

CALIFORNIA'S NEWS INDUSTRY IS AT RISK. LEGISLATIVE SUPPORT FOR AB 323 (RUBIO) IS CRITICAL.

The vital news coverage provided by our state and local news outlets is gravely imperiled by an economic crisis and further exacerbated by the coronavirus pandemic.



AVERAGE LOSS OF PRINT ADVERTISING REVENUE IN MARCH

**33%
DECLINE**

**ETHNIC AND COMMUNITY
NEWSPAPERS**

**34%
DECLINE**

DAILY NEWSPAPERS

AVERAGE MONTHLY LOSS OF PRINT ADVERTISING REVENUE PROJECTED FOR APRIL/MAY

**48%
DECLINE**

**ETHNIC AND COMMUNITY
NEWSPAPERS**

**56%
DECLINE**

DAILY NEWSPAPERS



Note: These figures do not reflect other lost revenue from decreased digital advertising or cancellation of events.

FURLOUGHED EMPLOYEES. MASS LAYOFFS. SHUT DOWNS.

Media outlets such as the Chico News & Review, the Mountain View Voice, The Almanac in Menlo Park and the Brentwood Press, and others - free distribution newspapers wholly dependent on local advertising - have suspended operations; other papers, such as the Monterey County Weekly, have laid off many of their employees.

In the Bay Area, when the San Francisco Chronicle and Examiner were merged in 2000 there were over 600 reporters; today that number is 150.

**600
REPORTERS**



**150
REPORTERS**



**NATIONWIDE, NEWSROOM EMPLOYEES HAVE DECLINED FROM 114,000
IN 2008 TO 78,000 IN 2019, WITH 7,800 JOBS LOST LAST YEAR ALONE.**

DECLINING REVENUE... AND NOW INCREASING COSTS

As the news publishing industry faces these financial losses, increasing operational costs from reclassifying newspaper carriers as employees are on the horizon due to AB 5.



7 Days Business Model

	Est. Annual Cost Increase*	Low	High
Northern California Newspapers	60%-105%	60%	105%
Southern California Newspapers	42%-87%	42%	87%

* Key inputs are provided by the publishers in estimating AB5 cost

THE REALITY THAT NEWS ORGANIZATIONS ARE FACING



**'We were on borrowed time':
coronavirus could strike final blow to
local newspapers**



Publisher McClatchy Co. Files For
Bankruptcy, Disrupting 30 Newspapers



**Long-Struggling Local Newspapers
Pushed to Brink by Coronavirus**



*Local News Outlets Dealt a Crippling
Blow by This Biggest of Stories*

Layoffs. Canceled print editions. Weekly papers and small dailies across the country face peril as the coronavirus cuts off ads and live events.



**McClatchy furloughs about 115 employees to
deal with the impact of coronavirus**



"This was a difficult business decision in a trying time for community newspapers compounded by the economic effects of the coronavirus pandemic. The three titles, while journalistically sound, are operating at significant losses."

SUPPORT AB 323 (RUBIO) TO SAVE LOCAL JOURNALISM