July 14, 2010

BY ELECTRONIC FILING

Honorable John T. Copenhaver, Jr.
United States District Judge
United States District Court for the Southern District of West Virginia
6009 Robert C. Byrd United States Courthouse
300 Virginia Street East
Charleston, WV 25301

Re: *U.S. v. Daily Gazette Co. and MediaNews Group, Inc.*
Civil Case No. 2:07-0329 (S.D. West Virginia)

Dear Judge Copenhaver:

The parties in the above-captioned case respectfully submit this letter in response to the Court's request for clarification regarding paragraph IV(F) of the proposed Final Judgment. In the telephone conference on June 21, 2010, the Court raised several questions about the implementation of the *Charleston Daily Mail* subscription discount program called for by paragraph IV(F) of the Final Judgment. At the Court's suggestion, the parties have agreed to amend the terms of paragraph IV(F) to address these questions. The amended Final Judgment was submitted to the Court on July 9, 2010. The parties have also agreed to submit this letter, which describes in greater detail how the Defendants, through Charleston Newspapers, plan to implement the subscription discount program.

The parties agree that the Defendants' plans, if carried out as described below, satisfy the requirements of paragraph IV(F) of the Final Judgment.

Charleston Newspapers intends to offer 50% discounts on pre-paid orders for three-month *Daily Mail* subscriptions to subscribers who have not been home delivery customers in the previous 60 days, which is the standard period of time used by Charleston Newspapers to refresh a customer's account. Home delivery customers include subscribers to either the daily *Charleston Daily Mail* or the daily *Charleston Gazette*; neither newspaper's daily subscribers will receive this offer. Home delivery customers do not include Sunday-only subscribers or Saturday/Sunday package subscribers, both of whom will receive this offer. Prepayment is standard practice in the industry to avoid the subscriber turnover that such offers typically generate.

Charleston Newspapers intends to publicize this offer as follows:

- Charleston Newspapers will give this offer to all telemarketing firms that it

regularly uses. These firms typically call Charleston Newspapers' market at least once a month. The offer will be made to Charleston Newspapers' entire delivery area, and the telemarketing firms will call from their lists on regular rotations. The discount is expected to be attractive to the telemarketing firms because it makes subscriptions easier to sell.

- Charleston Newspapers will also make this offer through its regular door-to-door solicitations by sales vendors, which are assigned to certain areas.

- Charleston Newspapers will also make this offer through kiosks that it uses at all major local fairs and festivals, in the Charleston Town Center Mall around the start of football season, and from time to time outside high traffic areas such as the West Virginia Division of Motor Vehicles or Kroger's.

- Charleston Newspapers will also make this offer as promotional advertisements in *Daily Mail* single copy products, including a single sheet insert at least once a week offering the 50% discount promotion, in a regular rotation on the *Daily Mail* web site, and on the *Daily Mail* web site as a subscription option.

As required by paragraph IV(F) of the proposed Final Judgment, Charleston Newspapers will make this offer by these means commencing no later than 30 days after the entry of the Final Judgment, and continuing for a period of no less than six months thereafter. Charleston Newspapers will make this offer only for the *Daily Mail* during this time, and not for the *Gazette*.

Respectfully Submitted,

PLAINTIFF UNITED STATES OF AMERICA

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