and data services industry are occurring rapidly. Advances in technologies such as personal video recorders, video-on-demand and streaming video on broadband Internet connections enable viewers to time-shift programming or to skip commercial messages.
- Increasingly intense competition with digital media platforms. The popularity of the Internet and low barriers to entry have led to a wide variety of alternatives available to advertisers and consumers.
- Internet sites dedicated to help-wanted, real estate and automotive have become significant competitors for classified advertising. Entities with a large Internet presence are entering the classified market, heightening the risk of continued erosion.
- Our television stations have significant exposure to automotive advertising. In 2008, 18% and in 2007 24% of our total advertising in the television segment was from the automotive category.

If we are unable to respond to any or all these factors our advertising revenues could decline which would affect our profitability.

The model for profitably operating a newspaper may change more rapidly than the Company s ability to adjust.

The profile of our newspaper audience has shifted dramatically in recent years. While slow and steady declines in print readership have been offset by a consistently growing online viewership, online advertising rates traditionally have been much lower than print rates on a cost-per-thousand basis. This audience shift results in lower profit margins. Online advertising that is not tied to print classified ads is growing rapidly but is currently a very small percentage of our newspaper s total revenue. If print advertising continues the downward trend of recent years and the audiences on digital platforms cannot be quickly monetized at higher levels we may not be able to profitably support the level of journalism expected by readers.

A significant portion of our operating cost for the newspaper segment is newsprint, so an increase in price may adversely impact our operating results.

Newsprint is a significant component of the operating cost of our newspaper operations comprising 14% of cost in 2008. The price of newsprint has historically been volatile, and increases in the price of newsprint could materially reduce our operating results.

Increased programming costs could adversely affect our operating results.

Television programming is one of the most significant costs for our television segment, comprising 20% of cost in 2008. We may be exposed to increased programming costs in the future which would affect our operating results. In addition, television networks have been seeking arrangements from their affiliates to share networks programming costs and to change the structure of network compensation traditionally paid to broadcast affiliates. We cannot predict the nature or scope of any future compensation arrangements or their impact on our operations.

The loss of affiliation agreements or the ability to secure or maintain distribution of our television stations signals could adversely affect our television stations results of operations.

We own and operate ten television stations. Six of the stations are affiliated with ABC television network and three are affiliated with NBC television network. These television networks produce and distribute programming in exchange for each of our stations commitment to air the programming at specified times and for commercial announcement time during the programming.

The non-renewal or termination of any of our network affiliation agreements, all of which expire in 2010, would prevent us from being able to carry programming of the relevant network. This loss of programming would require us to obtain replacement programming, which may involve higher costs and which may not be as attractive to our target audiences, resulting in reduced revenues.

Our television stations may be at a competitive disadvantage if we fail to secure or maintain carriage of our stations signals over cable and/or direct broadcast satellite systems.

Pursuant to the FCC rules, local television stations must elect every three years to either (1) require cable and/or direct broadcast satellite operators to carry the stations analog signals or (2) enter into retransmission consent negotiations for carriage. At present all of our stations except KMCI (which elects mandatory carriage), have retransmission consent agreements with the majority of cable operators and with both satellite providers. If our retransmission consent agreements are terminated or not renewed, or if our broadcast signals are distributed on less-favorable terms than our competitors, our ability to compete effectively may be adversely affected.

If we cannot renew our FCC broadcast licenses, our broadcast operations will be impaired.

Our television business depends upon maintaining our broadcast licenses from the FCC, which has the authority to revoke licenses, not renew them, or renew them only with significant qualifications, including renewals for less than a full term. Although we expect to renew all our FCC licenses, we cannot assure investors that our pending or future renewal applications will be approved, or that the renewals will not include conditions or qualifications that could adversely affect our operations. If the FCC fails to renew any of our licenses, it could prevent us from operating the affected stations. If the FCC renews a license with substantial conditions or modifications (including renewing the license for a term of fewer than eight years), it could have a material adverse effect on the affected station s revenue-generation potential.

Macro economic factors may impede access to or increase the cost of financing our operations and investments. Our ability to meet the covenants in our debt agreement may affect our ability to borrow under our Revolving Credit Agreement.

Changes in U.S. and global financial markets, including market disruptions and significant interest rate fluctuations, may make it more difficult for us to obtain financing for our operations or investments or increase the cost of obtaining financing.

Our Revolving Credit Agreement allows borrowings up to a maximum of 3.0 times our EBITDA (adjusted for non-cash charges). At December 31, 2008, the full amount ($200 million) of the Revolver was available to us under the covenants.

Based on our current projections, the amount available in 2009 will be less than the full amount of the Revolver, but, in our estimation, will be adequate to meet our anticipated requirements for the year. If we do not meet our EBITDA projections and therefore exceed our borrowing limit as defined in the Revolving Credit Agreement, we would have to seek waivers or amendments to the Revolver. Given the current financing environment, we cannot be assured of a favorable outcome.

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Sustained increases in costs of pension and employee health and welfare benefits may reduce our profitability.

Employee compensation and benefits account for approximately 49% of our total operating expenses. In recent years, we have experienced significant increases in these costs as a result of macro economic factors beyond our control, including increases in health care costs, declines in investment returns on pension plan assets and changes in discount rates used to calculate pension and related liabilities. At least some of these macro economic factors may continue to put upward pressure on the cost of providing pension and medical benefits. Although we have actively sought to control increases in these costs, there can be no assurance that we will succeed in limiting cost increases, and continued upward pressure could reduce the profitability of our businesses.

In addition, our pension plans invest in a variety of equity and debt securities, many of which have been negatively affected by the current disruption in the credit and capital markets. Our pension plans were underfunded (accumulated benefit obligation) by $142 million at December 31, 2008. Continued volatility and disruption in the stock markets could cause further declines in the asset values of our pension plans. If this occurs, we may need to make additional pension contributions above what is currently estimated, and our pension expense in future years may increase.

We could suffer losses due to asset impairment charges.

We test our goodwill and intangible assets, including FCC licenses, for impairment during the fourth quarter of every year, and on an interim date should factors or indicators become apparent that would require an interim test, in accordance with Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets. If the fair value of a reporting unit or an intangible asset is revised downward due to declines in business performance, impairment under SFAS 142 could result and a non-cash charge could be required. This could materially affect our reported net earnings.

Our Common Voting shares are principally held by The Edward W. Scripps Trust, such ownership could inhibit potential changes of control.

We have two classes of stock: Common Voting shares and Class A Common shares. Holders of Class A Common shares are entitled to elect one-third of the Board of Directors, but are not permitted to vote on any other matters except as required by Ohio law. Holders of Common Voting shares are entitled to elect the remainder of the Board and to vote on all other matters. Our Common Voting shares are principally held by The Edward W. Scripps Trust, which holds 90% of the Common Voting shares. As a result, the trust has the ability to elect two-thirds of the Board of Directors and to direct the outcome of any matter that does not require a vote of the Class A Common shares. Because this concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that may otherwise be beneficial to our businesses, the market price of our Class A Common shares could be adversely affected.

If we do not meet the continued listing requirements of the New York Stock Exchange, our common stock may be delisted.

Our common stock is listed on the New York Stock Exchange (the NYSE). If we do not meet the NYSE s continued listing requirements, including maintaining a per share price greater than $1.00, the NYSE may take action to delist our common stock. If we are unable to maintain the NYSE s continued listing standards, we will be notified by the NYSE, and we would expect to have between six and 18 months to take corrective action to meet the continued listing standards before our common stock would be delisted. A delisting of our common stock could negatively impact us by reducing the liquidity and market price of our common stock and potentially reducing the number of investors willing to hold or acquire our common stock.

Item 1B. ***Unresolved Staff Comments***

None.

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Item 2. ***Properties***

We own substantially all of the facilities and equipment used in our newspaper operations.

We own substantially all of the facilities and equipment used by our television stations. We own, or co-own with other broadcast television stations, the towers used to transmit our television signals.

Item 3. ***Legal Proceedings***

We are involved in litigation arising in the ordinary course of business, such as defamation actions, and various governmental and administrative proceedings primarily relating to renewal of broadcast licenses, none of which is expected to result in material loss.

Item 4. ***Submission of Matters to a Vote of Security Holders***

No matters were submitted to a vote of security holders during the fourth quarter of 2008.

Executive Officers of the Company Executive officers serve at the pleasure of the Board of Directors.

Name	Age	Position
Richard A. Boehne	52	President, Chief Executive Officer and Director (since July 2008); Executive Vice President and Chief Operating Officer (2006-2008)
Timothy E. Stautberg	46	Senior Vice President and Chief Financial Officer (since July 2008); Vice President /Corporate Communications and Investor Relations (1999 to 2008)
William Appleton	60	Senior Vice President and General Counsel (since July 2008); Managing Partner Cincinnati office, Baker & Hostetler, LLP (2003 to 2008)
Mark C. Contreras	47	Senior Vice President /Newspapers (since March 2006); Vice President/Newspaper Operations (2005 to 2006); Senior Vice President, Pulitzer, Inc. (1999 to 2004)
Lisa A. Knutson	43	Senior Vice President/Human Resources (since July 2008); Vice President of Human Resource Operations (2005 to 2008)
Brian A. Lawlor	42	Senior Vice President/Television (since January 2009); Vice President/General Manager of WPTV (2004-2008); General Sales Manager of WCPO (2000-2004)
Douglas F. Lyons	52	Vice President/Controller (since July 2008); Vice President Finance/Administration (2006-2008), Director Financial Reporting (1997-2006)

PART II

Item 5. ***Market for Registrant s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Our Class A Common shares are traded on the New York Stock Exchange (NYSE) under the symbol SSP. As of December 31, 2008, there were approximately 8,100 owners of our Class A Common shares, based on security position listings, and 19 owners of our Common Voting shares (which do not have a public market). We have declared cash dividends in every year since our incorporation in 1922. However, due to current economic conditions and their effect on our operating results, in the fourth quarter of 2008 we announced the suspension of our cash dividends.

The range of market prices of our Class A Common shares, which represents the high and low sales prices for each full quarterly period, and quarterly cash dividends are as follows:

	Quarter 1st	2nd	3rd	4th	Total
2008					
Market price of common stock:					
High	$ 130.92	$ 146.04	$ 10.17	$ 7.23	
Low	116.73	123.60	6.56	1.65	
Cash dividends per share of common stock	$ 0.42	$ 0.42	$ 0.15	$ 0.00	$ 0.99
2007					
Market price of common stock:					
High	$ 160.17	$ 141.66	$ 142.80	$ 139.05	
Low	127.68	124.50	113.67	123.51	
Cash dividends per share of common stock	$ 0.36	$ 0.42	$ 0.42	$ 0.42	$ 1.62

On July 1, 2008 we completed the spin-off of SNI to an independent, publicly traded company to our shareholders. Market prices presented in the tables above are unadjusted and include the value of SNI until the date of the spin-off. On July 15, 2008 we completed a 1-for-3 reverse stock split of our common stock. The market prices in the table above have been adjusted to reflect the split.

The following table provides information about Company purchases of equity securities that are registered by the Company pursuant to section 12 of the Exchange Act during the quarter ended December 31, 2008:

	Average	Total Number of Shares Purchased	Maximum Number of Shares that May

Period	Total Number of Shares Purchased	Price Paid per Share	as Part of Publicly Announced Plans or Programs	Yet Be Purchased Under the Plans or Programs
10/1/08 10/31/08	329,500	$ 5.74	329,500	

Under a share repurchase program authorized by the Board of Directors on October 24, 2004, we were authorized to repurchase up to 5.0 million Class A Common shares. Since 2005, a total of 5.0 million shares have been repurchased under the program at prices ranging from $5 to $159 per share. There is no balance remaining to be repurchased at December 31, 2008.

There were no sales of unregistered equity securities during the quarter for which this report is filed.

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Performance Graph – Set forth below is a line graph comparing the cumulative return on the Company s Class A Common shares, assuming an initial investment of $100 as of December 31, 2003, and based on the market prices at the end of each year and assuming dividend reinvestment, with the cumulative return of the Standard & Poor s Composite-500 Stock Index and an Index based on a peer group of media companies. The spin off of SNI at July 1, 2008 is treated as a reinvestment of a special dividend pursuant to SEC rules.

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The following graph compares the return on the Company s Class A Common shares with that of the indices noted above for the period of July 1, 2008 (date of spin-off) through December 31, 2008. The graph assumes an investment of $100 in our Class A Common shares, the S&P 500 Index, and our peer group index on July 1, 2008 and that all dividends were reinvested.

We continually evaluate and revise our peer group index as necessary so that it is reflective of our Company s portfolio of businesses. The companies that comprise our current peer group are Belo Corporation, Gannett Company, Gray Television, Inc., Hearst-Argyle Television, Journal Communications, Inc., Lee Enterprises, Inc., McClatchy Company, Media General, Meredith Corporation, New York Times Company, Sinclair Broadcast GP, and Washington Post.

The peer group index is weighted based on market capitalization.

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Item 6. ***Selected Financial Data***

The Selected Financial Data required by this item is filed as part of this Form 10-K. See Index to Consolidated Financial Statement Information at page F-1 of this Form 10-K.

Item 7. ***Management s Discussion and Analysis of Financial Condition and Results of Operations***

Management s Discussion and Analysis of Financial Condition and Results of Operations required by this item is filed as part of this Form 10-K. See Index to Consolidated Financial Statement Information at page F-1 of this Form 10-K.

Item 7A. ***Quantitative and Qualitative Disclosures About Market Risk***

The market risk information required by this item is filed as part of this Form 10-K. See Index to Consolidated Financial Statement Information at page F-1 of this Form 10-K.

Item 8. ***Financial Statements and Supplementary Data***

The Financial Statements and Supplementary Data required by this item are filed as part of this Form 10-K. See Index to Consolidated Financial Statement Information at page F-1 of this Form 10-K.

Item 9. ***Changes in and Disagreements With Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

The Controls and Procedures required by this item are filed as part of this Form 10-K. See Index to Consolidated Financial Statement Information at page F-1 of this Form 10-K.

Item 9B. ***Other Information***

None.

PART III

Item 10. ***Directors, Executive Officers and Corporate Governance***

Information regarding executive officers is included in Part I of this Form 10-K as permitted by General Instruction G(3).

Information required by Item 10 of Form 10-K relating to directors is incorporated by reference to the material captioned Election of Directors in our definitive proxy statement for the Annual Meeting of Shareholders (Proxy Statement). Information regarding Section 16(a) compliance is incorporated by reference to the material captioned Report on Section 16(a) Beneficial Ownership Compliance in the Proxy Statement.

We have adopted a code of ethics that applies to all employees, officers and directors of Scripps. We also have a code of ethics for the CEO and Senior Financial Officers. This code of ethics meets the requirements defined by Item 406 of Regulation S-K and the requirement of a code of business conduct and ethics under NYSE listing standards. Copies of our codes of ethics are posted on our Web site at www.scripps.com.

Information regarding our audit committee financial expert is incorporated by reference to the material captioned "Corporate Governance" in the Proxy Statement.

The Proxy Statement will be filed with the Securities and Exchange Commission in connection with our 2009 Annual Meeting of Stockholders.

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Item 11. ***Executive Compensation***

The information required by Item 11 of Form 10-K is incorporated by reference to the material captioned Compensation Discussion and Analysis and Compensation Tables in the Proxy Statement.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The information required by Item 12 of Form 10-K is incorporated by reference to the material captioned Report on the Security Ownership of Certain Beneficial Owners , Report on the Security Ownership of Management and Equity Compensation Plan Information in the Proxy Statement.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

The information required by Item 13 of Form 10-K is incorporated by reference to the materials captioned Corporate Governance and Report on Related Party Transactions in the Proxy Statement.

Item 14. ***Principal Accounting Fees and Services***

The information required by Item 14 of Form 10-K is incorporated by reference to the material captioned Report of the Audit Committee of the Board of Directors in the Proxy Statement.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

Financial Statements and Supplemental Schedule

(a) The consolidated financial statements of Scripps are filed as part of this Form 10-K. See Index to Consolidated Financial Statement Information at page F-1.

The reports of Deloitte & Touche LLP, an Independent Registered Public Accounting Firm, dated March 2, 2009, are filed as part of this Form 10-K. See Index to Consolidated Financial Statement Information at page F-1.

(b) The Company s consolidated supplemental schedules are filed as part of this Form 10-K. See Index to Consolidated Financial Statement Schedules at page S-1.

Exhibits

The information required by this item appears at page E-1 of this Form 10-K.

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Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE E. W. SCRIPPS COMPANY

By: /s/ Richard A. Boehne

Richard A. Boehne
President and Chief Executive Officer

Dated: March 2, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities indicated, on March 2, 2009.

Signature	Title
/s/ Richard A. Boehne Richard A. Boehne	President, Chief Executive Officer and Director (Principal Executive Officer)
/s/ Timothy E. Stautberg Timothy E. Stautberg	Senior Vice President and Chief Financial Officer
/s/ Douglas F. Lyons Douglas F. Lyons	Vice President and Controller (Principal Accounting Officer)
/s/ William R. Burleigh William R. Burleigh	Chairman of the Board of Directors
/s/ John H. Burlingame John H. Burlingame	Director
/s/ John W. Hayden John W. Hayden	Director
/s/ Roger L. Ogden Roger L. Ogden	Director

/s/ J. Marvin Quin	Director
J. Marvin Quin	
/s/ Mary McCabe Peirce	Director
Mary McCabe Peirce	
/s/ Nackey E. Scagliotti	Director
Nackey E. Scagliotti	
/s/ Paul Scripps	Director
Paul Scripps	
/s/ Kim Williams	Director
Kim Williams	

The E. W. Scripps Company

Index to Consolidated Financial Statement Information

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Selected Financial Data

Five-Year Financial Highlights

	2008(1)	2007(1)	2006(1)	2005(1)	2004(1)
	(In millions, except per share data)				
Summary of Operations(8)					
Operating revenues:					
Newspapers	$ 569	$ 658	$ 716	$ 701	$ 676
Boulder prior to formation of Colorado newspaper partnership(2)			2	28	28
Television	327	326	364	318	342
Licensing and other	103	94	97	105	104
Corporate	3	2	1		
Total operating revenues	$ 1,002	$ 1,080	$ 1,180	$ 1,152	$ 1,150
Segment profit (loss):					
Newspapers	71	136	189	204	201
JOAs and newspaper partnerships	(16)	(1)	(8)		21
Boulder prior to formation of Colorado newspaper partnership(2)				4	4
Television	81	84	121	88	108
Licensing and other	10	9	12	19	17
Corporate	(42)	(59)	(58)	(42)	(38)
Depreciation	(44)	(42)	(42)	(43)	(43)
Amortization of intangible assets	(3)	(3)	(3)	(2)	(1)
Impairment of goodwill, indefinite and long-lived assets(3)	(810)				
Write-down of investments in newspaper partnerships(4)	(131)				
Gain on formation of Colorado newspaper partnership(2)			4		
Equity earnings in newspaper partnership	4				
Gains (losses) on disposals of property, plant and equipment	6		(1)	(1)	(3)
Gain on sale of production facility(5)					11
Interest expense	(11)	(37)	(55)	(37)	(28)
Separation costs	(34)				
Losses on repurchases of debt	(26)				
Miscellaneous, net(6)	8	16	6	7	21
Income taxes(7)	305	(34)	(76)	(81)	(106)
Minority interests			(1)	(4)	(3)
Income (loss) from continuing operations	$ (632)	$ 69	$ 88	$ 112	$ 161

Per Share Data					
Income (loss) from continuing operations	$ (11.69)	$ 1.25	$ 1.61	$ 2.03	$ 2.72
Cash dividends	.99	1.62	1.41	1.29	1.17
Market Value of Common Shares at December 31(9)					
Per share	$ 2.21	$ 135.03	$ 149.82	$ 144.06	$ 144.84
Total	119	7,336	8,167	7,859	7,879
Balance Sheet Data(8)					
Total assets	$ 1,089	$ 4,005	$ 4,283	$ 3,802	$ 3,090
Long-term debt (including current portion)	61	505	766	826	533
Shareholders equity	592	2,450	2,581	2,287	2,096

Certain amounts may not foot since each is rounded independently.

As a result of the one-for-three reverse stock split in the third quarter 2008, all share and per share amounts have been retroactively adjusted to reflect the stock split for all periods presented.

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Notes to Selected Financial Data

Notes to Selected Financial Data

As used herein and in Management s Discussion and Analysis of Financial Condition and Results of Operations, the terms Scripps, we, our, or us may, depending on the context, refer to The E. W. Scripps Company, to one or more c its consolidated subsidiary companies, or to all of them taken as a whole.

The statement of operations and cash flow data for the five years ended December 31, 2008, and the balance sheet data as of the same dates have been derived from our audited consolidated financial statements. All per-share amounts are presented on a diluted basis. The five-year financial data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and notes thereto included elsewhere herein.

Operating revenues and segment profit (loss) represent the revenues and the profitability measures used to evaluate the operating performance of our business segments in accordance with Financial Accounting Standard No. (FAS) 131. See page F-12.

(1) In the periods presented we acquired the following:

2007 Newspaper publications in Tennessee.

2006 Additional 4% interest in our Memphis newspaper and 2% interest in our Evansville newspaper. Newspaper publications in Texas and Florida.

2005 Newspapers and other publications in Tennessee, California and Colorado.

(2) In February 2006, we formed a partnership with MediaNews Group, Inc. (MediaNews) that operates certain of both companies newspapers in Colorado. We contributed the assets of our Boulder Daily Camera, Colorado Daily, and Bloomfield newspapers for a 50% interest in the partnership. Our share of the operating profit (loss) of the partnership is recorded as Equity in earnings of JOAs and other joint ventures in our financial statements. To enhance comparability of year-over-year operating results, the operating revenues and segment results of the contributed publications prior to the formation of the partnership are reported separately.

(3) 2008 A non-cash charge of $809.9 million was recorded to reduce the carrying value of our newspaper segment s goodwill and indefinite lived intangible and long-lived assets in our Television segment.

(4) 2008 A non-cash charge of $130.8 million was recorded to reduce the carrying value of our investment in the Denver JOA and Colorado newspaper partnerships.

(5) 2004 We had an $11.1 million gain on the sale of our Cincinnati television station s production facility.

(6) 2008 Miscellaneous, net includes realized gains of $7.6 million from the sale of certain investments

2007 Miscellaneous, net includes realized gains of $9.2 million from the sale of certain investments.

2004 Miscellaneous, net includes realized gains of $14.7 from the sale of certain investments.

(7) The provision for income taxes includes the following items which affect the comparability of the year-over-year effective income tax rate:

2006 Modified filing positions in certain state and local tax jurisdictions, including filing amended returns for prior periods, and changed estimates for unrealizable state operating loss carryforwards. These items reduced the tax provision, increasing income from continuing operations by $13.0 million.

(8) The five-year summary of operations excludes the operating results of the following entities and the gains (losses) on their divestiture as they are accounted for as discontinued operations:

2008 On July 1, 2008 we completed the spin-off of Scripps Network Interactive to the shareholders of the Company. In January the Cincinnati joint operating agreement was terminated and we ceased operation of our Cincinnati Post and Kentucky Post newspapers.

2006 Divested our Shop At Home television network. We received cash consideration of approximately $17 million for the sale of certain assets to Jewelry Television. Jewelry Television also assumed a number of Shop At Home s television affiliation agreements. We also reached agreement on the sale of the five Shop At Home-affiliated broadcast television stations for cash consideration of $170 million. Shop At Home s results in 2006 include $30.1 million of costs associated with employee termination benefits, the termination of long-term agreements and charges to write-down assets. Shop At Home s results also include $10.4 million in net losses from the sale of property and other assets to Jewelry Television, and the completed sale of three of the Shop At Home affiliated television stations.

2005 Terminated Birmingham joint operating agreement and ceased operation of our Birmingham Post-Herald newspaper. We received cash consideration of approximately $40.8 million from the termination of the JOA and sale of certain of the Birmingham newspaper s assets.

(9) On July 1, 2008 we completed the spin-off of SNI as an independent, publicly traded company to our shareholders. Market prices presented in the tables above are unadjusted and include the value of SNI until the date of the spin-off. On July 15, 2008 we completed a one-for-three reverse stock split of our common stock. The market prices in the table above have been adjusted to reflect the split.

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Management s Discussion and Analysis of
Financial Condition and Results of Operations

This discussion and analysis of financial condition and results of operations is based upon the consolidated financial statements and the notes thereto. You should read this discussion in conjunction with those financial statements.

Forward-Looking Statements

This discussion and the information contained in the notes to the consolidated financial statements contain certain forward-looking statements related to our businesses that are based on our current expectations. Forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from the expectations expressed in the forward-looking statements. Such risks, trends and uncertainties, which in most instances are beyond our control, include changes in advertising demand and other economic conditions; consumers tastes; newsprint prices; program costs; labor relations; technological developments; competitive pressures; interest rates; regulatory rulings; and reliance on third-party vendors for various products and services. The words believe, expect, anticipate, estimate, intend and similar expressions identify forward-looking statements. All forward-lookin statements, which are as of the date of this filing, should be evaluated with the understanding of their inherent uncertainty. We undertake no obligation to publicly update any forward-looking statements to reflect events or circumstances after the date the statement is made.

Executive Overview

The E. W. Scripps Company (Scripps) is a diverse media company with interests in newspaper publishing, television stations, and licensing and syndication. The company s portfolio of media properties includes: daily and community newspapers in 15 markets and the Washington-based Scripps Media Center, home to the Scripps Howard News Service; 10 television stations, including six ABC-affiliated stations, three NBC affiliates and one independent; and United Media, a leading worldwide licensing and syndication company that is the home of PEANUTS, DILBERT and approximately 150 other features and comics.

On October 16, 2007, the Company announced that its Board of Directors had authorized management to pursue a plan to separate Scripps into two independent, publicly-traded companies (the Separation) through the spin-off of Scripps Networks Interactive, Inc. (Scripps Networks Interactive or (SNI)) to the Scripps shareholders. To effect the Separation, Scripps Networks Interactive was formed on October 23, 2007, as a wholly owned subsidiary of Scripps. The assets and liabilities of the Scripps Networks and Interactive Media businesses of Scripps were transferred to Scripps Networks Interactive, Inc. Scripps Networks Interactive is the parent company which owned the national television networks and the online comparison shopping services businesses as of the Separation date. On May 8, 2008, the Board of Directors of Scripps approved the distribution of all of the common shares of Scripps Networks Interactive.

The distribution of all of the shares of SNI was made on July 1, 2008 to the shareholders of record as of the close of business on June 16, 2008 (the Record Date). The shareholders of record received one SNI Class A Common Share for every Scripps Class A Common Share held as of the Record Date and one SNI Common Voting Share for every Scripps Common Voting Share held as of the Record Date.

Our key strategies starting July 1, 2008 consist of continuing to build our online presence in our newspaper and television markets while operating our local media businesses as efficiently as possible.

Our newspaper businesses continue to operate in a difficult economic environment. Lower local and classified advertising sales, including particularly weak real estate, automotive and employment advertising contributed to the decline in total newspaper revenue. We continue to focus on operational efficiencies, and made some progress in controlling costs during the year as newspaper expenses declined 4.8% compared with the prior year. In the fourth quarter we completed a plan to reduce our workforce by approximately 350 people and incurred approximately $5 million for separation related-charges.

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At our television stations, although revenue was flat compared with the prior year due to increased political advertising, difficult economic conditions in the U.S. have put pressure on advertising revenues, particularly in certain categories, such as automotive. We continue to emphasize local news, focus on obtaining non-traditional television advertisers and build our online presence within the broadcast division.

In the second quarter of 2008, we concluded that we had indicators of impairment with respect to the carrying value of our newspaper goodwill and investments in our Denver JOA and Colorado newspaper partnership. As a result, we recorded a $779 million non-cash charge in the second quarter to write-down our newspapers goodwill and a $95 million non-cash charge to reduce the carrying value of our Colorado JOA and newspaper partnership. In the third quarter, based on the continued deterioration of the operating results of our Denver JOA, we recorded an additional $25 million non-cash charge to further adjust the carrying value of our investment to fair value. In the fourth quarter, based on the continued deterioration of the operating results of our Colorado newspaper partnership, we recorded an additional $10.9 million non-cash charge to further adjust the carrying value of our investment to fair value. The Denver JOA has long-term debt of approximately $130 million which is unsecured and non-recourse to the partners of the JOA. In the fourth quarter of 2008, in connection with our annual impairment test of indefinite lived intangible assets, we recorded an $11.4 million non-cash charge to write-down the value of our FCC license for our KMCI station to fair value. We also concluded that we had indicators of impairment for our Baltimore television station and recorded a $19.6 million non-cash charge to write-down certain long-lived assets to fair value.

To reduce expenses during this period of unprecedented pressure on the company s top line, we have taken a variety of cost-saving measures. Some of the initiatives include pay reductions of 3 to 5 percent for all non-union employees at newspapers and the corporate office. These cuts are in addition to pay cuts that affected corporate executives, TV station general managers and newspaper publishers effective January 1, 2009. The company also will suspend its match of non-union employees contributions to 401(k) retirement savings plans, and eliminate for 2009 the portion of bonuses (for bonus-eligible employees) that is tied to segment profit performance. It is expected that the measures listed above will reduce the company s expenses in 2009 by approximately $20 million. We also expect to freeze our pension plan in 2009.

In December 2008, we announced that we were seeking a buyer for the Rocky Mountain News. In February 2009, we decided to exit the Denver market and to close the Rocky Mountain News after its final edition on February 27, 2009. Rocky Mountain News employees will remain on our payroll through April 28, 2009. We are working with our partner in the Denver JOA, MediaNews Group to formulate a plan to unwind the partnership. We also intend to transfer our 50% interest in Prairie Mountain Publishing to MediaNews Group.

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires us to make a variety of decisions which affect reported amounts and related disclosures, including the selection of appropriate accounting principles and the assumptions on which to base accounting estimates. In reaching such decisions, we apply judgment based on our understanding and analysis of the relevant circumstances, including our historical experience, actuarial studies and other assumptions. We are committed to incorporating accounting principles, assumptions and estimates that promote the representational faithfulness, verifiability, neutrality and transparency of the accounting information included in the financial statements.

Note 1 to the Consolidated Financial Statements describes the significant accounting policies we have selected for use in the preparation of our financial statements and related disclosures. We believe the following to be the most critical accounting policies, estimates and assumptions affecting our reported amounts and related disclosures.

Acquisitions Financial Accounting Standards No. (FAS) 141 Business Combinations requires assets acquired and liabilities assumed in a business combination to be recorded at fair value. With the assistance of independent appraisals, we generally determine fair values using comparisons to market transactions and discounted cash flow analyses. The use of a discounted cash flow analysis requires significant

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judgment to estimate the future cash flows derived from the asset and the expected period of time over which those cash flows will occur and to determine an appropriate discount rate. Changes in such estimates could affect the amounts allocated to individual identifiable assets. While we believe our assumptions are reasonable, if different assumptions were made, the amount allocated to intangible assets could differ substantially from the reported amounts.

Goodwill and Other Indefinite-Lived Intangible Assets FAS 142 Goodwill and Other Intangible Assets, requires that goodwill for each reporting unit be tested for impairment on an annual basis or when events occur or circumstances change that would indicate the fair value of a reporting unit is below its carrying value. For purposes of performing the impairment test for goodwill, our reporting units are newspapers and television. If the fair value of the reporting unit is less than its carrying value, an impairment loss is recorded to the extent that the fair value of the goodwill within the reporting unit is less than its carrying value.

FAS 142 also requires us to compare the fair value of each indefinite-lived intangible asset to its carrying amount. If the carrying amount of an indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized.

To determine the fair value of our reporting units and indefinite-lived intangible assets, we generally use market data, appraised values and discounted cash flow analyses. The use of a discounted cash flow analysis requires significant judgment to estimate the future cash flows derived from the asset or business and the period of time over which those cash flows will occur and to determine an appropriate discount rate. While we believe the estimates and judgments used in determining the fair values of our reporting units were appropriate, different assumptions with respect to future cash flows, long-term growth rates and discount rates could produce a different estimate of fair value.

We tested our Television reporting unit goodwill for impairment at June 30, 2008, as a result of interim triggering events, including declines in the price of our stock, and as of October 1, 2008 in connection with our annual impairment test. We determined that the fair value of our Television reporting unit exceeded its carrying value.

We determined that an additional interim triggering event, including declines in the price of our stock and reduced cash flow forecasts resulting from the economic decline in the fourth quarter, required us to test our Television reporting unit goodwill for impairment at December 31. While our December 31, 2008, impairment test determined the fair value of the Television reporting unit exceeded its carrying value, the excess of the fair value over the carrying value of the reporting unit was approximately $5 million. An increase of the discount rate of 0.5 percent or a decrease of $2.5 million in the annual cash flows used in the discounted cash flow analysis would result in the fair value of the reporting unit being less than its carrying value. If we were required to perform step 2 of the impairment analysis, preliminary indications are that we would be required to record an impairment charge for a significant portion of the Television reporting unit s goodwill balance. In accordance with the provisions of FAS 142, we will continue to monitor changes in the Television business in 2009 for interim indicators of impairment.

Income Taxes We account for uncertain tax positions in accordance with Financial Accounting Standards Board (the FASB) Interpretation No. 48 (FIN 48), Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109 . The application of income tax law is inherently complex. As such, we are required to make many assumptions and judgments regarding our income tax positions and the likelihood whether such tax positions would be sustained if challenged. Interpretations and guidance surrounding income tax laws and regulations change over time. As such, changes in our assumptions and judgments can materially affect amounts recognized in the consolidated financial statements.

We have deferred tax assets primarily related to state net operating loss carryforwards and capital loss carryforwards. We record a tax valuation allowance to reduce such deferred tax assets to the amount that is more likely than not to be realized. We consider ongoing prudent and feasible tax planning strategies in assessing the need for a valuation allowance.

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In the event we determine the deferred tax asset we would realize would be greater or less than the net amount recorded, an adjustment would be made to the tax provision in that period.

Pension Plans We sponsor various noncontributory defined benefit pension plans covering substantially all full-time employees, including the SERP, which covers certain executive employees. Pension expense for continuing operations for those plans was $15.1 million in 2008, $12.7 million in 2007, and $15.3 million in 2006.

The measurement of our pension obligations and related expense is dependent on a variety of estimates, including: discount rates; expected long-term rate of return on plan assets; expected increase in compensation levels; and employee turnover, mortality and retirement ages. We review these assumptions on an annual basis and make modifications to the assumptions based on current rates and trends when appropriate. In accordance with accounting principles generally accepted in the United States of America, the effects of these modifications are recorded currently or amortized over future periods. We consider the most critical of our pension estimates to be our discount rate and the expected long-term rate of return on plan assets.

The discount rate used to determine our future pension obligations is based upon a dedicated bond portfolio approach that includes securities rated Aa or better with maturities matching our expected benefit payments from the plans. The rate is determined each year at the plan measurement date and affects the succeeding year s pension cost. The discount rate was 6.25% at December 31, 2008 and 2007. Discount rates can change from year to year based on economic conditions that impact corporate bond yields. A decrease in the discount rate increases pension expense. A 0.5% change in the discount rate as of December 31, 2008, to either 5.75% or 6.75%, would increase or decrease our projected pension obligations as of December 31, 2008, by approximately $35 million and increase or decrease 2009 pension expense up to $5.5 million.

The expected long-term rate of return on plan assets is based primarily upon the target asset allocation for plan assets and capital markets forecasts for each asset class employed. Our expected rate of return on plan assets also considers our historical compound rate of return on plan assets for 10 and 15 year periods. At December 31, 2008, the expected long-term rate of return on plan assets was 7.5%. For the ten year period ended December 31, 2008, our actual compounded rate of return was 3.0%. The compounded rate for the 15 year period ended December 31, 2008 was 7.3%. A decrease in the expected rate of return on plan assets increases pension expense. A 0.5% change in the expected long-term rate of return on plan assets, to either 7.0% or 8.0%, would increase or decrease our 2009 pension expense by approximately $1.5 million.

We had cumulative unrecognized actuarial losses for our pension plans of $208 million at December 31, 2008. Unrealized actuarial gains and losses result from deferred recognition of differences between our actuarial assumptions and actual results. In 2008, we had an actuarial loss of $144 million, primarily due to broader economic downturns experienced by the market. The cumulative unrecognized net loss is primarily due to declines in corporate bond yields and the unfavorable performance of the equity markets between 2000 and 2002, and in 2008. Amortization of unrecognized actuarial losses may result in an increase in our pension expense in future periods. Based on our current assumptions, we anticipate that 2009 pension expense will include $19.0 million in amortization of unrecognized actuarial losses.

New Accounting Pronouncements

As more fully described in Note 2 to the Consolidated Financial Statements, we adopted FAS 158 effective December 31, 2006 and FIN 48 effective January 1, 2007. SFAS 158 required companies to recognize the over- or under-funded status of pension and postretirement plans in their balance sheet. Unrecognized prior service costs and credits and unrecognized actuarial gains and losses are recorded as a component of other comprehensive income within shareholders equity. FIN 48 addresses the accounting and disclosure of uncertain tax positions.

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS 157, Fair Value Measurements (SFAS 157), which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. In February 2008, the FASB issued Staff Position 157-2 (FSP), Effective Date of FASB Statement No. 157, which delays the effective date of SFAS 157 for non-financial assets and liabilities, except for those that are recognized or disclosed at fair value in the financial

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statements on a recurring basis, until January 1, 2009. Under the provisions of the FSP, we will delay application of SFAS 157 for fair value measurements used in the impairment testing of goodwill and indefinite-lived intangible assets and eligible non-financial assets and liabilities included within a business combination. The adoption of SFAS 157 did not have a material impact on our financial statements. See Note 13, Fair Value Measurement, for additional information.

In February 2007, the FASB issued SFAS 159, The Fair Value Option for Financial Assets and Financial Liabilities Including an amendment of FASB Statement No. 115 (SFAS 159), which permits entities to choose to measure many financial instruments and certain other items at fair value. The provisions of SFAS 159 were effective as of the beginning of our 2008 fiscal year and did not have any impact to our statement of financial position, earnings or cash flows upon adoption.

In June 2007, the FASB ratified EITF 06-11, Accounting for the Income Tax Benefits of Dividends on Share-Based Payment Awards (EITF 06-11). EITF 06-11 provides that tax benefits associated with dividends on share-based payment awards be recorded as a component of additional paid-in capital. EITF 06-11 is effective, on a prospective basis, for fiscal years beginning after December 15, 2007. The adoption of the EITF 06-11 in 2008 did not have a material impact to our statement of financial position, earnings or cash flows upon adoption.

In December 2007, the FASB issued SFAS 141(R), Business Combinations (SFAS 141(R)), and SFAS 160, Noncontrolling Interests in Consolidated Financial Statements (SFAS 160). SFAS 141(R) provides guidance relating to recognition of assets acquired and liabilities assumed in a business combination. SFAS 160 will change the accounting and reporting for minority interest, which will be recharacterized as noncontrolling interest and classified as a component of shareholders equity. SFAS 141(R) and SFAS 160 are effective for fiscal years beginning after December 15, 2008. We do not expect a material impact to our statement of financial position, earnings or cash flows upon adoption.

In June 2008, the FASB issued FSP EITF 03-6-1, Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities (FSP EITF 03-6-1). FSP EITF 03-6-1 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting and, therefore, need to be included in the earnings allocation in computing earnings per share under the two-class method as described in FAS No. 128, Earnings per Share. Under the guidance in FSP EITF 03-6-1, unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of earnings per share pursuant to the two-class method. FSP EITF 03-6-1 is effective for us on January 1, 2009, and prior-period earnings per share data will be adjusted retrospectively. We are currently evaluating the impact that the adoption of FSP EITF 03-6-1 will have on our financial statements.

In March 2008, the FASB issued SFAS 161, Disclosures About Derivative Instruments and Hedging Activities, an amendment of SFAS 133. SFAS 161 requires disclosure regarding the objectives and strategies for using derivative instruments and additional disclosures on how the instruments impact the company s financial position, results of operations and cash flows. SFAS 161 is effective for us in 2009 and will have no impact on our financial statements other than additional disclosures.

Results of Operations

The trends and underlying economic conditions affecting the operating performance and future prospects differ for each of our business segments. Accordingly, the following discussion of our consolidated results of operations should be read in conjunction with the discussion of the operating performance of our business segments that follows.

Consolidated Results of Operations Consolidated results of operations were as follows:

	For the Years Ended December 31,				
	2008	Change	2007	Change	2006
	(In thousands, except per share data)				
Operating revenues	$ 1,001,792	(7.2)%	$ 1,079,546	(8.5)%	$ 1,179,524
Costs and expenses less separation costs	(906,757)	(3.5)%	(939,237)	(0.7)%	(945,563)
Separation costs	(33,506)		(257)		
Depreciation and amortization of intangibles	(46,972)	5.1%	(44,705)	1.0%	(44,244)
Impairment of goodwill, indefinite and long-lived assets	(809,936)				
Gain on formation of Colorado newspaper partnership					3,535
Gains (losses) on disposal of property, plant and equipment	5,809		24		(585)
Hurricane recoveries, net					1,900
Operating income (loss)	(789,570)		95,371	(51.0)%	194,567
Interest expense	(10,941)	(70.5)%	(37,121)	(32.0)%	(54,561)
Equity in earnings of JOAs and other joint ventures	13,795	(50.2)%	27,688	31.4%	21,067
Write-down of investments in newspaper partnerships	(130,784)				
Loss on repurchases of debt	(26,380)				
Miscellaneous, net	6,888		17,148		4,487
Income (loss) from continuing operations before income taxes and minority interests	(936,992)		103,086	(37.7)%	165,560
Provision for income taxes	304,660		(34,057)		(76,123)
Income (loss) from continuing operations before minority interests	(632,332)		69,029	(22.8)%	89,437
Minority interests	10		(447)		(970)
Income (loss) from continuing operations	(632,322)		68,582		88,467
Income (loss) from discontinued operations, net of tax	155,732		(70,203)		264,753

Net income (loss)	$ (476,590)	$ (1,621)	$ 353,220
Net income (loss) per diluted share of common stock:			
Income (loss) from continuing operations	$ (11.69)	$ 1.25	$ 1.61
Income (loss) from discontinued operations	2.88	(1.28)	4.82
Net income (loss) per diluted share of common stock	$ (8.81)	$ (.03)	$ 6.43

Net income (loss) per share amounts may not foot since each is calculated independently.

Continuing Operations

2008 compared with 2007

Operating revenues were down in 2008 compared with 2007. Revenues were lower at our newspapers and flat for our television stations. The decline in revenues at our newspapers was attributed to lower local and classified advertising, including particularly weak real estate, automotive and employment advertising in all of our markets. Revenues at our television stations were flat with increased political advertising in the third and fourth quarter offset by lower advertising in other categories.

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Costs and expenses in 2008 were primarily affected by the reductions in personnel from workforce reductions taken in 2007 offset by severance costs related to the 2008 and 2007 workforce reductions at our newspapers. In addition, insurance cost decreased by approximately $10 million and bad debt expense increased by $3 million. Costs incurred related to the separation of SNI from the Company were $33.5 million, which included a $19.6 million non-cash charge for the impact of the modification of share-based compensation awards.

In conjunction with interim impairment test of goodwill, we determined that the carrying value of our Newspaper business exceeded its fair value. Accordingly, our 2008 results include a write-down of goodwill totaling $779 million. We also determined that the carrying value of our investments in our Colorado newspaper partnerships exceed their fair value and took a $131 million impairment charge to write down these investments to their estimated fair values. In connection with our annual impairment test for indefinite lived assets we recorded an $11.4 million non-cash charge to write-down the FCC license of our Lawrence, Kansas based Independent station to fair value. We also concluded that we had indicators of impairment that required us to test our long-lived assets at certain of our television properties and as a result of our testing we recorded a $19.6 million non-cash charge to write-down long-lived assets to fair value.

Interest expense includes interest incurred on our outstanding borrowings. Interest incurred on our outstanding borrowings decreased in 2008 due to lower average debt levels. The balance of our borrowings was reduced to $60 million subsequent to the spin-off of SNI while the average borrowing was $649 million at an average rate of 5.0% in 2007. In addition in 2008 we capitalized $1.9 million of interest in connection with the construction of our Naples production facility.

In the second quarter of 2008, we redeemed the remaining balances of our outstanding notes and recorded a $26.4 million loss on the extinguishment of debt.

The Miscellaneous, net caption in our Consolidated Statements of Operations includes realized gains from the sale of certain investments totaling $7.6 million in 2008 and $9.2 million in 2007.

The effective tax rate was (32.5%) in 2008 and 32.9% in 2007.

2007 compared with 2006

Operating revenues decreased in 2007 compared with 2006. Revenues were lower at our newspapers and television stations. The decline in revenues at our newspapers was attributed to lower local and classified advertising, including particularly weak real estate advertising in the Florida and California markets. Declines in revenue at our television stations were attributed to the relative absence of political advertising in 2007 compared with 2006. Additionally, our television stations generated significant revenues in 2006 from the broadcast of the Super Bowl on ABC and NBC s coverage of the Winter Olympics.

Costs and expenses in 2007 were primarily affected by the severance costs related to voluntary separation offers that were accepted by 137 employees at our newspapers and costs incurred related to the separation SNI from the Company. In addition production and distribution cost decreased from 2006 due to fluctuations in the cost of newsprint.

In 2006, we completed the formation of a newspaper partnership with MediaNews Group, Inc. In conjunction with the transaction, we recognized a pre-tax gain of $3.5 million.

Interest expense includes interest incurred on our outstanding borrowings and deferred compensation and other employment agreements. Interest incurred on our outstanding borrowings decreased in 2007 due to lower average debt levels. The average balance of outstanding borrowings was $649 million at an average rate of 5.0% in 2007 and $946 million at an average rate of 5.1% in 2006.

The Miscellaneous, net caption in our Consolidated Statements of Operations includes realized gains from the sale of certain investments totaling $9.2 million in 2007.

The effective tax rate was 32.9% in 2007 and 46.3% in 2006.

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Business Segment Results

As discussed in Note 17 to the Consolidated Financial Statements, our chief operating decision maker (as defined by FAS 131 Segment Reporting) evaluates the operating performance of our business segments using a measure we call segment profit. Segment profit excludes interest, income taxes, depreciation and amortization, divested operating units, restructuring activities, investment results and certain other items that are included in net income (loss) determined in accordance with accounting principles generally accepted in the United States of America.

Items excluded from segment profit generally result from decisions made in prior periods or from decisions made by corporate executives rather than the managers of the business segments. Depreciation and amortization charges are the result of decisions made in prior periods regarding the allocation of resources and are therefore excluded from the measure. Financing, tax structure and divestiture decisions are generally made by corporate executives. Excluding these items from measurement of our business segment performance enables us to evaluate business segment operating performance based upon current economic conditions and decisions made by the managers of those business segments in the current period.

Information regarding the operating performance of our business segments determined in accordance with FAS 131 and a reconciliation of such information to the consolidated financial statements is as follows:

	For the Years Ended December 31,				
	2008	Change	2007	Change	2006
			(In thousands)		
Segment operating revenues:					
Newspapers	$ 568,667	(13.6)%	$ 658,327	(8.1)%	$ 716,086
JOAs and newspaper partnerships	133	(40.9)%	225	10.8%	203
Boulder prior to formation of Colorado newspaper partnership					2,189
Television	326,860	0.3%	325,841	(10.4)%	363,506
Licensing and other	102,538	9.5%	93,633	(3.0)%	96,556
Corporate	3,594		1,520		984
Total operating revenues	$ 1,001,792	(7.2)%	$ 1,079,546	(8.5)%	$ 1,179,524
Segment profit (loss):					
Newspapers	$ 71,475		$ 135,870	(28.2)%	$ 189,223
JOAs and newspaper partnerships	(15,606)		(1,235)	(83.6)%	(7,515)
Boulder prior to formation of Colorado newspaper partnership					(125)
Television	80,589	(3.9)%	83,860	(30.5)%	120,706
Licensing and other	10,437	16.2%	8,982	(27.6)%	12,403
Corporate	(42,208)	(29.0)%	(59,480)	3.0%	(57,764)
Depreciation and amortization of intangibles	(46,972)	5.1%	(44,705)	1.0%	(44,244)
Impairment of goodwill, indefinite and long-lived assets	(809,936)				

Gain on formation of Colorado newspaper partnership					3,535
Equity earnings in newspaper partnership	4,143				
Gains (losses) on disposal of PP&E	5,809		24		(585)
Interest expense	(10,941)	(70.5)%	(37,121)	(32.0)%	(54,561)
Separation costs	(33,506)		(257)		
Write-down of investments in newspaper partnerships	(130,784)				
Loss on repurchases of debt	(26,380)				
Miscellaneous, net	6,888	(59.8)%	17,148		4,487
Income (loss) from continuing operations before income taxes and minority interests	$ (936,992)		$ 103,086		$ 165,560

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JOAs and newspaper partnership segment profit includes our share of the earnings of JOAs and certain other investments included in our consolidating operating results using the equity method of accounting. In 2008 we ceased the publication of our Albuquerque newspaper. We still have a residual interest in the JOA, but since this became a passive investment in 2008, the equity earnings from this investment are not included in segment profit from 2008 forward.

Certain items required to reconcile segment profitability to consolidated results of operations determined in accordance with accounting principles generally accepted in the United States of America are attributed to particular business segments. Significant reconciling items attributable to each business segment are as follows:

	For the Years Ended December 31,		
	2008	2007	2006
	(In thousands)		
Depreciation and amortization:			
Newspapers	$ 23,993	$ 24,234	$ 22,697
JOAs and newspaper partnerships	1,290	1,320	1,285
Boulder prior to formation of Colorado newspaper partnership			132
Television	20,189	18,068	18,830
Licensing and other	787	475	559
Corporate	713	608	741
Total	$ 46,972	$ 44,705	$ 44,244
Gains (losses) on disposal of PP&E:			
Newspapers	(91)	(145)	(327)
JOAs and newspaper partnerships	(32)	(1)	32
Television	6,088	225	(243)
Licensing and other			(3)
Corporate	(156)	(55)	(44)
Gains (losses) on disposal of PP&E	$ 5,809	$ 24	$ (585)
Impairment of goodwill, indefinite and long-lived assets	$ 809,936		
Write-down of investments in newspaper partnerships	$ 130,784		
Gain on formation of Colorado newspaper partnership			$ 3,535

Newspapers

We operate daily and community newspapers in 15 markets in the United States. Our newspapers earn revenue primarily from the sale of advertising space to local and national advertisers and from the sale of newspapers to readers.

Newspapers managed solely by us The newspapers managed solely by us operate in mid-size markets, focusing on news coverage within their local markets. Advertising and circulation revenues provide substantially all of each newspaper s operating revenues and employee and newsprint costs are the primary expenses at each newspaper. The operating performance of our newspapers is most affected by newsprint prices and economic conditions, particularly within the retail, labor, housing and auto markets as well as the shift of advertising from newspapers to other media.

Operating results for newspapers managed solely by us were as follows:

	For the Years Ended December 31,				
	2008	Change	2007	Change	2006
			(In thousands)		
Segment operating revenues:					
Local	$ 124,074	(12.9)%	$ 142,431	(12.3)%	$ 162,345
Classified	141,655	(24.4)%	187,475	(16.7)%	225,029
National	28,086	(19.6)%	34,927	(4.2)%	36,460
Online	36,768	(8.3)%	40,085	19.2%	33,636
Preprint and other	106,908	(8.3)%	116,647	(2.5)%	119,583
Newspaper advertising	437,491	(16.1)%	521,565	(9.6)%	577,053
Circulation	113,398	(4.5)%	118,696	(3.3)%	122,740
Other	17,778	(1.6)%	18,066	10.9%	16,293
Total operating revenues	568,667	(13.6)%	658,327		