SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2000

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 Cincinnati, Ohio	45202
(Address of principal executive offices)	(Zip Code)

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 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 X No

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.

The aggregate market value of Class A Common Shares of the Registrant held by nonaffiliates of the Registrant, based on the $62.93 per share closing price for such stock on February 28, 2001, was approximately $1,421,000,000. As of February 28, 2001, nonaffiliates held approximately 1,441,000 Common Voting Shares. There is no active market for such stock.

As of February 28, 2001, there were 59,979,446 of the Registrant's Class A Common Shares, $.01 par value per share, outstanding and 19,096,913 of the Registrant's Common Voting Shares, $.01 par value per share, outstanding.

INDEX TO THE E. W. SCRIPPS COMPANY

ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2000

PART I

ITEM 1. BUSINESS

The E. W. Scripps Company ("Company") operates in three reportable segments: Newspapers, Scripps Networks and Broadcast Television.

Newspapers include 21 daily newspapers in the U.S.

Scripps Networks includes three national television networks that are distributed by cable and satellite television systems: Home & Garden Television ("HGTV"), Food Network and Do It Yourself ("DIY"), and the Company's 12% interest in FOX Sports South, a regional television network. The Company expects to launch Fine Living, its fourth national network, in the fourth quarter of 2001.

Broadcast Television includes ten television stations, nine of which are affiliated with national television networks.

A summary of segment information for the three years ended December 31, 2000, is set forth on page F-36 of this Form 10-K. Licensing and other media aggregates the Company's operating segments that are too small to warrant separate reporting, primarily syndication and licensing of news features and comics.

Newspapers

Operations - The Company acquired or divested the following newspaper operations in the five years ended December 31, 2000:

- 2000 - Acquired the Ft. Pierce, Florida, daily newspaper in exchange for the Company's Destin, Florida, newspaper and cash. Acquired the Henderson, Kentucky, daily newspaper and the Marco Island, Florida, weekly newspaper.
- 1999 - Acquired the 70% of Colorado Real Estate On-line, an Internet provider of real estate listings, that the Company did not already own.
- 1998 - Divested the Dallas Community newspapers, including the Plano daily.
- 1997 - Acquired daily newspapers in Abilene, Corpus Christi, Plano, San Angelo and Wichita Falls, Texas, a group of community newspapers in the Dallas, Texas, market and a daily newspaper in Anderson, South Carolina. Traded its Monterey and San Luis Obispo, California, daily newspapers for

the daily newspaper in Boulder, Colorado, and terminated the joint operating agency and ceased operations of its newspaper in El Paso, Texas.
1996 - Acquired the Vero Beach, Florida, daily newspaper.

The Company publishes daily newspapers in 21 markets. From its Washington bureau the Company operates the Scripps Howard News Service, a supplemental wire service covering stories in the capital, other parts of the United States and abroad. Each of the Company's daily newspapers operates an Internet site featuring content included in the daily newspaper. Many of the Company's newspapers provide services such as total market coverage advertising products, direct mail advertising and commercial printing.

Revenues - Operating revenues for the five years ended December 31, 2000, were as follows:

(in thousands)	2000	1999	1998	1997	1996
Newspaper advertising:					
Local ROP	$ 211,568	$ 205,767	$ 201,036	$ 159,752	$ 134,979
Classified ROP	209,942	195,809	180,938	138,282	116,275
National ROP	30,977	27,937	20,576	16,649	14,579
Preprint and other	90,536	79,902	71,286	48,926	40,895
Total newspaper advertising	543,023	509,415	473,836	363,609	306,728
Circulation	133,491	135,029	138,615	112,612	102,005
Joint operating agency distributions	47,412	50,511	48,278	47,052	39,341
Other	10,176	9,735	10,402	7,209	6,071
Total	734,102	704,690	671,131	530,482	454,145
Rocky Mountain News	220,998	209,713	200,442	196,794	182,693
Divested newspapers	886	3,806	17,498	33,100	43,330
Total operating revenues	$ 955,986	$ 918,209	$ 889,071	$ 760,376	$ 680,168

Daily newspaper operating revenues are derived primarily from advertising and circulation. Joint operating agency distributions represent the Company's share of profits of newspapers managed by the other party to a joint operating agency (see "Joint Operating Agencies"). Other newspaper operating revenues include commercial printing.

Advertising rates and revenues vary among the Company's newspapers depending on circulation, type of advertising, local market conditions and competition. Advertising revenues are derived from run-of-paper ("ROP") advertisements included with news stories in the body of the newspaper, preprinted advertisements that are generally produced by advertisers and inserted into the newspaper, and on-line advertising appearing on the newspapers' Internet sites.

ROP is further broken down among "local," "classified" and "national" advertising. Local refers to advertising that is not in the classified advertising section and is purchased by in-market advertisers. Classified refers to advertising that generally is grouped by type of advertising, e.g., automotive and help wanted. National refers to advertising purchased by businesses that operate beyond the local market and purchase advertising from many newspapers, primarily through advertising agencies. A given volume of ROP advertisements is generally more profitable to the Company than the same volume of preprinted advertisements.

On-line advertising, which is included in "preprint and other," ranges from simple static banners that appear at the top and bottom of a Web page to more complex advertisements that use animation and allow users to interact with the advertisements. On-line advertising also includes an allocation of classified advertising revenues that appear in both the printed editions of the newspapers and on the newspapers' Internet sites, direct response campaigns and links to commercial sites. The newspapers generally receive fees for these links and advertisements. On-line advertising revenues were $8,300,000 in 2000, $5,400,000 in 1999, $1,800,000 in 1998 and $100,000 in 1997.

Advertising revenues vary through the year, with the first and third quarters generally having lower revenues than the second and fourth quarters. Print advertising rates and volume are highest on Sundays, primarily because circulation and readership is greatest on Sundays.

Circulation revenues are derived from home delivery sales of newspapers to subscribers and from single-copy sales made through retail outlets and vending machines. Circulation information for the Company's newspapers is as follows:

(in thousands) (1) Newspaper	Morning (M) Evening (E)	2000	1999	1998	1997	1996
Daily Paid Circulation						
Abilene (TX) Reporter-News	M	36	38	40	40	41
Albuquerque (NM) Tribune (2)	E	19	21	23	25	27
Anderson (SC) Independent-Mail	M	39	40	40	41	42
Birmingham (AL) Post-Herald (2)	E	15	18	21	26	50
Boulder (CO) Daily Camera	M	34	33	34	34	34
Bremerton (WA) Sun	M	34	35	37	38	36
Cincinnati (OH) Post (2)	E	60	65	71	77	81
Corpus Christi (TX) Caller-Times	M	63	65	66	68	65
Denver (CO) Rocky Mountain News (2)	M	427	396	332	303	317
Evansville (IN) Courier & Press (2)	M	71	72	61	62	61
Ft. Pierce (FL) Tribune	M	27	27	27	27	26
Henderson (KY) Gleaner	M	11	11	11	11	11
Knoxville (TN) News-Sentinel	M	123	122	122	122	123
Memphis (TN) Commercial Appeal	M	175	173	174	186	183
Naples (FL) Daily News	M	53	52	50	49	48
Redding (CA) Record-Searchlight	M	34	34	35	36	35
San Angelo (TX) Standard-Times	M	29	30	31	32	32
Stuart (FL) News	M	37	37	36	35	35
Ventura County (CA) Star	M	97	93	92	96	95
Vero Beach (FL) Press Journal	M	33	32	32	32	33
Wichita Falls (TX) Times Record News	M	36	37	37	38	38
Total Daily Circulation		1,451	1,431	1,373	1,379	1,413
Sunday Paid Circulation						
Abilene (TX) Reporter-News		45	47	50	50	52
Anderson (SC) Independent-Mail		45	45	46	48	48
Boulder (CO) Daily Camera		41	40	42	41	42
Bremerton (WA) Sun		37	39	40	42	40
Corpus Christi (TX) Caller-Times		81	85	87	89	88
Denver (CO) Rocky Mountain News		530	505	433	416	407
Evansville (IN) Courier & Press		101	105	106	109	110
Ft. Pierce (FL) Tribune		29	29	30	30	29
Henderson (KY) Gleaner		13	13	13	14	14
Knoxville (TN) News-Sentinel		158	159	163	166	168
Memphis (TN) Commercial Appeal		237	238	243	257	259
Naples (FL) Daily News		66	65	64	63	62
Redding (CA) Record-Searchlight		39	38	38	38	38
San Angelo (TX) Standard-Times		35	36	37	38	39
Stuart (FL) News		45	45	46	45	44
Ventura County (CA) Star		110	108	105	103	103
Vero Beach (FL) Press Journal		36	36	36	36	36
Wichita Falls (TX) Times Record News		41	42	43	44	45
Total Sunday Circulation		1,687	1,675	1,619	1,629	1,622

(1) Based on Audit Bureau of Circulation Publisher's Statements ("Statements") for the six-month periods ending September 30, except figures for the Ft. Pierce Tribune, the Naples Daily News, the Stuart News and the Vero Beach Press Journal which are from the Statements for the twelve-month periods ending September 30.

(2) This newspaper is a party to a JOA. The JOA between the Denver Rocky Mountain News and MediaNews Group Inc.'s Denver Post began operations on January 22, 2001. The Evansville JOA was terminated in 1998. See "Joint Operating Agencies."

Joint Operating Agencies - A JOA combines all but the editorial operations of two competing newspapers in a market in order to reduce aggregate expenses and take advantage of economies of scale, thereby allowing the continuing operation of both newspapers in that market. The Newspaper Preservation Act of 1970 ("NPA") provides a limited exemption from anti-trust laws, generally permitting the continuance of JOAs in existence prior to the enactment of the NPA and the formation, under certain circumstances, of new JOAs between newspapers.

The Company is a partner in newspaper joint operating agencies ("JOAs") in four markets. The JOA between the Company's Denver Rocky Mountain News and MediaNews Group Inc.'s Denver Post was approved by the U.S. Attorney General in January 2001. The 50-year agreement created a new entity called the Denver Newspaper Agency L.L.C., which is 50%-owned by each partner. Both partners contributed certain assets used in the operations of their newspapers to the new entity. In addition, the Company paid $60,000,000 to MediaNews Group Inc. The JOA commenced operations on January 22, 2001. The other partner manages each of the Company's other JOAs.

JOA revenues less JOA expenses, as defined in each JOA, equals JOA profits, which are split between the partners. In each case JOA expenses exclude editorial expenses. The Company will receive a 50% share of the operating profits of the Denver JOA, and between 20% and 40% of the operating profits in the other three markets. The Company includes its portion of JOA operating profits in operating revenues.

The table below provides certain information about the Company's JOAs.

Newspaper	Publisher of Other Newspaper	Year JOA Entered Into	Year of JOA Expiration
The Albuquerque Tribune	Journal Publishing Company	1933	2022
Birmingham Post-Herald	Newhouse Newspapers	1950	2015
The Cincinnati Post	Gannett Newspapers	1977	2007
Denver Rocky Mountain News	MediaNews Group, Inc.	2001	2051

A JOA in Evansville, Indiana, which was managed by the Company, expired in 1998 and was not renewed. The Company had received approximately 80% of JOA profits. The Company continues to operate its Evansville newspaper.

Competition - The Company's newspapers compete for advertising revenues primarily with other local media, including other local newspapers, television and radio stations, cable television, telephone directories, other Internet sites and direct mail. Competition for advertising revenues is based upon audience size and demographics, price and effectiveness. The Company's newspapers and Internet sites compete with all other information and entertainment media for consumers' discretionary time.

Newspaper Production - The Company's daily newspapers are printed using offset presses and use computer systems for writing, editing and composing and producing the advertising and news material printed in each edition. The Company is constructing a new production facility for its Knoxville, Tennessee, daily newspaper.

Raw Materials and Labor Costs - The Company consumed approximately 281,000 metric tons of newsprint in 2000, 270,000 metric tons in 1999, and 240,000 metric tons in 1998. The Company purchases newsprint from various suppliers, many of which are Canadian. Management believes that the Company's sources of supply of newsprint are adequate for its anticipated needs.

Newsprint is a basic commodity and its price is sensitive to the worldwide balance of supply and demand. Because of the capital commitment to construct and operate a newsprint mill, the supply of newsprint is relatively stable except for temporary disruptions caused by labor stoppages. However, the demand for newsprint can change quickly, resulting in wide swings in the price of newsprint. Newsprint prices were $745 in the first quarter of 1996 before declining to approximately $500 by March 1997. Newsprint prices fluctuated between $450 and $590 from 1998 through 2000. The average newsprint price was approximately $580 per metric ton in the fourth quarter of 2000. The Company has used newsprint forward contracts to hedge its exposure to changes in the price of newsprint for up to twelve months. At December 31, 2000, the Company held no newsprint forward contracts. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk."

Labor costs accounted for approximately 45% of the Company's newspaper operating expenses in 2000, 43% in 1999 and 42% in 1998. A substantial number of the Company's newspaper employees are represented by labor unions. See "Employees."

Scripps Networks

Operations - HGTV features programming focusing on home repair and remodeling, gardening, decorating and other activities associated with the home. Food Network features programming focusing on food and entertaining. DIY features immediate access to step-by-step instructions, in-depth demonstrations and tips on various topics associated with home improvement, gardening and crafts. Fine Living, expected to begin telecasting in the fourth quarter of 2001, will help people explore their passions and interests in the finer things in life, focusing on the $200 billion-plus luxury consumer goods and services markets.

Food Network began telecasting in December 1993 and HGTV in December 1994. DIY began telecasting in the fourth quarter of 1999. The Company acquired the controlling interest in Food Network in October 1997. The Company owned 64% of Food Network at December 31, 2000.

According to the Nielson Homevideo Index, HGTV was telecast to 67.1 million homes in December 2000, 59.0 million homes in December 1999 and 48.4 million homes in December 1998. Food Network was telecast to 54.4 million homes in December 2000, 44.2 million homes in December 1999 and 37.1 million homes in December 1998.

Each of the Company's networks operates an Internet site featuring content from its programs and additional information and products of interest to the networks' viewers. The Internet sites also permit users to post comments in response to programs and features, and provide applications to enable users to communicate with each other and receive updates in subject areas of their choosing.

Revenues - Operating revenues for the five years ended December 31, 2000, were as follows:

(in thousands)		2000	1999	1998	1997	1996
Advertising	$	249,619 $	171,059 $	95,171 $	37,473 $	15,717
Affiliate fees		58,370	50,142	38,063	19,711	6,943
Other		5,750	8,814	14,307	9,617	8,919
Total		313,739	230,015	147,541	66,801	31,579
Unusual item			(1,100)	1,100		
Total operating revenues	$	313,739 $	228,915 $	148,641 $	66,801 $	31,579

Revenues are derived from the sale of advertising time and, if provided in the affiliation agreements, from affiliate fees paid by cable television and other distribution systems that carry the networks. Affiliate fees are generally based on the number of subscribers who receive the networks.

On-line advertising primarily includes banner ads and other advertisements. Advertising opportunities on the Internet sites range from simple static banners that appear at the top and bottom of a Web page to more complex advertisements that use animation and allow users to interact with the advertisements. The Internet sites also provide advertisers with sponsorship opportunities, promotions, direct response campaigns and links to commercial sites. The networks generally receive fees for these links and advertisements. On-line advertising revenues were $5,100,000 in 2000, $3,400,000 in 1999 and $700,000 in 1998.

Programming - The Company both produces and purchases programming for HGTV, DIY and Food Network. The Company has continually improved the quality and variety of programming and expanded the hours of original programming presented on its networks. The costs to purchase or produce programs for the networks totaled $147,000,000 in 2000, $117,000,000 in 1999, $64,000,000 in 1998, and $24,000,000 in 1997. The Company owns substantially all of the programming airing on its networks, and expects to telecast such programs over several years. The costs to acquire programs are expensed as the programs are telecast.

Distribution - Network programming is telecast on cable and satellite television systems. The Company's networks generally pay fees for long-term distribution agreements. These fees are usually paid in full when systems launch the networks. The amounts of the distribution fees depend upon several factors, including the numbers of subscribers, the duration of the agreements and the amounts of monthly affiliate fees the systems agree to pay the Company. In markets where the Company has broadcast television stations, distribution of the networks may be obtained by granting cable or satellite television systems the right to carry the local television stations' signals.

Popularity of the programming with subscribers is a primary factor in obtaining and retaining distribution by system operators.

Competition - In addition to competing with other networks for distribution on cable television systems, Scripps Networks competes for advertising revenues with other local and national media, including other cable television networks, television stations, radio stations, newspapers, Internet sites and direct mail. Competition for advertising revenues is based upon audience size and demographics, price and effectiveness. Scripps Networks compete for consumers' discretionary time with all other information and entertainment media.

Broadcast Television

Operations - The Company acquired television station KMCI in Lawrence, Kansas in 2000. The Company had operated the station under a Local Marketing Agreement ("LMA") since 1996. Revenues from KMCI were included in the Company's results of operations while the station was operated under the LMA.

Broadcast Television includes nine network-affiliated television stations. The stations rely on local sales operations for local advertising and national advertising agencies for obtaining national advertising.

Revenues - Operating revenues for the five years ended December 31, 2000, were as follows:

(in thousands)	2000	1999	1998	1997	1996
Local advertising	$ 173,878	$ 171,353	$ 166,115	$ 171,211	$ 159,412
National advertising	119,428	120,638	125,432	139,322	127,172
Political advertising	34,762	2,478	20,084	2,106	19,505
Other	15,057	17,893	19,083	18,577	17,378
Total operating revenues	$ 343,125	$ 312,362	$ 330,714	$ 331,216	$ 323,467

Revenues are derived primarily from the sale of time to businesses for commercial messages that appear during entertainment and news programming. Local and national advertising refer to time purchased by local, regional and national businesses; political refers to campaigns for elective office and campaigns for political issues. Automobile advertising accounts for approximately one-fourth of the Company's local and national advertising revenues.

The first and third quarters of each year generally have lower advertising revenues than the second and fourth quarters. The increasing political advertising in even-numbered years when congressional and presidential elections occur makes it difficult to achieve year-over-year increases in operating results in odd-numbered years.

Other revenues also include network compensation (see "Network Affiliation and Programming").

Information concerning the Company's stations and the markets in which they operate is as follows:

Station and Market	Network Affiliation/ DTV Channel	Affiliation Expires in/ DTV Service Commenced	FCC License Expires in	Rank of Mkt (1)	Stations in Mkt (3)	2000	1999	1998	1997	1996
WXYZ-TV, Detroit, Ch. 7	ABC	2004	2005	9	7					
Digital Service Status	41	1998								
Average Audience Share (2)						15	16	17	18	21
Station Rank in Market (4)						2	1	2	2	1
WFTS-TV, Tampa, Ch. 28	ABC	2005	2005	14	12					
Digital Service Status	29	1999								
Average Audience Share (2)						8	8	9	9	9
Station Rank in Market (4)						4	4	4	4	4
WEWS-TV, Cleveland, Ch. 5	ABC	2004	2005	15	11					
Digital Service Status	15	1999								
Average Audience Share (2)						14	14	14	17	19
Station Rank in Market (4)						1	1	1	2	1
KNXV-TV, Phoenix, Ch. 15	ABC	2005	2006	17	11					
Digital Service Status	56	2000								
Average Audience Share (2)						7	9	9	10	10
Station Rank in Market (4)						5	6	5	4	4
WMAR-TV, Baltimore, Ch. 2	ABC	2005	2004	24	6					
Digital Service Status	52	1999								
Average Audience Share (2)						8	9	10	11	12
Station Rank in Market (4)						3	3	3	3	3
KSHB-TV, Kansas City, Ch. 41	NBC	2004	2006	30	8					
Digital Service Status	42	(6)								
Average Audience Share (2)						8	7	7	10	10
Station Rank in Market (4)						4	4	4	4	4
KMCI-TV, Lawrence, Ch. 38	Ind.		2006	30	8					
Digital Service Status	36	(6)								
Average Audience Share (2)						1	2	2	2	2
Station Rank in Market (4)						8	8	8	8	7
WCPO-TV, Cincinnati, Ch. 9	ABC (5)	2006	2005	32	6					
Digital Service Status	10	1998								
Average Audience Share (2)						14	14	15	17	18
Station Rank in Market (4)						2	2	2	1	1
WPTV-TV, W. Palm Beach, Ch. 5	NBC	2004	2005	43	9					

Digital Service Status	55	(6)								
Average Audience Share (2)						15	15	16	19	20
Station Rank in Market (4)						1	1	1	1	1
KJRH-TV, Tulsa, Ch. 2	NBC	2004	2006	59	10					
Digital Service Status	56	(6)								
Average Audience Share (2)						11	12	12	14	14
Station Rank in Market (4)						3	3	3	3	3

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

(1) Rank of Market represents the relative size of the television market in the United States.
(2) 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 Area of Dominant Influence.
(3) Stations in Market does not include public broadcasting stations, satellite stations, or translators which rebroadcast signals from distant stations.
(4) Station Rank in Market is based on Average Audience Share as described in (2).
(5) Prior to June 1996, WCPO was a CBS affiliate.
(6) Construction permits have been filed in all four markets. Permits have been granted in the West Palm and Tulsa markets. The Company is required to commence DTV service by May 1, 2002.

Competition - The Company's television stations compete for advertising revenues primarily with other local media, including other television stations, radio stations, cable television, newspapers, other Internet sites and direct mail. Competition for advertising revenue is based upon audience size and demographics, price and effectiveness. Television stations compete for consumers' discretionary time with all other information and entertainment media. The Company's television stations have experienced declines in their average audience share in recent years due to the creation of new networks and increased audience share of alternative service providers such as traditional cable, "wireless" cable and direct broadcast satellite television. Continuing technological advances will improve the capability of alternative service providers to offer video services in competition with terrestrial broadcasting. The degree of competition from such service providers is expected to increase. The Company intends to undertake upgrades in its services, including development of digital television broadcasting, to maintain its competitive posture as well as to comply with government requirements. Technological advances in interactive media services will further increase these competitive pressures.

Network Affiliation and Programming - Nine of the Company's ten television stations are affiliated with national television networks. The networks offer a variety of programs to affiliated stations, which have the right of first refusal before such programming may be offered to other television stations in the same market. Networks compensate affiliated stations for carrying network programming. The national television networks have reduced the amount of such compensation. The Company received $10,000,0000 in 2000 and $13,100,000 in network compensation in 1999. The Company expects network compensation to be approximately $10,000,000 in 2001 and in 2002.

In addition to network programs, the Company's television stations broadcast locally produced programs, syndicated programs, sports events, movies, public service programs and "niche" programs focusing on topics of interest in the stations' local markets. News is the focus of the Company's locally produced programming. Advertising during local news programs on the Company's stations account for approximately 30% of revenues.

Federal Regulation of Broadcasting - Television broadcasting is subject to the jurisdiction of the Federal Communications Commission ("FCC") pursuant to the Communications Act of 1934, as amended ("Communications Act"). The Communications Act prohibits the operation of television broadcasting stations except in accordance with a license issued by the FCC and empowers the FCC to revoke, modify and renew broadcasting licenses, approve the transfer of control of any corporation holding such licenses, determine the location of stations, regulate the equipment used by stations and adopt and enforce necessary regulations. The FCC also adopts and enforces regulations concerning station programming, including children's and political programming.

The Telecommunications Act of 1996 (the "1996 Act") significantly relaxed the regulatory environment applicable to broadcasters. Under the 1996 Act, television broadcast licenses may be granted for a term of eight years, rather than five, and they remain renewable upon request. While there can be no assurance regarding the renewal of the Company's television broadcast licenses, the Company has never had a license revoked, has 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 multiple ownership rule, 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, or in some markets under certain conditions, 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 35% of all television households. The FCC rules also generally prohibit "cross-ownership" of a television station and daily newspaper or cable television system in the same service area. The Company's television station and daily newspaper in Cincinnati were owned by the Company at the time the cross-ownership rules were enacted and enjoy "grandfathered" status. These properties would become subject to the cross-ownership rules upon their sale. The 1996 Act directed the FCC to periodically review all its ownership rules, and such a review is ongoing.

The FCC has adopted a series of orders to implement a transition from the current analog system of broadcast television to a digital transmission system. It has granted each television station a second channel on which to begin offering digital service and it currently plans for the transition to be completed by 2006, at which time each station should have returned one of its two channels. The FCC can extend this deadline if the transition proceeds more slowly than it anticipates.

A substantial number of technical, regulatory and market-related issues remain unresolved regarding digital television, including the timing of the transition, programming and other rules the FCC may adopt, the willingness of cable systems to carry the broadcasters' digital offerings and the level of consumer demand for the new service. The Company cannot predict the effect of these uncertainties on the Company's offering of digital service or the Company's business.

Under the Cable Television Consumer Protection and Competition Act of 1992 ("1992 Act"), each television broadcast station gained "must-carry" rights on any cable system defined as "local" with respect to that station. Stations may waive their must-carry rights and instead negotiate retransmission consent agreements with local cable companies. The Company's stations have generally elected to negotiate retransmission consent agreements with cable companies. While the FCC has recently announced that a station's primary video transmission will enjoy must-carry rights after the transition to digital broadcasting, the FCC has so far declined to require carriage of a digital signal in addition to the station's analog signal.

Licensing and Other Media

Operations - Licensing and other media aggregates the Company's operating segments that are too small to warrant separate reporting, including syndication and licensing of news features and comics, and the divested television program production and independent telephone directories.

The Company acquired or divested the following operations in the five years ended December 31, 2000:

- 2000 - Divested independent telephone directories in Memphis, Tennessee; Kansas City, Missouri; North Palm Beach, Florida; and New Orleans, Louisiana.
- 1998 - Acquired the independent telephone directories. Divested Scripps Howard Productions, the Company's television program production operation based in Los Angeles.

Revenues - Operating revenues for the five years ended December 31, 2000, were as follows:

(in thousands)	2000	1999	1998	1997	1996

Licensing	$ 68,549	$ 63,755	$ 62,260	$ 56,813	$ 53,672
Newspaper feature distribution	23,590	23,382	22,650	20,920	20,695
Other	4,756	5,433	3,913	2,430	161
Total licensing and other media revenues	96,895	92,570	88,823	80,163	74,528
Divested other media	9,614	19,236	7,379	12,763	21,423
Total operating revenues	$ 106,509	$ 111,806	$ 96,202	$ 92,926	$ 95,951

The Company, under the trade name United Media, is a leading distributor of news columns, comics and other features for the newspaper industry. 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 character 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 author of "Peanuts," died in February 2000. The Company continues syndication of previously published "Peanuts" strips, and retains the rights to continue to license the characters. "Peanuts" provides more than 80% of the Company's licensing revenues, approximately 70% of which are earned in international markets, with the Japanese market providing approximately two-thirds of international revenue. Depending upon market conditions, the Company may use foreign currency forward and option contracts to hedge its exposure to changes in the exchange rate for the Japanese yen. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk."

Merchandise, literary and exhibition licensing revenues are generally a negotiated percentage of the licensee's sales. The Company generally negotiates a fixed fee for the use of its copyrighted characters for promotional and advertising purposes. The Company generally pays a percentage of gross syndication and licensing royalties to the creators of these properties.

Competition - The Company's newspaper feature distribution operations compete for a limited amount of newspaper space with other distributors of news columns, comics and other features. Competition is primarily based on price and popularity of the features. Popularity of licensed characters is a primary factor in obtaining and renewing merchandise and promotional licenses.

Venture Capital and Other Investments

Through its Scripps Ventures Fund and other entities the Company invests in businesses focusing on new media technology. The Company recognized gains (losses), net of fund management expenses, totaling ($24,800,000) in 2000, $500,000 in 1999, ($2,700,000) in 1997, and $37,000,000 in 1996.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk" and Note 6 to the Consolidated Financial Statements.

Employees

As of December 31, 2000, the Company had approximately 8,400 full-time employees, of whom approximately 6,100 were with Newspapers, 800 with Scripps Networks, 1,300 with Broadcast Television and 100 with licensing and other media. Various labor unions represent approximately 1,800 employees, primarily in newspapers. At December 31, 2000, the Denver Rocky Mountain News employed approximately 1,200 employees, approximately 1,000 of who became employees of Denver Newspaper Agency, LLC. The present operations of the Company have not experienced any work stoppages since 1985. The Company considers its relationship with employees to be generally satisfactory.

ITEM 2. PROPERTIES

Newspapers require business and editorial offices and printing plants.

Scripps Networks requires offices and studios and other real and personal property to produce programs and to transmit the network programming via satellite. Scripps Networks operates from a production facility in Knoxville and leased facilities in New York.

Broadcast Television requires offices and studios and other real property for towers upon which broadcasting transmitters and antenna equipment are located.

The Company owns substantially all of the properties used by its operations. Management believes the Company's facilities are generally well maintained and are sufficient to serve its present needs.

ITEM 3. LEGAL PROCEEDINGS

The Company is 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 2000.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's Class A Common Shares are traded on the New York Stock Exchange ("NYSE") under the symbol "SSP." There are approximately 8,000 owners of the Company's Class A Common shares, based on security position listings, and 18 owners of the Company's Common Voting shares (which do not have a public market). The Company has declared cash dividends in every year since its incorporation in 1922. Future dividends are, however, subject to the Company's earnings, financial condition and capital requirements.

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

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
2000					
Market price of common stock:					
High	$49.500	$51.625	$54.188	$63.250	
Low	42.375	43.625	47.438	50.750	
Cash dividends per share of common stock	$ .14	$ .14	$ .14	$ .14	$ .56
1999					
Market price of common stock:					
High	$50.250	$51.563	$53.000	$51.375	
Low	40.500	41.125	46.313	41.500	
Cash dividends per share of common stock	$ .14	$ .14	$ .14	$ .14	$ .56

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 OPERATION

Management's Discussion and Analysis of Financial Condition and Results of Operation 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 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 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Executive Officers

Executive officers serve at the pleasure of the Board of Directors. Certain information about such officers appears in the table below.

Name	Age	Position
Kenneth W. Lowe	50	Chief Executive Officer (since October 2000); President and Director (since January 2000); Chairman and Chief Executive Officer, Scripps Networks (1993 to 2000)
Richard A. Boehne	44	Executive Vice President (since 1999); Vice President/Communications and Investor Relations (1995 to 1999)
Daniel J. Castellini	61	Senior Vice President and Chief Financial Officer (since 1986)
Frank Gardner	58	Senior Vice President/Interactive Media (since March 2000); Senior Vice President/Television (1993 to 2000)
Alan M. Horton	57	Senior Vice President/Newspapers (since 1994)
B. Jeff Craig	42	Vice President and Chief Technology Officer (since February 2001); Senior Vice President, Interactive Technology and New Media Development, Discovery Communications, Inc. (1998 to 2000); Managing Partner and founder, AAJ Interactive Technologies (1997 to 1998); Vice President, System Design and Engineering, TELE-TV (1995 to 1997)
Gregory L. Ebel	45	Vice President/Human Resources (since 1994)
James M. Hart	58	Vice President/Television (since 1995)
J. Robert Routt	46	Vice President and Controller (since 1985)
Paul K. Scripps	55	Vice President/Newspapers (since 1986)
Timothy E. Stautberg	38	Vice President/Communications and Investor Relations (since April 1999); General Manager, Redding Record Searchlight (1997 to 1999); Assistant to the Publisher, Denver Rocky Mountain News (1992 to 1997)
Stephen W. Sullivan	54	Vice President/Newspaper Operations (since 2000); Vice President/Newspapers (1997 to 2000); President, Harte-Hanks Newspapers and Senior Vice President, Harte-Hanks Communications (1991 to 1997)
M. Denise Kuprionis	44	Corporate Secretary and Director of Legal Affairs (since 1987)
E. John Wolfzorn	55	Treasurer (since 1979)

Directors

The information required by Item 10 of Form 10-K relating to directors of the Company is incorporated by reference to the material captioned "Election of

Directors" in the Company's definitive proxy statement for the Annual Meeting of Shareholders ("Proxy Statement"). The Proxy Statement will be filed with the Securities and Exchange Commission on or before April 28, 2001.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 of Form 10-K is incorporated by reference to the material captioned "Executive Compensation" in the Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by Item 12 of Form 10-K is incorporated by reference to the material captioned "Security Ownership of Certain Beneficial Owners and Management" in the Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by Item 13 of Form 10-K is incorporated by reference to the material captioned "Certain Transactions" in the Proxy Statement.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

Financial Statements and Supplemental Schedules

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

The report of Deloitte & Touche LLP, Independent Auditors, dated January 23, 2001, is filed as part of this Form 10-K. See Index to Consolidated Financial Statement Information at page F-1.

(b) The consolidated supplemental schedules of the Company 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.

Reports on Form 8-K

No Current Reports on Form 8-K were filed in the fourth quarter of 2000.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934 the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 28, 2001.

THE E. W. SCRIPPS COMPANY

By /s/ Kenneth W. Lowe
Kenneth W. Lowe
President and Chief
Executive Officer

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 28, 2001.

Signature	Title
/s/ Kenneth W. Lowe	President and Chief Executive Officer

Kenneth W. Lowe	(Principal Executive Officer)
/s/ Daniel J. Castellini Daniel J. Castellini	Senior Vice President and Chief Financial Officer
/s/ William R. Burleigh William R. Burleigh	Chairman of the Board of Directors
/s/ Charles E. Scripps Charles E. Scripps	Chairman of the Executive Committee of the Board of Directors
/s/ John H. Burlingame John H. Burlingame	Director
/s/ Daniel J. Meyer Daniel J. Meyer	Director
/s/ Nicholas B. Paumgarten Nicholas B. Paumgarten	Director
/s/ Paul K. Scripps Paul K. Scripps	Director
/s/ Edward Scripps, Jr. Edward Scripps, Jr.	Director
/s/ Nackey E. Scagliotti Nackey E. Scagliotti	Director
/s/ Ronald W. Tysoe Ronald W. Tysoe	Director
/s/ Julie A. Wrigley Julie A. Wrigley	Director
/s/ Joseph P. Clayton Joseph P. Clayton	Director

THE E. W. SCRIPPS COMPANY

INDEX TO CONSOLIDATED FINANCIAL STATEMENT INFORMATION

ELEVEN-YEAR FINANCIAL HIGHLIGHTS

(in millions, except share data)

	2000(1)	1999(1)	1998(1)	1997(1)	1996(1)	1995(1)	1994(1)	1993(1)	1992(1)	1991(1)	1990(1)
Summary of Operations											
Operating Revenues:											
Other newspapers	$ 734	$ 704	$ 672	$ 530	$ 454	$ 426	$ 402	$ 369	$ 353	$ 339	$ 348

Denver Rocky Mountain News(10)	221	210	200	197	183	184	170	154	146	140	143
Newspapers	955	914	872	727	637	610	572	523	499	479	490
Scripps Networks	314	229	149	67	32	19	5				
Broadcast Television	343	312	331	331	323	295	288	255	247	216	205
Licensing and other media	97	93	89	80	75	68	68	85	87	92	92
Total	1,709	1,548	1,441	1,205	1,067	992	933	863	833	787	787
Divested operating units (2)	10	23	24	46	64	49	43	93	195	298	320
Total operating revenues	$ 1,719	$ 1,571	$ 1,465	$ 1,251	$ 1,131	$ 1,041	$ 976	$ 956	$1,028	$1,085	$1,107
Operating Income (Loss):											
Other newspapers	$ 230	$ 231	$ 204	$ 171	$ 133	$ 126	$ 118	$ 93	$ 96	$ 81	$ 83
Denver Rocky Mountain News(10)	(24)	(16)	(8)	2	(4)	(2)	(2)	(20)	(12)	(15)	(7)
Newspapers	206	215	196	173	129	124	116	73	84	66	76
Scripps Networks	54	23	(8)	(14)	(17)	(19)	(9)	(1)			
Broadcast Television	100	68	93	104	100	87	95	69	62	50	61
Licensing and other media	15	11	11	10	9	7	5	5	8	10	10
Corporate	(21)	(19)	(17)	(17)	(18)	(17)	(15)	(14)	(15)	(13)	(15)
Total	354	298	275	256	203	182	192	132	139	113	132
Divested operating units (2)				(3)	3	2	1	10	22	36	37
Unusual items (3)	(10)	(3)	1		(4)		(8)	(1)	(33)		(36)
Total operating income	345	295	276	252	202	185	185	142	128	149	133
Interest expense	(52)	(45)	(47)	(19)	(10)	(11)	(16)	(26)	(34)	(38)	(43)
Gains (losses) on divested operations (1)	6			48				92	78		
Gain on sale of Garfield copyrights(4)							32				
Investment results, net of expenses(5)	(25)	1		(3)	37						
Other unusual credits (charges) (6)					(15)		(17)	3	(4)		
Miscellaneous, net	1	4		3	2	2	(1)	(2)	(4)		(2)
Income taxes (7)	(108)	(104)	(93)	(118)	(84)	(76)	(81)	(86)	(65)	(48)	(44)
Minority interests	(4)	(4)	(5)	(5)	(3)	(3)	(8)	(16)	(9)	(7)	(8)
Income from continuing operations	$ 163	$ 146	$ 131	$ 158	$ 127	$ 96	$ 93	$ 105	$ 91	$ 55	$ 35
Share Data											
Income from continuing operations	$2.06	$ 1.85	$ 1.62	$ 1.94	$ 1.58	$1.19	$1.22	$1.40	$1.22	$.74	$.46
Adjusted income from continuing operations (excluding unusual items and net gains)	2.20	1.87	1.61	1.64	1.38	1.19	1.26	.72	.80	.74	.77
Cash dividends	.56	.56	.54	.52	.52	.50	.44	.44	.40	.40	.40
Market value of proceeds from Cable Transaction (8)					19.83						
Market Value of Common Shares at December 31											
Per share	$62.88	$44.81	$49.75	$48.44	$35.00	$39.38	$30.25	$27.50	$24.75	$24.13	$17.00
Total	4,951	3,502	3,908	3,906	2,827	3,153	2,415	2,056	1,847	1,798	1,267
EBITDA (excluding divested operating units and unusual items):											
Other newspapers	$ 279	$ 279	$ 254	$ 201	$ 156	$ 147	$ 139	$ 116	$ 117	$ 101	$ 103
Denver Rocky Mountain News (10)	(10)	(3)	6	16	10	11	11	(7)	1	(6)	(2)
Newspapers	269	276	260	217	166	158	150	109	118	95	101
Scripps Networks	69	35	5	(9)	(14)	(17)	(8)	(1)			
Broadcast Television	129	96	118	128	126	113	116	89	82	66	75
Licensing and other media	16	13	12	10	10	8	6	6	9	11	11
Corporate	(20)	(18)	(16)	(16)	(17)	(16)	(15)	(13)	(13)	(12)	(14)
Total	$ 464	$ 401	$ 378	$ 331	$ 269	$ 247	$ 249	$ 190	$ 196	$ 161	$ 173
Scripps Cable Financial Data (8)											
Operating revenues					$ 270	$ 280	$ 255	$ 252	$ 238	$ 218	$ 193
Operating income excluding unusual items					61	65	43	46	44	36	27
Net income					40	40	30	24	15	11	14
Net income per share of common stock					.49	.50	.39	.32	.20	.14	.18
EBITDA - excluding unusual items					109	119	101	106	102	92	85
Capital expenditures					(58)	(48)	(42)	(67)	(58)	(37)	(36)

Note: Certain amounts may not foot as each is rounded independently.

ELEVEN-YEAR FINANCIAL HIGHLIGHTS

(in millions, except share data)

	2000(1)	1999(1)	1998(1)	1997(1)	1996(1)	1995(1)	1994(1)	1993(1)	1992(1)	1991(1)	1990(1)
Cash Flow Statement Data											
Net cash provided by continuing operations	$ 256	$ 194	$ 239	$ 193	$ 176	$ 114	$ 170	$ 142	$ 127	$ 136	$ 155
Depreciation and amortization of intangible assets	109	104	104	78	69	67	59	61	64	56	49
Investing activity:											
Capital expenditures	(75)	(80)	(67)	(57)	(53)	(57)	(54)	(37)	(87)	(114)	(49)
Business acquisitions and investments	(139)	(70)	(29)	(745)	(128)	(12)	(32)	(42)	(17)	(131)	(9)
Other (investing)/divesting activity, net	62	33	10	31	35	(19)	51	147	38	3	23
Financing activity:											
Increase (decrease) in long-term debt	(54)	(1)	(4)	651	41	(30)	(138)	(194)	(50)	124	(96)
Dividends paid	(47)	(47)	(47)	(46)	(45)	(43)	(37)	(37)	(34)	(35)	(36)
Common stock issued (retired)	(5)	(35)	(108)	(26)							
Other finanacing activity	6	1	6	4	9	6	1	2	(1)		
Balance Sheet Data											
Total assets	2,573	2,520	2,361	2,289	1,469	1,353	1,293	1,260	1,291	1,301	1,098
Long-term debt (including current portion) (9)	715	769	771	773	122	81	110	248	442	492	368
Stockholders' equity (9)	1,278	1,164	1,070	1,050	945	1,194	1,084	860	733	677	640

Note: Certain amounts may not foot as each is rounded independently.

Notes to Selected Financial Data

The income statement and cash flow data for the eleven years ended December 31, 2000, and the balance sheet data as of the same dates have been derived from the audited consolidated financial statements of the Company. The 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. All per share amounts are presented on a diluted basis. EBITDA is defined as earnings before interest, income taxes, depreciation and amortization. See page F-7.

(1) In the periods presented the Company acquired and divested the following:

Acquisitions

- 2000 - Daily newspapers in Ft. Pierce, Florida (in exchange for the Company's newspaper in Destin, Florida, and cash), and Henderson, Kentucky, weekly newspaper in Marco Island, Florida, and television station KMCI in Lawrence, Kansas.
- 1999 - Additional 70% interest of Colorado Real Estate On-line that the Company did not already own and an additional 7.0% interest in Food Network.
- 1998 - Independent telephone directories in Memphis, Tennessee; Kansas City, Missouri; North Palm Beach, Florida; and New Orleans, Louisiana.
- 1997 - Daily newspapers in Abilene, Corpus Christi, Plano, San Angelo and Wichita Falls, Texas; community newspapers in the Dallas, Texas, market; daily newspapers in Anderson, South Carolina, and Boulder, Colorado (in exchange for the Company's daily newspapers in Monterey and San Luis Obispo, California). Approximate 56% interest in Food Network.
- 1996 - Vero Beach, Florida, daily newspaper.
- 1994 - The remaining 13.9% minority interest in Scripps Howard Broadcasting Company ("SHB") in exchange for 4,952,659 Class A Common Shares. Cinetel Productions (an independent producer of programs for cable television).
- 1993 - The remaining 2.7% minority interest in the Knoxville News-Sentinel and 5.7% of the outstanding shares of SHB.
- 1992 - Three daily newspapers in California (including The Monterey County Herald in connection with the sale of The Pittsburgh Press).
- 1991 - Baltimore television station WMAR.

Divestitures

- 2000 - Destin, Florida, newspaper (in exchange for Ft. Pierce, Florida, newspaper), independent yellow page directories. The divestitures resulted in net pre-tax gains of $6.2 million, increasing income from continuing operations $4.0 million, $.05 per share.
- 1998 - Dallas community newspapers, including the Plano daily, and Scripps Howard Productions, the Company's television program production operation based in Los Angeles, California. No material gain or loss was realized as proceeds approximated the book value of net assets sold.
- 1997 - Monterey and San Luis Obispo, California, daily newspapers (in exchange for Boulder, Colorado, daily newspaper). Terminated joint operating agency ("JOA") and ceased operations of El Paso, Texas, daily newspaper. The JOA termination and trade resulted in pre-tax gains totaling $47.6 million, increasing income from continuing operations by $26.2 million, $.32 per share.
- 1995 - Watsonville, California, daily newspaper. No material gain or loss was realized as proceeds approximated the book value of net assets sold.
- 1993 - Book publishing operations; newspapers in Tulare, California, and San Juan; Memphis television station; radio stations. The divestitures resulted in net pre-tax gains of $91.9 million, increasing income from continuing operations by $46.8 million, $.63 per share.
- 1992 - The Pittsburgh Press; TV Data; certain other investments. The divestitures resulted in net pre-tax gains of $78.0 million, increasing income from continuing operations $45.6 million, $.61 per share.
- 1991 - George R. Hall Company (contracting firm specializing in the installation, relocation, and rebuilding of newspaper presses). No gain or loss was realized as proceeds equaled the book value of net assets sold.

(2) Operating units other than cable television systems sold prior to December 31, 2000.

(3) The following unusual items affected operating income:

2000 - Expenses of $9.5 million associated with preparations for the Denver JOA reduced income from continuing operations $6.2 million, $.08 per share.

1999 - A $1.1 million accrual for "make-goods" related to HGTV advertising in 1998, $0.8 million of costs incurred to move Food Network's operations to a different location in Manhattan, and severance payments of $1.2 million to certain television station employees reduced operating income $3.1 million. Income from continuing operations was reduced $1.9 million, $.03 per share.

1998 - "Make-goods" totaling $1.1 million (see above) increased income from continuing operations $0.7 million, $.01 per share.

1996 - A $4.0 million charge for the Company's share of certain costs associated with restructuring portions of the distribution system of the Cincinnati JOA. The charge reduced income from continuing operations by $2.6 million, $.03 per share.

1994 - A $7.9 million loss on program rights expected to be sold as a result of changes in television network affiliations. The loss reduced income from continuing operations by $4.9 million, $.07 per share.

1993 - A change in estimate of disputed music license fees increased operating income by $4.3 million; a gain on the sale of certain publishing equipment increased operating income by $1.1 million; a charge for workforce reductions at 1) the Company's Denver newspaper and 2) the newspaper feature and the licensing operations of United Media decreased operating income by $6.3 million. The planned workforce reductions were fully implemented in 1994. These items totaled $0.9 million and reduced income from continuing operations by $0.6 million, $.01 per share.

1992 - Operating losses of $32.7 million during the Pittsburgh Press strike reduced income from continuing operations $20.2 million, $.27 per share.

1990 - A $36.4 million charge associated with an agreement to terminate the Knoxville joint operating agency. The charge reduced income from continuing operations by $23.7 million, $.31 per share.

(4) In 1994 the Company sold its worldwide GARFIELD and U.S. ACRES copyrights. The sale resulted in a pre-tax gain of $31.6 million, increasing income from continuing operations $17.4 million, $.23 per share.

(5) Investment results include i) gains and losses from the sale or write-down of investments and ii) accrued incentive compensation and other expenses associated with the management of the Scripps Ventures investment portfolios. Investment results include the following:

2000 - Net realized losses of $19.4 million. Accrued incentive compensation was increased $4.5 million, to $11.5 million, in conjunction with the increase in the net gain on Scripps Venture's I investment portfolio of $29.9 million, to $76.9 million. Net investment results reduced income from continuing operations $15.8 million, $.20 per share.

1999 - Net realized gains of $8.6 million. Accrued incentive compensation was increased $7.0 million, to $7.0 million, in conjunction with the increase in the net gain Scripps Venture's I investment portfolio to $47.0 million.

1997 - Write-down of investments totaling $2.7 million. Income from continuing operations was reduced $1.7 million, $.02 per share.

1996 - A $40.0 million gain on the Company's investment in Turner Broadcasting Systems when Turner was merged into Time Warner and a $3.0 million write-off of an investment in Patient Education Media, Inc. Income from continuing operations was increased $24.3 million, $.30 per share.

(6) Other unusual credits (charges) included the following:

1996 - $15.5 million contribution of appreciated Time Warner stock to a charitable foundation, decreasing income from continuing operations by $5.2 million, $.07 per share.

1994 - An estimated $2.8 million loss on real estate expected to be sold as a result of changes in television network affiliations; an $8.0 million contribution to a charitable foundation; and a $6.1 million accrual for lawsuits associated with a divested operating unit. These items totaled $16.9 million and reduced income from continuing operations by $9.8 million, $.13 per share.

1993 - A $2.5 million fee received in connection with the change in ownership of the Ogden, Utah, newspaper. Income from continuing operations was increased $1.6 million, $.02 per share.

1992 - Write-downs of real estate and investments totaling $3.5 million. Income from continuing operations was reduced $2.3 million, $.03 per share.

(7) The provision for income taxes was affected by the following unusual items:

2000 - A change in estimated tax liability for prior years reduced the tax provision, increasing income from continuing operations by $7.2 million, $.09 per share.

1994 - A change in estimated tax liability for prior years increased the tax provision, reducing income from continuing operations by $5.3 million, $.07 per share.

1993 - A change in estimated tax liability for prior years decreased the tax provision, increasing income from continuing operations by $5.4 million, $.07 per share; the effect of the increase in the federal income tax rate to 35% from 34% on the beginning of the year deferred tax liabilities increased the tax provision, reducing income from continuing operations by $2.3 million, $.03 per share.

1992 - A change in estimated tax liability for prior years decreased the tax provision, increasing income from continuing operations $8.4 million, $.11 per share.

(8) The Company's cable television systems ("Scripps Cable") were acquired by Comcast Corporation ("Comcast") on November 13, 1996, ("Cable Transaction") through a merger whereby the Company's shareholders received, tax-free, a total of 93 million shares of Comcast's Class A Special Common Stock. The aggregate market value of the Comcast shares was $1.593 billion and the net book value of Scripps Cable was $356 million, yielding an economic gain of $1.237 billion to the Company's shareholders. This gain is not reflected in the Company's financial statements as accounting rules required the Company to record the transaction at book value. Unless otherwise noted, the data excludes the cable television segment, which is reported as a discontinued business operation.

(9) Includes effect of discontinued cable television operations prior to completion of the Cable Transaction.

(10) The application for a Joint Operating Agency ("JOA") between the Company's Denver Rocky Mountain News ("RMN") and MediaNews Group Inc.'s Denver Post was approved by the U.S. Department of Justice in January 2001. The JOA commenced operations on January 22, 2001. The 50-year agreement created a new entity called the Denver Newspaper Agency, L.L.C., which is 50%-owned by each partner. Both partners contributed certain assets used in the operations of their newspapers to the new entity. The Company will receive a 50% share of the operating profits of the Denver JOA. These profits will be reported as "joint operating agency distributions" in the Company's financial statements. The Company will also include in its operating expenses its editorial costs associated with the RMN. However, the Company's financial statements will no longer include the advertising and other revenue produced by the RMN, nor the costs to produce and distribute the newspaper or to sell advertising. To enhance comparability of year-over-year operating results, the Company is reporting RMN operating results separate from its other newspapers.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Company operates in three reportable segments: Newspapers, Scripps Networks, and Broadcast Television.

FORWARD-LOOKING STATEMENTS

This discussion and the information contained in the notes to the consolidated financial statements contain certain forward-looking statements that are based on management's 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 the Company's control, include changes in advertising demand and other economic conditions; consumers' taste; 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.

RESULTS OF OPERATIONS

Acquisitions and divestitures can affect the comparability of year-over-year reported results. Amounts included in the accompanying tables include the results of operations for acquired operations from the dates of acquisition. The results of operations of divested operating units are removed from segment operating results and reported separately because management believes they impede analysis of the Company's on-going operations.

See Note 2 to the Consolidated Financial Statements on page F-26 regarding acquisitions and divestitures in the three years ending December 31, 2000.

The application for a Joint Operating Agency ("JOA") between the Company's Denver Rocky Mountain News ("RMN") and MediaNews Group Inc.'s Denver Post was approved by the U.S. Department of Justice in January 2001. The JOA commenced operations on January 22, 2001. The 50-year agreement created a new entity called the Denver Newspaper Agency, L.L.C., which is 50%-owned by each partner. Both partners contributed certain assets used in the operations of their newspapers to the new entity.

The Company will receive a 50% share of the operating profits of the Denver JOA. These profits will be reported as "joint operating agency distributions" in the Company's financial statements. The Company will also include in its operating expenses editorial costs associated with the RMN. However, the Company's financial statements will no longer include the advertising and other revenue produced by the RMN, nor the costs to produce and distribute the newspaper or to sell advertising. To enhance comparability of year-over-year operating results, the Company is reporting RMN operating results separate from its other newspapers in Management's Discussion and Analysis of Results of Operations.

All per share disclosures included in management's discussion and analysis of financial condition and results of operation are on a diluted basis.

Consolidated results of operations are presented on the following page.

(in thousands, except per share data)

	For the years ended December 31, 2000	Change	1999	Change	1998
Operating revenues:					
Newspapers	$ 734,102	4.2 %	$ 704,690	5.0 %	$ 671,131
Scripps Networks	313,739	36.4 %	230,015	55.9 %	147,541
Broadcast Television	343,125	9.8 %	312,362	(5.5)%	330,714
Licensing and other media	96,895	4.7 %	92,570	4.2 %	88,823
Total	1,487,861	11.1 %	1,339,637	8.2 %	1,238,209
Denver Rocky Mountain News	220,998	5.4 %	209,713	4.6 %	200,442
Unusual item			(1,100)		1,100
Divested operating units	10,500		23,042		24,877
Total operating revenues	$ 1,719,359	9.4 %	$ 1,571,292	7.3 %	$ 1,464,628
Operating income (loss):					
Newspapers	$ 229,717	(0.5)%	$ 230,810	12.9 %	$ 204,428
Scripps Networks	54,471		22,770		(7,735)
Broadcast Television	100,270	46.4 %	68,491	(26.3)%	92,966
Licensing and other media	15,330	40.3 %	10,924	(0.8)%	11,016
Corporate	(20,797)	(12.1)%	(18,558)	(7.7)%	(17,231)
Total	378,991	20.5 %	314,437	10.9 %	283,444
Denver Rocky Mountain News	(24,104)		(16,178)		(7,962)
Unusual items	(9,523)		(3,100)		1,100
Divested operating units	(275)		195		(385)
Total operating income	345,089	16.8 %	295,354	6.9 %	276,197
Interest expense	(51,934)		(45,219)		(47,108)
Investment results, net of expenses	(24,834)		544		
Net gains on divested operations	6,196				
Miscellaneous, net	1,485		3,505		226
Income taxes	(108,090)		(103,612)		(93,130)
Minority interest	(4,459)		(4,450)		(4,873)
Net income	$ 163,453	11.9 %	$ 146,122	11.3 %	$ 131,312
Per share of common stock:					
Net income	$ 2.06	11.4 %	$ 1.85	14.2 %	$ 1.62
Weighted-average shares outstanding	79,161		78,951		80,921
Reconciliation to earnings from core operations:					
Reported net income	$ 163,453	11.9 %	$ 146,122	11.3 %	$ 131,312

Net investment results	15,835		(355)		
Net gains on divested operations	(3,955)				
Denver JOA preparatory expenses	6,190				
Income tax liability adjustments	(7,170)				
Scripps Networks (HGTV makegoods/Food Network move)			1,182		(684)
Broadcast Television severance			746		
Net income from core operations	$ 174,353	18.0 %	$ 147,695	13.1 %	$ 130,628
Per share of common stock:					
Reported net income	$ 2.06	11.4 %	$ 1.85	14.2 %	$ 1.62
Net investment results	.20				
Net gains on divested operations	(.05)				
Denver JOA preparatory expenses	.08				
Income tax liability adjustments	(.09)				
Scripps Networks (HGTV makegoods/Food Network move)			.02		(.01)
Broadcast Television severance			.01		
Net income from core operations	$ 2.20	17.6 %	$ 1.87	16.1 %	$ 1.61

See Notes to Selected Financial Data on pages F-3 and F-4 regarding items excluded from core operations.

(in thousands)

	For the years ended December 31, 2000	Change	1999	Change	1998
Other Financial and Statistical Data - excluding divested operating units and unusual items:					
Total advertising revenues	$ 1,133,474	14.3 %	$ 991,557	10.2 %	$ 899,633
Advertising revenues as a percentage of total revenues	76.2 %		74.0 %		72.7 %
EBITDA:					
Newspapers	$ 279,050	0.1 %	$ 278,803	9.8 %	$ 253,933
Scripps Networks	68,770	98.4 %	34,667		4,542
Broadcast Television	129,018	34.5 %	95,955	(18.7)%	118,012
Licensing and other media	16,144	27.7 %	12,640	5.7 %	11,964
Corporate	(19,825)	(13.2)%	(17,519)	(8.1)%	(16,207)
Total	473,157	17.0 %	404,546	8.7 %	372,244
Denver Rocky Mountain News	(9,641)		(3,132)		6,056
Total EBITDA	$ 463,516	15.5 %	$ 401,414	6.1 %	$ 378,300
Effective income tax rate for core operations	41.2 %		40.7 %		40.6 %
Statement of Cash Flows Information:					
Net cash provided by operating activities	$ 255,743	32.2 %	$ 193,515	(19.1)%	$ 239,173
Capital expenditures	(74,577)		(79,826)		(66,969)
Business acquisitions and other additions to long-lived assets	(158,238)		(88,132)		(48,653)
Increase (decrease) in long-term debt	(53,958)		(1,256)		(3,800)
Dividends paid, including to minority interests	(47,202)		(47,094)		(46,571)
Purchase and retirement of common stock	(4,571)		(34,951)		(108,421)

Earnings before interest, income taxes, depreciation and amortization ("EBITDA") is included in the discussion of results of operations because:

Management believes the year-over-year change in EBITDA, combined with information on historical and anticipated capital spending, is a more useful and reliable measure of year-over-year performance than the change in operating income.

Banks and other lenders use EBITDA to determine the Company's borrowing capacity.

Financial analysts and acquirors use EBITDA, combined with capital spending requirements, to value communications media companies.

EBITDA should not, however, be construed as an alternative measure of the amount of the Company's income or cash flows from operating activities.

Interest expense increased $6,700,000 in 2000 primarily due to higher interest rates on variable rate credit facilities. The weighted-average interest rate on such facilities at December 31 was 6.6% in 2000, 6.0% in 1999, and 5.25% in 1998. The monthly average balance of interest bearing obligations was $767,000,000 in 2000, $780,000,000 in 1999 and $762,000,000 in 1998. Interest expense decreased $1,900,000 in 1999 as lower interest rates more than offset increased borrowings.

Amortization of intangible assets reduced earnings per share approximately $.37 in 2000, $.35 in 1999, and $.36 in 1998.

Capital expenditures in 2001 are estimated to be approximately $80,000,000.

NEWSPAPERS - RMN operating results are presented separately as a single line item to enhance comparability of year-over-year results for Newspapers. Excluding Divested Operating Units and unusual items, Newspapers operating results were as follows:

(in thousands)

		For the years ended December 31,			
	2000	Change	1999	Change	1998
Operating revenues:					
Local	$ 211,568	2.8 %	$ 205,767	2.4 %	$ 201,036
Classified	209,942	7.2 %	195,809	8.2 %	180,938
National	30,977	10.9 %	27,937	35.8 %	20,576
Preprint and other	90,536	13.3 %	79,902	12.1 %	71,286
Total advertising	543,023	6.6 %	509,415	7.5 %	473,836
Circulation	133,491	(1.1)%	135,029	(2.6)%	138,615
Joint operating agency distributions	47,412	(6.1)%	50,511	4.6 %	48,278
Other	10,176	4.5 %	9,735	(6.4)%	10,402
Total operating revenues	734,102	4.2 %	704,690	5.0 %	671,131
Operating expenses, excluding depreciation and amortization:					
Editorial and newspaper content	85,637	0.6 %	85,158	1.5 %	83,875
Newsprint and ink	80,830	10.7 %	73,022	(9.1)%	80,314
Other press and production	66,668	5.0 %	63,507	(2.2)%	64,904
Circulation and distribution	61,281	10.3 %	55,566	3.3 %	53,789
Other advertising products, internet and printing	23,779	20.1 %	19,807	36.0 %	14,562
Advertising sales and marketing	64,393	7.4 %	59,932	4.8 %	57,162
General and administrative	69,847	2.4 %	68,196	8.8 %	62,661
Total	452,435	6.4 %	425,188	1.9 %	417,267
EBITDA	281,667	0.8 %	279,502	10.1 %	253,864
Share of pre-tax earnings of equity-method investments	(2,617)		(699)		69
Total EBITDA	279,050	0.1 %	278,803	9.8 %	253,933
Depreciation and amortization	49,333	2.8 %	47,993	(3.1)%	49,505
Operating income	229,717	(0.5)%	230,810	12.9 %	204,428
Denver Rocky Mountain News operating income	(24,104)		(16,178)		(7,962)
Total operating income	$ 205,613	(4.2)%	$ 214,632	9.2 %	$ 196,466
Other Financial and Statistical Data:					
Percent of operating revenues:					
EBITDA	38.0 %		39.6 %		37.8 %
Operating income	31.3 %		32.8 %		30.5 %
Capital expenditures	$ 29,834		$ 30,693		$ 23,296
Business acquisitions and other additions to long-lived assets	74,878		4,005		3,570

The average price of newsprint increased 7% in 2000, and declined 15% in 1999. The average price of newsprint was $580 per metric ton in the fourth quarter of 2000.

Circulation and distribution costs increased primarily due to efforts to gain circulation at the Company's larger newspapers.

Capital expenditures in 2001 are estimated to be approximately $38,000,000, excluding the RMN. Expected capital expenditures in 2001 include construction of a new production facility for the Knoxville newspaper. Depreciation and amortization is expected to be approximately $52,000,000.

SCRIPPS NETWORKS - Operating results, excluding unusual items, were as follows:

(in thousands)

		For the years ended December 31,			
	2000	Change	1999	Change	1998
Operating revenues:					
Advertising	$ 249,619	45.9 %	$ 171,059	79.7 %	$ 95,171
Affiliate fees	58,370	16.4 %	50,142	31.7 %	38,063
Other	5,750	(34.8)%	8,814	(38.4)%	14,307
Total operating revenues	313,739	36.4 %	230,015	55.9 %	147,541
Operating expenses, excluding depreciation and amortization:					
Programming and production	89,274	31.7 %	67,804	55.9 %	43,482
Operations and distribution	31,127	10.5 %	28,169	48.4 %	18,978
Amortization of distribution fees	18,058	12.9 %	15,993	1.9 %	15,697
Sales and marketing	69,442	29.7 %	53,530	28.6 %	41,624
General and administrative	41,992	26.3 %	33,254	28.3 %	25,924

Total		249,893	25.7 %		198,750	36.4 %		145,705
EBITDA - consolidated networks		63,846			31,265			1,836
Share of pre-tax earnings of equity-method investments		4,924			3,402			2,706
Total EBITDA		68,770	98.4 %		34,667			4,542
Depreciation and amortization		14,299			11,897			12,277
Operating income (loss)	$	54,471		$	22,770		$	(7,735)
Other Financial and Statistical Data:								
Percent of operating revenues:								
EBITDA		21.9 %			15.1 %			3.1 %
Operating income (loss)		17.4 %			9.9 %			(5.2)%
Payments for programming and distribution less (greater) than amounts recognized as expense	$	(35,678)		$	(57,770)		$	(26,793)
Capital expenditures		12,236			21,557			7,936
Business acquisitions and other additions to long-lived assets		15,035			39,899			17,431

According to the Nielsen Homevideo Index, HGTV was telecast to 67.1 million homes in December 2000, 59.0 million homes in December 1999, and 48.4 million homes in December 1998. Food Network was telecast to 54.4 million homes in December 2000, 44.2 million homes in December 1999, and 37.1 million homes in December 1998.

The Company launched DIY, its third network, in the fourth quarter of 1999, and in 2000 announced plans to launch a fourth network, Fine Living, in the fourth quarter of 2001. Start-up costs associated with DIY and Fine Living reduced EBITDA by $10,900,000 in 2000, $3,700,000 in 1999 and $1,500,000 in 1998. Start up costs for DIY and Fine Living are expected to reduce EBITDA by approximately $20,000,000 to $25,000,000 for the full year. The cash required by DIY and Fine Living will substantially exceed the reported operating losses in 2001.

Programming and production expense has increased as the Company improves the quality and variety of programming and expands the hours of original programming presented on its networks. Expenditures to purchase or produce programs totaled $147,000,000 in 2000, $117,000,000 in 1999 and $64,000,000 in 1998. The Company owns the rights to substantially all of the programming it produces and expects to telecast the programs over several years. The costs are recognized as expense as the programs are telecast. Programming and production expense in 2001 is expected to increase approximately 10% for HGTV and approximately 40% for Food Network, and approximately 30% for the two networks combined.

Capital expenditures in 1999 included expansion of the studio and office facilities for HGTV and DIY. Capital expenditures in 2001 are expected to be approximately $12,000,000. Depreciation and amortization is expected to be approximately $16,000,000.

BROADCAST TELEVISION - Operating results, excluding divested operations and unusual items, were as follows:

(in thousands)

	For the years ended December 31,								
		2000	Change		1999	Change		1998
Operating revenues:								
Local	$	173,878	1.5 %	$	171,353	3.2 %	$	166,115
National		119,428	(1.0)%		120,638	(3.8)%		125,432
Political		34,762			2,478			20,084
Other		15,057	(15.8)%		17,893	(6.2)%		19,083
Total operating revenues		343,125	9.8 %		312,362	(5.5)%		330,714
Operating expenses, excluding depreciation and amortization:								
Programming and station operations		146,630	(2.5)%		150,444	(0.2)%		150,735
Sales and marketing		40,807	4.3 %		39,110	4.1 %		37,557
General and administrative		26,670	(0.7)%		26,853	10.0 %		24,410
Total		214,107	(1.1)%		216,407	1.7 %		212,702
EBITDA		129,018	34.5 %		95,955	(18.7)%		118,012
Depreciation and amortization		28,748	4.7 %		27,464	9.7 %		25,046
Operating income	$	100,270	46.4 %	$	68,491	(26.3)%	$	92,966
Other Financial and Statistical Data:								
Percent of operating revenues:								

EBITDA	37.6 %	30.7 %	35.7 %
Operating income	29.2 %	21.9 %	28.1 %
Capital expenditures	$ 31,280	$ 25,749	$ 33,454
Business acquisitions and other additions to long-lived assets	14,710	130	218

Year-over-year revenue comparisons are difficult because of the political advertising revenue in even-numbered years.

Average audience shares for broadcast television stations have declined in recent years due to the creation of new television networks and increases in the audience share of alternative service providers such as cable television and direct broadcast satellite systems. Technological advancement in interactive media services will further increase these competitive pressures.

Other revenue includes compensation paid to the Company's television stations in exchange for carrying network programming. National television networks have reduced the amount of compensation paid to affiliated stations. The Company received network compensation of $10,000,000 in 2000, $13,100,000 in 1999 and $16,000,000 in 1998. Network compensation is expected to be $10,000,000 in 2001 and in 2002.

Operating expenses, excluding depreciation and amortization, are expected to decrease approximately 4% in 2001.

Capital expenditures include the construction of a new building for the West Palm Beach station in 2000 and for the Phoenix station in 1998. Capital spending also increased as five of the Company's stations were equipped to broadcast a digital signal. The Company has received construction permits for digital broadcasting in two additional stations, and has filed requests for construction permits for the other three stations. The Company is required to begin digital broadcasting in all of its markets by May 2002. Capital expenditures in 2001 are expected to be approximately $20,000,000. Depreciation and amortization in 2001 is expected to be approximately $31,500,000.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash flow from operating activities is expected to substantially exceed the total of its capital expenditure requirements and cash dividends in 2001, as it has since 1992. The excess cash flow from existing businesses and the Company's substantial borrowing capacity have been used primarily to fund acquisitions, investments, and to develop new businesses. There are essentially no legal or other restrictions on the transfer of funds among the Company's business segments.

Authorizations in 1997 and 1998 by the Board of Directors allow for the repurchase of an additional 2,111,600 Class A Common shares.

The Company's Scripps Ventures Funds invest in new businesses focusing primarily on new media technology. See Note 6 to the Consolidated Financial Statements. The Board of Directors has authorized up to $150 million of such investments. At December 31, 2000, an additional $58,000,000 remains to be invested under the authorization.

The terms of the Denver JOA required the Company to make a $60,000,000 payment to MediaNews in January 2001.

Net debt (borrowings less cash equivalent and other short-term investments) decreased $55,300,000 in 2000, to $714,000,000 at December 31, 2000.

MARKET RISK

The Company's earnings and cash flow can be affected by, among other things, interest rate changes, foreign currency fluctuations (primarily in the exchange rate for the Japanese yen) and changes in the price of newsprint. See "Business - Newspapers - Raw Materials and Labor Costs." The Company is also exposed to changes in the market value of its investments.

The Company may use foreign currency forward and option contracts to hedge its cash flow exposures denominated in Japanese yen and forward contracts to reduce the risk of changes in the price of newsprint on anticipated newsprint purchases.   The Company held no foreign currency or newsprint forward contracts at December 31, 2000, or during the year then ended.

The following table presents additional information about the Company's market-risk-sensitive financial instruments:

(in thousands)

	As of December 31, 2000		As of December 31, 1999	
	Cost Basis	Fair Value	Cost Basis	Fair Value
Financial instruments subject to interest rate risk:				
Variable rate credit facilities, including commercial paper	$ 512,788	$ 512,788	$ 565,689	$ 565,689
$100 million, 6.625% note, due in 2007	99,901	97,900	99,887	94,668
$100 million, 6.375% note, due in 2002	99,964	99,800	99,944	98,107
Other notes	1,956	812	3,927	2,836
Total long-term debt	$ 714,609	$ 711,300	$ 769,447	$ 761,300
Financial instruments subject to market value risk:				
Time Warner common stock (1,344,000 shares)	$ 27,816	$ 70,239	$ 27,816	$ 97,227
Centra Software (1,792,500 common shares)	3,652	6,946		
garden.com Inc. (2,414,000 common shares and 276,000 warrants)			9,625	22,636
iVillage Inc. (41,000 common shares at December 31, 2000, and 270,000 common shares at December 31, 1999)	40	40	5,897	5,897
Other available-for-sale securities	599	3,929	3,385	9,177
Total investments in publicly-traded companies	32,107	81,154	46,723	134,937
Securities that do not trade in a public market	87,266	(a)	68,089	(a)

(a) Investments in private companies do not trade in public markets, so they do not have readily determinable fair values. However, based upon amounts paid for such securities by other investors in subsequent rounds of financing, if any, the estimated value of these investments exceeded their cost by approximately $75,500,000 on December 31, 2000, and $27,900,000 on December 31, 1999.

The Company manages interest rate risk primarily by maintaining a mix of fixed-rate and variable-rate debt. The Company currently does not use interest rate swaps, forwards or other derivative financial instruments to manage its interest rate risk. See Note 5 to the Consolidated Financial Statements. The weighted-average interest rate on borrowings under the Variable Rate Credit Facilities at December 31 was 6.6% in 2000, 6.0% in 1999 and 5.25% in 1998.

The Company holds 1,792,500 shares of Centra Software, which became publicly traded in January 2000. The Company's investment in Centra Software was included in "securities that do not trade in a public market" in the above table in 1999. The estimated fair value of the investment in Centra Software was $6,000,000 on December 31, 1999.

The Company's investments in iVillage, garden.com and Caredata (included in other available for sale securities) declined below historical cost during 2000 and were written down to fair value.

CONSOLIDATED BALANCE SHEETS

(in thousands)

	As of December 31, 2000	1999 (Restated)
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 14,112	$ 10,456
Accounts and notes receivable (less allowances - 2000, $13,891; 1999, $11,266	289,583	280,829
Program rights and production costs	115,513	93,001
Network distribution fees	21,105	17,899
Inventories	17,802	16,538
Deferred income taxes	30,421	27,643
Miscellaneous	35,449	31,095
Total current assets	523,985	477,461
Investments	177,922	210,308
Property, Plant and Equipment	502,041	485,596
Goodwill and Other Intangible Assets	1,209,132	1,187,274

Other Assets:		
Program rights and production costs (less current portion)	96,881	75,702
Network distribution fees (less current portion)	40,571	50,066
Miscellaneous	22,334	33,974
Total other assets	159,786	159,742
TOTAL ASSETS	$ 2,572,866	$ 2,520,381

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	As of December 31, 2000	1999 (Restated)
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	$ 212,828	$ 267,600
Accounts payable	114,275	116,201
Customer deposits and unearned revenue	37,214	40,583
Accrued liabilities:		
Employee compensation and benefits	49,089	46,464
Network distribution fees	48,257	41,712
Miscellaneous	71,313	64,908
Total current liabilities	532,976	577,468
Deferred Income Taxes	129,932	143,912
Long-Term Debt (less current portion)	501,781	501,847
Other Long-Term Obligations and Minority Interests (less current portion)	130,367	132,702
Commitments and Contingencies (Note 13)		
Stockholders' Equity:		
Preferred stock, $.01 par - authorized: 25,000,000 shares; none outstanding		
Common stock, $.01 par:		
Class A - authorized: 120,000,000 shares; issued and outstanding: 2000 - 59,641,828 shares; 1999 - 58,925,449 shares	596	589
Voting - authorized: 30,000,000 shares; issued and outstanding: 2000 - 19,096,913 shares; 1999 - 19,216,913 shares	191	192
Total	787	781
Additional paid-in capital	157,394	136,731
Retained earnings	1,093,138	973,609
Unrealized gains on securities available for sale	31,877	57,298
Foreign currency translation adjustment	361	973
Unvested restricted stock awards	(5,747)	(4,940)
Total stockholders' equity	1,277,810	1,164,452
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 2,572,866	$ 2,520,381

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)

	For the years ended December 31, 2000	1999 (Restated)	1998 (Restated)
Operating Revenues:			
Advertising	$ 1,346,477	$ 1,198,306	$ 1,093,333
Circulation	147,391	153,742	163,861
Licensing	68,549	63,755	62,260
Affiliate fees	58,370	50,142	38,063
Joint operating agency distributions	47,412	50,511	48,278
Other	51,160	54,836	58,833
Total operating revenues	1,719,359	1,571,292	1,464,628
Operating Expenses:			
Employee compensation and benefits	516,707	492,162	454,486
Newsprint and ink	156,369	143,183	147,916
Amortization of purchased programming	121,044	98,810	82,246
Other operating expenses	470,985	437,932	399,938
Depreciation	69,057	65,300	63,722
Amortization of intangible assets	40,108	38,551	40,123
Total operating expenses	1,374,270	1,275,938	1,188,431
Operating Income	345,089	295,354	276,197
Other Credits (Charges):			
Interest expense	(51,934)	(45,219)	(47,108)
Investment results, net of expenses	(24,834)	544	
Net gains on divested operations	6,196		
Miscellaneous, net	1,485	3,505	226
Net other credits (charges)	(69,087)	(41,170)	(46,882)
Income Before Taxes and Minority Interests	276,002	254,184	229,315
Provision for Income Taxes	108,090	103,612	93,130
Income Before Minority Interests	167,912	150,572	136,185
Minority Interests	4,459	4,450	4,873

	2000	1999	1998
Net Income	$ 163,453	$ 146,122	$ 131,312
Net Income per Share of Common Stock:			
Basic	$2.09	$1.87	$1.65
Diluted	$2.06	$1.85	$1.62

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands, except share data)

	For the years ended December 31, 2000	1999 (Restated)	1998 (Restated)
Cash Flows from Operating Activities:			
Net income	$ 163,453	$ 146,122	$ 131,312
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation and amortization	109,165	103,851	103,845
Deferred income taxes	(3,119)	14,333	10,323
Minority interests in income of subsidiary companies	4,459	4,450	4,873
Net investment results and loss (gain) on divestitures	17,732	(1,554)	
Network distribution fee amortization greater (less) than payments	9,831	(4,931)	(6,610)
Program cost amortization greater (less) than payments	(44,049)	(51,810)	(17,431)
Other changes in certain working capital accounts, net	(18,773)	(29,130)	9,579
Miscellaneous, net	17,044	12,184	3,282
Net operating activities	255,743	193,515	239,173
Cash Flows from Investing Activities:			
Additions to property, plant and equipment	(74,577)	(79,826)	(66,969)
Purchase of subsidiary companies and long-term investments	(139,056)	(69,515)	(28,774)
Change in short-term investments, net		20,551	(17,446)
Sale of subsidiary companies and long-term investments	50,940	9,344	32,389
Miscellaneous, net	10,789	2,602	(4,758)
Net investing activities	(151,904)	(116,844)	(85,558)
Cash Flows from Financing Activities:			
Increase in long-term debt	737	4,340	
Payments on long-term debt	(54,695)	(5,596)	(3,800)
Dividends paid	(43,924)	(43,816)	(43,228)
Dividends paid to minority interests	(3,278)	(3,278)	(3,343)
Repurchase Class A Common shares	(4,571)	(34,951)	(108,421)
Miscellaneous, net (primarily exercise of employee stock options)	5,548	1,667	6,180
Net financing activities	(100,183)	(81,634)	(152,612)
Increase (Decrease) in Cash and Cash Equivalents	3,656	(4,963)	1,003
Cash and Cash Equivalents:			
Beginning of year	10,456	15,419	14,416
End of year	$ 14,112	$ 10,456	$ 15,419
Supplemental Cash Flow Disclosures:			
Interest paid, excluding amounts capitalized	$ 51,434	$ 45,162	$ 46,300
Income taxes paid	110,065	89,117	76,237
Destin newspaper traded for Fort Pierce newspaper (see Note 2)	3,857		

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME AND STOCKHOLDERS' EQUITY

(in thousands, except share data)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Unvested Restricted Stock Awards	Total Stockholders' Equity
As of December 31, 1997 as reported	$ 806	$ 259,739	$ 782,329	$ 11,690	$ (5,602)	$ 1,048,962
Change in accounting principle (see Note 1)			890			890
Restated balances at December 31, 1997	806	259,739	783,219	11,690	(5,602)	1,049,852
Comprehensive income						
Net income			131,312			131,312
Unrealized gains, net of tax of $15,080				28,006		28,006
Reclassification adjustment for losses (gains) in income, net of tax of ($268)				(499)		(499)
Increase in unrealized gains				27,507		27,507
Foreign currency translation adjustments				288		288
Total			131,312	27,795		159,107
Dividends: declared and paid - $.54 per share			(43,228)			(43,228)
Convert 114,798 Voting Shares to Class A shares						
Repurchase 2,402,100 Class A Common shares	(24)	(108,397)				(108,421)
Compensation plans, net: 345,053 shares issued; 1,500 shares forfeited; 27,441 shares repurchased	3	6,536			1,871	8,410
Tax benefits of compensation plans		4,000				4,000
As of December 31, 1998	785	161,878	871,303	39,485	(3,731)	1,069,720
Comprehensive income:						
Net income			146,122			146,122
Unrealized gains, net of tax of $9,393				17,358		17,358
Reclassification adjustment for losses (gains) in income, net of tax of $558				1,036		1,036
Increase in unrealized gains				18,394		18,394
Foreign currency translation adjustments				392		392
Total			146,122	18,786		164,908
Dividends: declared and paid - $.56 per share			(43,816)			(43,816)

Convert 2,000 Voting Shares to Class A shares						
Repurchase 784,793 Class A Common shares	(8)	(34,943)				(34,951)
Compensation plans, net: 430,896 shares issued; 200 shares forfeited; 47,421 shares repurchased	4	5,984			(1,209)	4,779
Tax benefits of compensation plans		3,812				3,812
As of December 31, 1999	781	136,731	973,609	58,271	(4,940)	1,164,452
Comprehensive income:						
Net income			163,453			163,453
Unrealized gains (losses), net of tax of ($17,973)				(32,819)		(32,819)
Reclassification adjustment for losses (gains) in income, net of tax of $4,233				7,398		7,398
Increase (decrease) in unrealized gains				(25,421)		(25,421)
Foreign currency translation adjustments				(612)		(612)
Total			163,453	(26,033)		137,420
Dividends: declared and paid - $.56 per share			(43,924)			(43,924)
Convert 120,000 Voting Shares to Class A shares						
Repurchase 80,500 Class A Common shares	(1)	(4,570)				(4,571)
Compensation plans, net: 742,915 shares issued; 15,445 shares forfeited; 50,591 shares repurchased	7	20,275			(807)	19,475
Tax benefits of compensation plans		4,958				4,958
As of December 31, 2000	$ 787	$ 157,394	$ 1,093,138	$ 32,238	$ (5,747)	$ 1,277,810

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations - The E. W. Scripps Company ("Company") operates in three reportable segments: Newspapers, Scripps Networks and Broadcast Television.

Newspapers include 21 daily newspapers in the U.S., and primarily derive revenue from the sale of advertising space to local and national advertisers and from the sale of the newspapers to readers.

Scripps Networks includes three national television networks that are distributed by cable and satellite television systems: Home & Garden Television ("HGTV"), Food Network and Do It Yourself ("DIY"), and the Company's 12% interest in FOX Sports South, a regional television network. The Company owned 64% of Food Network on December 31, 2000. The Company expects to launch Fine Living, its fourth national network, in the fourth quarter of 2001. Revenues are primarily derived from the sale of advertising time and from affiliate fees paid by distributors.

Broadcast Television includes ten stations, nine of which are affiliated with national broadcast networks. Broadcast Television derives revenue from the sale of advertising time to local and national advertisers and receives compensation for broadcasting network programming.

The relative importance of each line of business is indicated in the segment information presented in Note 12. Licensing and other media aggregates the Company's operating segments that are too small to report separately, and primarily includes syndication and licensing of news features and comics.

The Company's operations are geographically dispersed and its customer base is diverse. However, more than 75% of the Company's operating revenues are derived from advertising. Operating results can be affected by changes in the demand for advertising both nationally and in individual markets.

The Company grants credit to substantially all of its customers. Management believes bad debt losses resulting from default by a single customer, or defaults by customers in any depressed region or business sector, would not have a material effect on the Company's financial position.

Use of Estimates - Preparation of the financial statements requires the use of estimates. The Company's financial statements include estimates for such items as income taxes payable and self-insured risks. The Company self insures for employees' medical and disability income benefits, workers' compensation and general liability. The recorded liability for self-insured risks is calculated using actuarial methods and is not discounted. The recorded liability for self-insured risks totaled $19,300,000 at December 31, 2000. Management does not believe it is likely that its estimates for such items will change materially in the near term.

In the first quarter of 1999 the Company increased the estimated useful lives of network distribution fees to the greater of five years or the remaining terms of the distribution contracts. Because of the previous uncertainty regarding the conditions under which the distribution contracts would be renewed, such fees had been amortized over the terms of the contracts. The Company has committed to pay certain cable television system operators additional distribution fees to carry the networks on systems not included in the original distribution contracts. Management believes the expanded distribution of the networks will increase affiliate fee and advertising revenue beyond the remaining terms of the original distribution contracts. The change in the estimated amortization period was made to better match revenue and expense. Also in the first quarter of 1999 the Company increased the estimated useful lives of certain newspaper presses from 20 years to 30 years. The changes in estimated useful lives of the network distribution fees and newspaper presses were made prospectively. The effect of these changes was to increase 1999 operating income $11,900,000 and net income $7,500,000 ($.09 per share).

Consolidation - The consolidated financial statements include the accounts of the Company and its majority-owned subsidiary companies.

Revenue Recognition - Significant revenue recognition policies are as follows:

Advertising revenues are recognized based on dates of publication or broadcast, net of agency commissions. Revenues from advertising on the Company's Internet sites are recognized over the terms of the advertising contracts.

Circulation revenue is recognized based on date of publication. The Company's newspapers are either: 1) sold directly to subscribers and delivered by employees or independent newspaper carriers, or 2) sold to independent newspaper distributors who resell the paper to subscribers. Circulation revenue from newspapers sold directly to subscribers is based on the subscription price, with delivery costs charged to operating expenses. Circulation revenue from newspapers sold to independent newspaper distributors is based upon the price charged the distributor.

Affiliate fees are recognized as programming is provided to cable television and direct broadcast satellite services.

Royalties from merchandise licensing are recognized as the licensee sells products. Royalties from promotional licensing are recognized over the lives of the licensing agreements.

Network Distribution Fees - Network distribution fees are incentives paid to cable television and direct broadcast satellite system operators in exchange for long-term contracts to carry the Company's television networks. These fees are amortized based upon the percentage of the current period's affiliate fee revenues to the estimated total of such revenue over estimated useful lives, or, for contracts that do not provide for the Company to receive affiliate fees, on a straight-line basis over estimated useful lives. Useful lives are estimated at the greater of five years or the duration of the contracts. The portion of the unamortized balance expected to be amortized within one year is classified as a current asset.

Program Rights and Production Costs - Program rights are recorded when programs become available for broadcast. Amortization is computed using the straight-line method based on the license period or based on usage, whichever yields the greater accumulated amortization for each program. The liability for program rights is not discounted for imputed interest.

Production costs are primarily costs incurred in the production of programming for internal use. Programs produced for internal use are amortized over the estimated useful lives of the programs. Program and production costs are stated at the lower of unamortized cost or fair value. The portion of the unamortized balance expected to be amortized within one year is classified as a current asset.

Program rights liabilities payable within the next twelve months are included in accounts payable. Noncurrent program rights liabilities are included in other long-term obligations.

Long-Lived Assets - Long-lived assets used in business operations are recorded at unamortized cost. Management reviews long-lived assets, including related goodwill and other intangible assets, for impairment whenever events or changes in circumstances indicate the carrying amounts of the assets may not be recoverable. Recoverability is determined by comparing the forecasted undiscounted cash flows of the operation to which the assets relate to the carrying amount of the assets. If the operation is determined to be unable to recover the carrying amount of its assets, then goodwill and other intangible assets are written down first, followed by other long-lived assets of the operation, to fair value. Fair value is determined based on discounted cash flows. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

Goodwill and Other Intangible Assets - Goodwill represents the cost of acquisitions in excess of the acquired businesses' tangible assets and identifiable intangible assets. Cable and direct broadcast satellite network affiliation contracts are amortized on a straight-line basis over the greater of five years or the remaining duration of the agreements. Goodwill, customer lists and other intangible assets are amortized on a straight-line basis over periods of up to 40 years.

Property, Plant and Equipment - Depreciation is computed using the straight-line method over maximum estimated useful lives as follows:

Buildings and improvements	35 years
Printing presses	30 years
Other newspaper production equipment	5 to 10 years
Television transmission towers and related equipment	15 years
Other television and program production equipment	5 to 15 years
Office and other equipment	3 to 10 years

In the first quarter of 1999 the Company increased the estimated useful lives of certain newspaper presses from 20 years to 30 years. Interest costs related to major capital projects are capitalized and classified as property, plant and equipment.

Income Taxes - Deferred income taxes are provided for temporary differences between the tax basis and reported amounts of assets and liabilities that will result in taxable or deductible amounts in future years. The Company's temporary differences primarily result from accelerated depreciation and amortization for tax purposes, investment gains and losses not yet recognized for tax purposes and accrued expenses not deductible for tax purposes until paid.

Investments - The Company records its investments at fair value, except for securities accounted for under the equity method or that do not trade in a public market. All investments recorded at fair value have been classified as available for sale. The fair value of available-for-sale investments is determined by quoted market prices. The cost basis of available for sale securities is adjusted when a decline in market value is determined to be other than temporary, with the resulting adjustment charged against net income. The difference between adjusted cost basis and fair value, net of related tax effects, is recorded in the accumulated other comprehensive income component of stockholders' equity. Investments in private companies are recorded at cost, net of impairment write-downs, because no readily determinable market price is available.

Investments in 20%- to 50%-controlled companies and in all joint ventures are accounted for using the equity method.

The cost of securities sold is determined by specific identification.

Newspaper Joint Operating Agencies - A JOA combines all but the editorial operations of two competing newspapers in a market in order to reduce aggregate expenses and take advantage of economies of scale, thereby allowing the continuing operation of both newspapers in that market. The Newspaper Preservation Act of 1970 provides a limited exemption from anti-trust laws, generally permitting the continuance of JOAs in existence prior to its enactment and the formation, under certain circumstances, of new JOAs between newspapers.

The Company is a partner in newspaper joint operating agencies ("JOAs") in four markets. The JOA between the Company's Denver Rocky Mountain News and

MediaNews Group Inc.'s Denver Post was approved by the U.S. Attorney General in January 2001. The 50-year agreement created a new entity called the Denver Newspaper Agency L.L.C., which is 50%-owned by each partner. Both partners contributed certain assets used in the operations of their newspapers to the new entity. In addition, the Company paid $60,000,000 to MediaNews Group Inc. The JOA commenced operations on January 22, 2001.

The Company will receive a 50% share of the operating profits of the Denver JOA, and between 20% and 40% of the operating profits in the other three markets. The Company includes its portion of JOA operating profits in operating revenues, and includes its residual interest in the net assets of the Denver and Albuquerque JOAs in Investments in the Consolidated Balance Sheets. The Company does not include any assets or liabilities related to its other JOAs in its Consolidated Balance Sheets because the Company has no residual interest in the net assets of those JOAs.

A JOA in Evansville, Indiana, which was managed by the Company, expired in 1998 and was not renewed. The Company included the full amounts of this JOA's revenues and expenses in the consolidated financial statements. Distributions of JOA operating profits to the other partner were included in other operating expenses. The Company continues to operate its newspaper in Evansville.

Inventories - Inventories are stated at the lower of cost or market. The cost of inventories is computed using the first in, first out ("FIFO") method.

Effective July 1, 2000, the Company began accounting for newsprint inventories by the first in, first out ("FIFO") method. Newsprint inventories were previously valued using the last in, first out ("LIFO") method. The Company typically maintains a 30-day supply of newsprint and FIFO more accurately reflects the current value of the Company's newsprint inventory. Financial statements for all prior periods have been restated to apply the new method retroactively. Retained earnings at December 31, 1997, were increased $890,000.

The effect of the accounting change on net income as previously reported for the years ended December 31 was as follows:

(in thousands)

	For the years ended December 31, 1999	1998
Net income as previously reported	$ 146,933	$ 131,214
Change in accounting for newsprint inventories	(811)	98
Net income as adjusted	$ 146,122	$ 131,312
Net income per share of common stock - basic:		
As previously reported	$1.89	$1.65
As adjusted	$1.87	$1.65
Net income per share of common stock - diluted:		
As previously reported	$1.86	$1.62
As adjusted	$1.85	$1.62

Stock-Based Compensation - The Company's incentive plans provide for awards of options to purchase Class A Common shares and awards of Class A Common shares. Stock options are awarded to purchase Class A Common shares at not less than 100% of the fair market value on the date of the award. Stock options and awards of Class A Common shares vest over an incentive period conditioned upon the individual's employment through that period. The Company measures compensation expense using the intrinsic-value-based method (see Note 14).

Cash equivalent and Short-term Investments - Cash equivalents represent debt instruments with an original maturity of less than three months. Short-term investments represent excess cash invested in securities not meeting the criteria to be classified as cash equivalents. Cash equivalent and short-term investments are carried at cost plus accrued income, which approximates fair value.

Risk Management Contracts - The Company does not hold derivative financial instruments for trading or speculative purposes, and does not hold leveraged contracts. The impact of risk management activities on the Company's financial position, its results of operations, and its cash flows is immaterial.

The Company has used foreign currency forward and option contracts to hedge cash flow exposures denominated in Japanese yen. Such contracts reduce the risk of changes in the exchange rate for Japanese yen on the Company's anticipated net licensing receipts (licensing royalties less amounts due creators of the properties and certain direct expenses) for the following year. They are recorded at fair value in the Consolidated Balance Sheets and gains or losses are recognized in income as changes occur in the exchange rate for the Japanese yen. The Company held no foreign currency derivative financial instruments at December 31, 2000, or at December 31, 1999.

The Company has used off-balance-sheet financial instruments, such as forward contracts, to reduce the risk of changes in the price of newsprint on anticipated newsprint purchases. Gains or losses on such contracts are deferred and charged to newsprint and ink expense as the newsprint is consumed. The Company held no derivative financial instruments associated with newsprint at December 31, 2000, or at December 31, 1999.

The Company has also used put options and zero-cost collars to hedge the proceeds from the expected sale of certain investments. These contracts are recorded at fair value in the Consolidated Balance Sheets. Gains or losses are recognized in net income or in other comprehensive income depending upon the treatment of changes in the unrealized gain or loss on the underlying investment. Several of the Company's investments include embedded puts or other derivative financial instruments. These instruments are currently accounted for at cost with the underlying investment.

The Company adopted FAS No. 133 - Accounting for Derivative Instruments and Hedging Activities effective January 1, 2001. The standard establishes accounting and reporting standards for derivative financial instruments and hedging activities. The standard requires the recognition of all derivative financial instruments on the balance sheet as either assets or liabilities and measurement at fair value. The accounting for changes in the value of a derivative financial instrument depends upon its intended use, and if designated as a hedge, its effectiveness in hedging the identified risk. Adoption of the standard did not have a material effect on the Company's financial statements.

Net Income Per Share - The following table presents additional information about basic and diluted weighted-average shares outstanding:

(in thousands)	For the years ended December 31, 2000	1999	1998
Basic weighted-average shares outstanding	78,170	77,936	79,715
Effect of dilutive securities:			
Unvested restricted stock held by employees	165	179	197
Stock options held by employees	826	836	1,009
Diluted weighted-average shares outstanding	79,161	78,951	80,921

Reclassifications - For comparative purposes, certain 1999 and 1998 amounts have been reclassified to conform to 2000 classifications.

2. ACQUISITIONS AND DIVESTITURES

Acquisitions

2000 - The Company acquired the daily newspaper in Fort Pierce, Florida, in exchange for its newspaper in Destin, Florida, and cash; the daily newspaper in Henderson, Kentucky; the weekly newspaper in Marco Island, Florida; and television station KMCI in Lawrence, Kansas.

1999 - The Company acquired the 70% of Colorado Real Estate On-line, a provider of real estate listings on the Internet, that it did not already own and an additional 6.86% interest in the Food Network.

1998 - The Company acquired independent telephone directories in Memphis, Tennessee; Kansas City, Missouri; New Orleans, Louisiana; and North Palm Beach, Florida.

The following table presents additional information about the acquisitions:

(in thousands)

	For the years ended December 31, 2000	1999	1998
Goodwill and other intangible assets acquired	$ 73,305	$ 20,571	$ 12,553
Other assets acquired (primarily property and equipment)	14,495	85	4,154
Total	87,800	20,656	16,707
Fair value of Destin newspaper	(3,857)		
Liabilities assumed	(1,876)	(1,902)	(2,448)
Cash paid	$ 82,067	$ 18,754	$ 14,259

The acquisitions have been accounted for as purchases. The allocations of the purchase prices are based on preliminary appraised values of the assets acquired and liabilities assumed, and are therefore subject to change. Operating results are included in the Consolidated Statements of Income from the dates of acquisitions, with the exception of KMCI whose results were included while the Company operated the station under a contract with the previous owner. Pro forma results are not presented because the combined results of operations would not be significantly different than the reported amounts.

Divestitures

2000 - The Company sold its independent telephone directories, and traded its Destin, Florida, newspaper and cash for the daily newspaper in Fort Pierce, Florida. The sales and trade resulted in year-to-date net gains of $6,196,000, $4,000,000 after-tax ($.05 per share).

1998 - The Company sold Scripps Howard Productions, its program television production operation based in Los Angeles, and the Dallas Community newspapers, including the Plano daily newspaper. No material gain or loss was realized on either divestiture as proceeds approximated the book value of the net assets sold.

Included in the consolidated financial statements were the following results of divested operating units (excluding gains on sales):

(in thousands, except per share data)

	For the years ended December 31, 2000	1999	1998
Operating revenues	$ 10,500	$ 23,042	$ 24,877
Operating income (loss)	(275)	195	(385)

3. UNUSUAL CREDITS AND CHARGES

2000 - In addition to the gains on divested operations described in Note 2, the Company's reported results of operations were affected by the following items:

Recognized net investment losses totaling $19,400,000. Accrued incentive compensation for Scripps Ventures I's portfolio managers was increased $4,500,000, to $11,500,000 in conjunction with the $29,900,000 increase in the net gain on Scripps Ventures I's portfolio, to $76,900,000. Net investment results reduced net income $15,800,000 ($.20 per share).

$9,500,000 of expenses associated with preparations for the anticipated joint newspaper operations in Denver. Net income was reduced $6,200,000 ($.08 per share).

Reduction of the estimated liability for prior year income taxes and a reduction in the estimate of unrealizable state net operating loss carryforwards (see Note 4). Net income was increased $7,200,000 ($.09 per share).

The combined effect of the above items was to reduce 2000 net income $10,900,000 ($.14 per share).

1999 - The Company's reported results of operations were affected by the following items:

Recognized net investment gains totaling $8,600,000. Accrued incentive compensation for Scripps Ventures I's portfolio managers was increased $7,000,000 in conjunction with the increase in the net gain on Scripps Ventures I's portfolio to $47,000,000. Net investment results increased net income $400,000 ($.00 per share).

A $1,100,000 accrual for "make goods" to Home & Garden Television ("HGTV") advertisers and $800,000 of costs incurred to move the Food Network's operations to a different location in Manhattan. Net income was reduced $1,200,000 ($.02 per share).

Severance payments totaling $1,200,000 to certain television station employees, reducing net income $700,000 ($.01 per share).

The combined effect of the above items was to reduce 1999 net income $1,600,000 ($.02 per share).

1998 - The Company's reported results of operations were affected by the $1,100,000 related to the "make goods" to HGTV advertisers referred to above. Net income was increased $700,000 ($.01 per share).

4. INCOME TAXES

The Company's 1992 through 1995 consolidated federal income tax returns are currently under examination by the IRS. In 2000 the Company reduced its liability for prior year income taxes by $4,200,000. Management believes that adequate provision for income taxes has been made for all open years.

The approximate effects of the temporary differences giving rise to the Company's deferred income tax liabilities (assets) were as follows:

(in thousands)

	As of December 31, 2000	1999
Accelerated depreciation and amortization	$ 146,295	$ 131,305
Investments, primarily gains and losses not yet recognized for tax	12,266	34,836
Accrued expenses not deductible until paid	(10,575)	(11,567)
Deferred compensation and retiree benefits not deductible until paid	(31,682)	(27,201)
Other temporary differences, net	(11,217)	(8,433)
Total	105,087	118,940
State net operating loss carryforwards	(12,128)	(10,386)
Valuation allowance for state deferred tax assets	6,552	7,715
Net deferred tax liability	$ 99,511	$ 116,269

The Company's state net operating loss carryforwards expire from 2003 through 2015. At each balance sheet date management estimates the amount of state net operating loss carryforwards that are not expected to be used prior to expiration of the carryforward period. The tax effect of these unused state net operating loss carryforwards is included in the valuation allowance. Based upon expected taxable income of subsidiary companies with state net operating loss carryforwards during the carryforward periods, the Company reduced its valuation allowance by $3,000,000 in 2000.

The provision for income taxes consisted of the following:

(in thousands)

	For the years ended December 31, 2000	1999	1998
Current:			
Federal	$ 82,514	$ 67,247	$ 62,730
State and local	18,361	13,588	12,028
Foreign	5,376	4,485	3,878
Total current	106,251	85,320	78,636
Deferred:			
Federal	(13,340)	22,111	23,590
Other	(3,519)	2,144	1,545
Total deferred	(16,859)	24,255	25,135
Total income taxes	89,392	109,575	103,771
Income taxes allocated to stockholders' equity	18,698	(5,963)	(10,641)
Provision for income taxes	$ 108,090	$ 103,612	$ 93,130

The difference between the statutory rate for federal income tax and the effective income tax rate was as follows:

	For the years ended December 31, 2000	1999	1998
Statutory rate	35.0 %	35.0 %	35.0 %
Effect of:			
State and local income taxes	3.5	4.0	3.8
Adjustment of liability for prior year income taxes	(1.5)		
Amortization of nondeductible goodwill	1.4	1.4	1.6
Miscellaneous	0.8	0.4	0.2
Effective income tax rate	39.2 %	40.8 %	40.6 %

5. LONG-TERM DEBT

Long-term debt consisted of the following:

(in thousands)

	As of December 31, 2000	1999
Variable rate credit facilities, including commercial paper	$ 512,788	$ 565,689
$100 million, 6.625% note, due in 2007	99,901	99,887
$100 million, 6.375% note, due in 2002	99,964	99,944
Other notes	1,956	3,927
Total long-term debt	714,609	769,447
Current portion of long-term debt	212,828	267,600
Long-term debt (less current portion)	$ 501,781	$ 501,847
Fair value of long-term debt *	$ 711,300	$ 761,300

* Fair value was estimated based on current rates available to the Company for debt of the same remaining maturity.

The Company has a Competitive Advance and Revolving Credit Facility Agreement, which permits aggregate borrowings up to $700,000,000 (the "Variable Rate Credit Facilities"). The Variable Rate Credit Facilities are comprised of two unsecured lines, one limited to $400,000,000 principal amount maturing in 2001, and the other limited to $300,000,000 principal amount maturing in 2002. Borrowings under the Variable Rate Credit Facilities are available on a committed revolving credit basis at the Company's choice of three short-term rates or through an auction procedure at the time of each borrowing. The Variable Rate Credit Facilities are also used by the Company in whole or in part, in lieu of direct borrowings, as credit support for its commercial paper. The weighted-average interest rates on the Variable Rate Credit Facilities at December 31 was 6.6% in 2000 and 6.0% in 1999.

Certain long-term debt agreements contain maintenance requirements for net worth and coverage of interest expense and restrictions on incurrence of additional indebtedness. The Company is in compliance with all debt covenants.

Current maturities of long-term debt are classified as long-term to the extent they can be refinanced under existing long-term credit commitments.

Interest costs capitalized were $200,000 in 2000, $400,000 in 1999, and $300,000 in 1998.

6. INVESTMENTS

Investments consisted of the following:

(in thousands, except share data)

	As of December 31, 2000	1999
Securities available for sale (at market value):		
Time Warner common stock (1,344,000 shares)	$ 70,239	$ 97,227
Centra Software (1,792,500 common shares)	6,946	
garden.com Inc. (2,414,000 common shares and 276,000 warrants)		22,636
iVillage Inc. (41,000 common shares at December 31, 2000 and 270,000 common shares at December 31, 1999)	40	5,897
Other	3,929	9,177
Total available-for-sale securities	81,154	134,937
FOX SportSouth and other joint ventures	9,502	7,282
Other (primarily securities that do not trade in a public market, at adjusted cost)	87,266	68,089
Total investments	$ 177,922	$ 210,308
Unrealized gains on securities available for sale	$ 49,047	$ 88,214

Investments available for sale represent securities in publicly traded companies, which are recorded at fair value. Fair value is based upon the closing price of the security on the reporting date. In the first quarter of 2000 Centra Software completed an initial public offering of its common stock. This investment had previously been included in the "other" category.

The values of several of the Company's investments in available-for-sale securities declined below historical cost in 2000. Investment results (see Note 3) include a total of $13,000,000 in write-downs to market value for such investments. During 2000 the Company received $5,000,000 upon delivery of 229,000 iVillage shares under the provisions of a zero-cost collar.

Securities of private companies do not trade in public markets, so they do not have readily determinable fair values. However, if fair value is assumed to be the price from the most recent round of financing or, for some securities, less based on management's judgment of the circumstances, then the total estimated value of these investments was $163,000,000 on December 31, 2000, and $95,800,000 on December 31, 1999. There can be no assurance as to the amounts the Company would receive if these securities were sold.

The Company's Scripps Ventures Funds I and II invest in new businesses focusing primarily on new media technology. Scripps Ventures I invested $54,000,000. The managers' compensation includes a share of that portfolio's cumulative net gain (realized and unrealized) through December 2002 if a specified minimum return is achieved. Based on the portfolio's cumulative net gain of $76,900,000 through December 31, 2000, the incentive compensation accrual was $11,500,000. The incentive compensation accrual will change as the net gain changes through December 2002. Scripps Ventures II is authorized to invest up to $100,000,000, of which $38,200,000 was invested as of December 31, 2000. The managers have a minority equity interest in the return on Scripps Ventures II's investments if a specified minimum return is achieved.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following:

(in thousands)

	As of December 31, 2000	1999
Land and improvements	$ 47,395	$ 44,382
Buildings and improvements	255,320	240,513
Equipment	685,314	669,302
Total	988,029	954,197
Accumulated depreciation	485,988	468,601
Net property, plant and equipment	$ 502,041	$ 485,596

8. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and other intangible assets arising from business acquisitions consisted of the following:

(in thousands)

	As of December 31, 2000	1999
Goodwill	$ 1,248,095	$ 1,211,462
Customer lists	153,660	145,358
Cable and direct broadcast satellite network affiliation contracts	20,669	20,554
Licenses and copyrights	43,469	28,221
Other	28,174	29,233
Total	1,494,067	1,434,828
Accumulated amortization	284,935	247,554
Net goodwill and other intangible assets	$ 1,209,132	$ 1,187,274

9. OTHER LONG-TERM OBLIGATIONS AND MINORITY INTERESTS

Other long-term obligations and minority interests consisted of the following:

(in thousands)

	As of December 31, 2000	1999
Program rights payable	$ 50,928	$ 50,870
Employee compensation and benefits	96,952	91,725
Network distribution fees	55,235	50,951
Minority interests	13,274	12,094
Other	16,054	21,746
Total other long-term obligations and minority interests	232,443	227,386
Current portion of other long-term obligations	102,076	94,684
Other long-term obligations and minority interests (less current portion)	$ 130,367	$ 132,702

10. SUPPLEMENTAL CASH FLOW INFORMATION

The following table presents additional information about the change in certain working capital accounts:

(in thousands)

	For the years ended December 31, 2000	1999	1998

Other changes in certain working capital accounts, net:			
Accounts receivable	$ (24,238)	$ (53,847)	$ (5,701)
Accounts payable	(2,120)	13,374	4,139
Accrued income taxes	586	503	2,250
Other accrued liabilities	8,024	3,356	6,413
Other, net	(1,025)	7,484	2,478
Total	$ (18,773)	$ (29,130)	$ 9,579

11. EMPLOYEE BENEFIT PLANS

Retirement plans expense consisted of the following:

(in thousands)

	For the years ended December 31, 2000	1999	1998
Service cost	$ 13,857	$ 14,078	$ 11,718
Interest cost	19,198	17,012	14,757
Actual (return) loss on plan assets, net of expenses	799	(50,022)	(35,773)
Net amortization and deferral	(29,654)	27,120	17,098
Total for defined benefit plans	4,200	8,188	7,800
Multi-employer plans	1,248	1,162	1,051
Defined contribution plans	6,208	5,698	5,370
Total	$ 11,656	$ 15,048	$ 14,221

The following table presents information about the Company's employee benefit plan assets and obligations:

(in thousands)

	For the years ended December 31, 2000	1999	1998
Change in benefit obligation			
Benefit obligation at beginning of year	$ 268,810	$ 269,493	$ 236,260
Service cost	13,857	14,078	11,718
Interest cost	19,198	17,012	14,757
Actuarial losses (gains)	(10,288)	(15,549)	21,708
Benefits paid	(16,606)	(16,224)	(14,950)
Benefit obligation at end of year	274,971	268,810	269,493
Change in plan assets			
Fair value at beginning of year	302,934	268,386	246,811
Actual return (loss) on plan assets	(799)	50,022	35,773
Company contributions	809	750	752
Benefits paid	(16,606)	(16,224)	(14,950)
Fair value at end of year	286,338	302,934	268,386
Plan assets greater than (less than) projected benefits	11,367	34,124	(1,107)
Unrecognized net loss (gain)	(38,904)	(57,774)	(14,732)
Unrecognized prior service cost	2,629	3,547	4,620
Unrecognized net asset at the date FAS No. 87 was adopted, net of amortization	(2,012)	(3,434)	(4,881)
Net pension asset (liability) recognized in the balance sheet	$ (26,920)	$ (23,537)	$ (16,100)

Assumptions used in the accounting for the defined benefit plans were as follows:

	2000	1999	1998
Discount rate for determining annual expense	7.5%	6.5%	6.5%
Discount rate for determining year-end obligation	8.0%	7.5%	6.5%
Assumed long-term rate of return on plan assets	9.5%	8.5%	7.5%
Assumed rate of increase in compensation levels	5.0%	4.0%	3.0%

Management believes the discount rate plus two percentage points is the best estimate of the long-term return on plan assets at any point in time, and the discount rate minus two and one-half percentage points is the best estimate of the long-term increase in compensation levels. Therefore, when the discount rate changes, management's expectation for the future long-term rate of return on plan assets and increase in compensation levels changes in tandem. For 2001 the assumed return on plan assets is 10% and the assumed rate of increase in compensation levels is 5.5%.

Plan assets consist of marketable equity and fixed-income securities.

12. SEGMENT INFORMATION

The Company's reportable segments are strategic businesses that offer different products and services. The Company primarily evaluates the operating performance of its segments based on earnings before interest, income taxes, depreciation and amortization ("EBITDA"), excluding divested operating units, unusual items and all credits and charges classified as non-operating in the Consolidated Statements of Income. No single customer provides more than 10% of the Company's revenue. International revenues are primarily derived from licensing comic characters and HGTV and Food Network programming in international markets. Total international revenues were less than $50,000,000. Licensing of comic characters in Japan provides more than 50% of the Company's international revenues.

Information regarding the Company's business segments is presented on the following page.

(in thousands)

	For the years ended December 31, 2000	1999	1998
OPERATING REVENUES			
Newspapers	$ 955,100	$ 914,403	$ 871,573
Scripps Networks	313,739	230,015	147,541
Broadcast Television	343,125	312,362	330,714
Licensing and other media	96,895	92,570	88,823
Total	1,708,859	1,549,350	1,438,651
Unusual item		(1,100)	1,100
Divested operating units	10,500	23,042	24,877
Per consolidated financial statements	$ 1,719,359	$ 1,571,292	$ 1,464,628
EBITDA			
Newspapers	$ 269,409	$ 275,671	$ 259,989
Scripps Networks	68,770	34,667	4,542
Broadcast Television	129,018	95,955	118,012
Licensing adn other media	16,144	12,640	11,964
Corporate	(19,825)	(17,519)	(16,207)
Total	463,516	401,414	378,300
Unusual items	(9,523)	(3,100)	1,100
Divested operating units	261	891	642
Per consolidated financial statements	$ 454,254	$ 399,205	$ 380,042
DEPRECIATION			
Newspapers	$ 40,574	$ 38,925	$ 40,825
Scripps Networks	7,063	5,533	4,738
Broadcast Television	19,277	17,962	15,529
Licensing and other media	814	1,472	946
Corporate	972	1,039	1,024
Total	68,700	64,931	63,062
Divested operating units	357	369	660
Per consolidated financial statements	$ 69,057	$ 65,300	$ 63,722
AMORTIZATION OF INTANGIBLE ASSETS			
Newspapers	$ 23,222	$ 22,114	$ 22,698
Scripps Networks	7,236	6,364	7,539
Broadcast Television	9,471	9,502	9,517
Licensing and other media		244	2
Total	39,929	38,224	39,756
Divested operating units	179	327	367
Per consolidated financial statements	$ 40,108	$ 38,551	$ 40,123
OPERATING INCOME			
Newspapers	$ 205,613	$ 214,632	$ 196,466
Scripps Networks	54,471	22,770	(7,735)
Broadcast Television	100,270	68,491	92,966
Licensing and other media	15,330	10,924	11,016
Corporate	(20,797)	(18,558)	(17,231)
Total	354,887	298,259	275,482
Unusual items	(9,523)	(3,100)	1,100
Divested operating units	(275)	195	(385)
Per consolidated financial statements	$ 345,089	$ 295,354	$ 276,197

(in thousands)

	For the years ended December 31, 2000	1999	1998
PAYMENTS (GREATER) LESS THAN PROGRAM AMORTIZATION AND NETWORK DISTRIBUTION COSTS			
Scripps Networks	$ (35,678)	$ (57,770)	$ (26,793)
Broadcast Television	1,460	1,029	(76)
Total	(34,218)	(56,741)	(26,869)

Divested operating units					2,828
Per consolidated financial statements	$	(34,218)	$	(56,741) $	(24,041)
ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT					
Newspapers	$	29,834	$	30,693 $	23,296
Scripps Networks		12,236		21,557	7,936
Broadcast Television		31,280		25,749	33,454
Licensing and other media		586		491	1,041
Corporate		548		796	806
Total		74,484		79,286	66,533
Divested operating units		93		540	436
Per consolidated financial statements	$	74,577	$	79,826 $	66,969
BUSINESS ACQUISITIONS AND OTHER ADDITIONS TO LONG-LIVED ASSETS					
Newspapers	$	74,878	$	4,005 $	3,570
Scripps Networks		15,035		39,899	17,431
Broadcast Television		14,710		130	218
Venture capital and other investments		53,615		43,298	13,184
Total		158,238		87,332	34,403
Divested operating units				800	14,250
Per consolidated financial statements	$	158,238	$	88,132 $	48,653
ASSETS					
Newspapers	$	1,274,189	$	1,226,749 $	1,245,465
Scripps Networks		523,694		462,287	340,852
Broadcast Television		509,597		500,068	509,285
Licensing and other media		26,800		28,318	30,195
Venture capital and other investments		170,156		198,984	120,099
Corporate		60,379		63,515	70,763
Total		2,564,815		2,479,921	2,316,659
Divested operating units		8,051		40,460	43,965
Total	$	2,572,866	$	2,520,381 $	2,360,624

Other additions to long-lived assets include investments and network distribution fees. Corporate assets are primarily cash, cash equivalent and other short-term investments, and refundable and deferred income taxes.

13. COMMITMENTS AND CONTINGENCIES

The Company is involved in litigation arising in the ordinary course of business, none of which is expected to result in material loss.

The Company's cable television systems were acquired by Comcast Corporation ("Comcast") in 1996. Pursuant to the terms of its agreement with Comcast, the Company remains liable for any losses resulting from certain lawsuits, certain other expenses and tax liabilities of its cable television systems attributable to periods prior to the transactions.

The Company purchased program rights totaling $189,000,000 in 2000, $131,000,000 in 1999, and $100,000,000 in 1998, the payments for which are generally made over the lives of the contracts. At December 31, 2000, the Company was committed to purchase approximately $120,000,000 of program rights that are not currently available for broadcast, substantially all of which is for programs not yet produced. If such programs are not produced the Company's commitments would expire without obligation.

Minimum payments on noncancelable leases at December 31, 2000, were: 2001, $12,900,000; 2002, $10,600,000; 2003, $9,400,000; 2004, $8,600,000; 2005, $8,200,000 and later years, $20,700,000. Rental expense for cancelable and noncancelable leases was $19,300,000 in 2000, $16,300,000 in 1999, and $15,000,000 in 1998.

14. CAPITAL STOCK AND INCENTIVE PLANS

Capital Stock - The capital structure of the Company includes Common Voting Shares and Class A Common Shares. The articles provide that the holders of Class A Common Shares, who are not entitled to vote on any other matters except as required by Ohio law, are entitled to elect the greater of three or one-third of the directors. In 1997 and 1998 the Board of Directors authorized the purchase of a total of 6,000,000 of the Company's Class A Common Shares. The Company repurchased 3,888,400 shares through December 31, 2000.

Incentive Plans - The Company's Long-Term Incentive Plans (the "Plans") provide for the award of incentive and nonqualified stock options with 10-year terms, stock appreciation rights, performance units and restricted and unrestricted Class A Common Shares to key employees and non-employee directors. The Plans expire in 2007, except for options then outstanding. The number of shares authorized for issuance under the plans at December

31, 2000, was 10,913,000, of which approximately 3,275,000 had not been issued.

Stock Options - Stock options may be awarded to purchase Class A Common Shares at not less than 100% of the fair market value on the date the option is granted. Stock options will vest over an incentive period, conditioned upon the individual's employment through that period. The following table presents information about stock options:

	Number of Shares	Weighted-Average Exercise Price	Range of Exercise Prices
Outstanding at December 31, 1997	2,825,525	$21.00	$11 - 43
Granted in 1998	634,450	47.32	39 - 56
Exercised in 1998	(274,239)	16.02	11 - 39
Forfeited in 1998	(31,316)	35.04	35 - 39
Outstanding at December 31, 1998	3,154,420	26.58	11 - 56
Granted in 1999	792,200	47.19	41 - 52
Exercised in 1999	(295,104)	16.80	11 - 47
Forfeited in 1999	(24,749)	45.76	35 - 54
Outstanding at December 31, 1999	3,626,767	31.75	11 - 56
Granted in 2000	1,025,550	49.27	43 - 60
Exercised in 2000	(401,380)	21.38	11 - 50
Forfeited in 2000	(1,500)	49.00	49
Outstanding at December 31, 2000 (by year granted):			
1991	66,850	11.95	11 - 12
1992	126,300	15.13	15 - 17
1993	546,100	17.92	16 - 21
1994	523,900	18.83	19 - 21
1995	9,800	20.01	20
1996	127,300	27.20	24 - 29
1997	470,800	35.26	35 - 43
1998	598,682	47.35	39 - 56
1999	756,655	47.19	42 - 52
2000	1,023,050	49.32	43 - 60
Total options outstanding	4,249,437	$36.98	$11 - 60
Exercisable at December 31:			
1998	2,204,089	$19.41	$11 - 43
1999	2,323,844	23.85	11 - 56
2000	2,601,809	29.66	11 - 56

Substantially all options granted prior to 1997 are exercisable. Options issued in 1997 through 1999 generally become exercisable over a three-year period.

The Company has adopted the "disclosure-only" provisions of FAS No. 123; therefore no compensation expense has been recognized for stock option grants. Had compensation expense been determined based upon the fair value (determined using the Black-Scholes option pricing model) at the grant date consistent with the provisions of FAS No. 123, the Company's income from continuing operations would have been reduced to the pro forma amounts as follows:

(in thousands, except per share data)

	For the years ended December 31, 2000	1999	1998
Pro forma net income	$ 155,200	$ 139,700	$ 126,500
Pro forma net income per share of common stock:			
Basic	$1.99	$1.79	$1.59
Diluted	1.96	1.77	1.56

Information related to the fair value of stock option grants is presented below:

	For the years ended December 31, 2000	1999	1998
Weighted-average fair value of options granted	$15.87	$13.23	$14.33

Assumptions used to determine fair value:			
Dividend yield	1.5%	1.5%	1.5%
Expected volatility	24%	23%	24%
Risk-free rate of return	6.5%	5.0%	5.7%
Expected life of options	7 years	7 years	7 years

Restricted Stock - Awards of Class A Common Shares vest over an incentive period conditioned upon the individual's employment throughout that period. During the vesting period shares issued are nontransferable, but the shares are entitled to all the rights of an outstanding share. Compensation expense is determined based upon the fair value of the shares at the grant date. Information related to awards of Class A Common Shares is presented below:

(in thousands, except share data)

	For the years ended December 31, 2000	1999	1998
Class A Common Shares:			
Shares awarded	296,903	85,400	20,500
Weighted-average price of shares awarded	$49.31	$46.70	$51.22
Shares forfeited	15,445	200	1,500
Compensation expense recognized	$ 7,063	$ 2,779	$ 2,863

15. SUMMARIZED QUARTERLY FINANCIAL INFORMATION (Unaudited)

Summarized financial information is as follows:

(in thousands, except per share data)

2000	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Operating revenues	$ 410,859	$ 439,224	$ 409,635	$ 459,641	$ 1,719,359
Operating expenses:					
Employee compensation and benefits	127,292	129,314	129,672	130,429	516,707
Newsprint and ink	37,192	38,646	38,228	42,303	156,369
Amortization of purchased programming	28,038	29,332	30,176	33,498	121,044
Other operating expenses	117,272	119,774	109,920	124,019	470,985
Depreciation and amortization	26,808	27,256	27,288	27,813	109,165
Total operating expenses	336,602	344,322	335,284	358,062	1,374,270
Operating income	74,257	94,902	74,351	101,579	345,089
Interest expense	(12,636)	(13,481)	(13,393)	(12,424)	(51,934)
Investment results, net of expense	(9,062)	(1,449)	900	(15,223)	(24,834)
Net gains (losses) on divested operations	6,269		(73)		6,196
Miscellaneous, net	946	45	1,002	(508)	1,485
Income taxes	(25,114)	(32,833)	(26,319)	(23,824)	(108,090)
Minority interests	(1,056)	(1,063)	(1,040)	(1,300)	(4,459)
Net income	$ 33,604	$ 46,121	$ 35,428	$ 48,300	$ 163,453
Net income per share of common stock:					
Basic	$ .43	$ .59	$ .45	$ .62	$ 2.09
Diluted	$ .43	$ .58	$ .45	$ .61	$ 2.06
Basic weighted-average shares outstanding	77,977	78,115	78,186	78,336	78,170
Diluted weighted-average shares outstanding	78,824	78,995	79,173	79,589	79,161
Cash dividends per share of common stock	$ .14	$ .14	$ .14	$ .14	$ .56

The sum of the quarterly net income per share amounts may not equal the reported annual amount because each is computed independently based upon the weighted-average number of shares outstanding for the period.

(in thousands, except per share data)

1999	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Operating revenues	$ 376,260	$ 391,285	$ 372,932	$ 430,815	$ 1,571,292
Operating expenses:					

Employee compensation and benefits	117,980	123,031	123,647	127,504	492,162
Newsprint and ink	38,045	34,969	32,827	37,342	143,183
Amortization of purchased programming	23,587	22,160	25,264	27,799	98,810
Other operating expenses	105,664	101,771	109,146	121,351	437,932
Depreciation and amortization	25,989	23,767	26,683	27,412	103,851
Total operating expenses	311,265	305,698	317,567	341,408	1,275,938
Operating income	64,995	85,587	55,365	89,407	295,354
Interest expense	(11,073)	(11,026)	(11,279)	(11,841)	(45,219)
Investment results, net of expenses	(66)	581	(1,169)	1,198	544
Miscellaneous, net	1,368	1,071	955	111	3,505
Income taxes	(22,659)	(31,306)	(17,933)	(31,714)	(103,612)
Minority interests	(1,033)	(1,113)	(1,077)	(1,227)	(4,450)
Net income	$ 31,532	$ 43,794	$ 24,862	$ 45,934	$ 146,122
Net income per share of common stock:					
Basic	$ .40	$ .56	$ .32	$ .59	$ 1.87
Diluted	$ .40	$ .55	$ .32	$ .58	$ 1.85
Basic weighted-average shares outstanding	78,096	77,937	77,874	77,836	77,936
Diluted weighted-average shares outstanding	79,126	78,950	78,925	78,801	78,951
Cash dividends per share of common stock	$ .14	$ .14	$ .14	$ .14	$ .56

The sum of the quarterly net income per share amounts may not equal the reported annual amount because each is computed independently based upon the weighted-average number of shares outstanding for the period.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders,
The E. W. Scripps Company:

We have audited the accompanying consolidated balance sheets of The E. W. Scripps Company and subsidiary companies ("Company") as of December 31, 2000 and 1999, and the related consolidated statements of income, cash flows and comprehensive income and stockholders' equity for each of the three years in the period ended December 31, 2000. Our audits also included the financial statement schedule listed in the Index at Item S-1. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2000 and 1999, and the results of its operations and cash flows for each of the three years in the period ended December 31, 2000 in conformity with generally accepted accounting principles in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

As discussed in Note 1 to the financial statements in 2000 the Company changed its method of accounting for inventory from last-in, first-out to first-in, first-out and, retroactively, restated the 1999 and 1998 financial statements for the change.

DELOITTE & TOUCHE LLP
Cincinnati, Ohio
January 23, 2001

THE E. W. SCRIPPS COMPANY

Index to Consolidated Financial Statement Schedules

VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2000, 1999 AND 1998 SCHEDULE II

(in thousands)

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
CLASSIFICATION	BALANCE BEGINNING OF PERIOD	ADDITIONS CHARGED TO COSTS AND EXPENSES	DEDUCTIONS AMOUNTS CHARGED OFF-NET	INCREASE (DECREASE) RECORDED ACQUISITIONS (DIVESTITURES)	BALANCE END OF PERIOD
YEAR ENDED DECEMBER 31, 2000:					
Allowance for doubtful accounts receivable	$ 11,266	$ 14,648	$ 11,345	$ (678)	$ 13,891
YEAR ENDED DECEMBER 31, 1999:					
Allowance for doubtful accounts receivable	$ 7,689	$ 10,754	$ 7,177		$ 11,266
YEAR ENDED DECEMBER 31, 1998:					
Allowance for doubtful accounts receivable	$ 6,410	$ 7,634	$ 6,470	$ 115	$ 7,689

THE E. W. SCRIPPS COMPANY

Index to Exhibits

Exhibit Number	Description of Item	Page	Exhibit No. Incorporated
3.01	Articles of Incorporation	(5)	3.01
3.02	Code of Regulations	(5)	3.02
4.01	Class A Common Share Certificate	(2)	4
4.02A	Form of Indenture: 6.375% notes due in 2002	(3)	4.1
4.02B	Form of Indenture: 6.625% notes due in 2007	(3)	4.1
4.03A	Form of Debt Securities: 6.375% notes due in 2002	(3)	4.2
4.03B	Form of Debt Securities: 6.625% notes due in 2007	(3)	4.2
10.01	Amended and Restated Joint Operating Agreement, dated January 1, 1979, among Journal Publishing Company, New Mexico State Tribune Company and Albuquerque Publishing Company, as amended	(1)	10.01
10.02	Amended and Restated Joint Operating Agreement, dated February 29, 1988, among Birmingham News Company and Birmingham Post Company	(1)	10.02
10.03	Joint Operating Agreement, dated September 23, 1977, between the Cincinnati Enquirer, Inc. and the Company, as amended	(1)	10.03
10.04	Joint Operating Agreement Among The Denver Post Corporation, Eastern Colorado Production Facilities, Inc., Denver Post Production Facilities LLC and The Denver Publishing Company dated as May 11, 2000, as amended	E-6	
10.06	Building Lease, dated April 25, 1984, among Albuquerque Publishing Company, Number Seven and Jefferson Building Partnership	(1)	10.08A
10.06A	Ground Lease, dated April 25, 1984, among Albuquerque Publishing Company, New Mexico State Tribune Company, Number Seven and Jefferson Building Partnership	(1)	10.08B
10.07	Agreement, dated August 17, 1989, between United Feature Syndicate, Inc. and Charles M. Schulz and the Trustees of the Schulz Family Renewal Copyright Trust, as amended	(1)	10.11
10.40	5-Year Competitive Advance and Revolving Credit Agreement, dated as of September 26, 1997, among The E. W. Scripps Company, the Banks named therein, The Chase Manhattan Bank, as Agent, and J. P. Morgan & Co., as Documentation Agent	(3)	10.1
10.41	364-Day Competitive Advance and Revolving Credit Agreement, dated as of September 26, 1997, among The E. W. Scripps Company, the Banks named therein, The Chase Manhattan Bank, as Agent, and J. P. Morgan & Co., as Documentation Agent	(3)	10.2

10.53	1987 Long-Term Incentive Plan	(1)	10.36
10.54	Agreement, dated December 24, 1959, between the Company and Charles E. Scripps, as amended	(1)	10.39A
10.54A	Assignment, Assumption, and Release Agreement, dated December 31, 1987, between the Company, Scripps Howard, Inc. and Charles E. Scripps	(1)	10.39B
10.54B	Amendment, dated June 21, 1988 to December 24, 1959 Agreement between the Company and Charles E. Scripps	(1)	10.39C
10.55	Board Representation Agreement, dated March 14, 1986, between The Edward W. Scripps Trust and John P. Scripps	(1)	10.44
10.56	Shareholder Agreement, dated March 14, 1986, between the Company and the Shareholders of John P. Scripps Newspapers	(1)	10.45
10.57	Scripps Family Agreement dated October 15, 1992	(4)	1
10.58	1997 Long-Term Incentive Plan	(6)	4B
10.59	Non-Employee Directors' Stock Option Plan	(6)	4A
10.60	1997 Deferred Compensation and Phantom Stock Plan for Senior Officers and Selected Executives	(7)	4A
10.61	1997 Deferred Compensation and Stock Plan for Directors	(8)	10.61

Exhibit Number	Description of Item	Page	Exhibit No. Incorporated
10.62	Employment Agreement, dated July 20, 1999, between the Company and Kenneth W. Lowe	E-7	
12	Computation of Ratio of Earnings to Fixed Charges for the Three Years Ended December 31, 2000	E-3	
21	Subsidiaries of the Company	E-4	
23	Independent Auditors' Consent	E-5	

(1) Incorporated by reference to Registration Statement of The E. W. Scripps Company on Form S-1 (File No. 33-21714).

(2) Incorporated by reference to The E. W. Scripps Company Annual Report on Form 10-K for the year ended December 31, 1990.

(3) Incorporated by reference to Registration Statement on Form S-3 (File No. 33-36641).

(4) Incorporated by reference to The E. W. Scripps Company Current Report on Form 8-K dated October 15, 1992.

(5) Incorporated by reference to Scripps Howard, Inc. Registration Statement on Form 10 (File No. 1-11969).

(6) Incorporated by reference to Registration Statement of The E. W. Scripps Company on Form S-8 (File No. 333-27623).

(7) Incorporated by reference to Registration Statement of The E. W. Scripps Company on Form S-8 (File No. 333-27621).

(8) Incorporated by reference to The E. W. Scripps Company Annual Report on Form 10-K for the year ended December 31, 1998.

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES EXHIBIT 12

(in thousands)

		Years ended December 31,	
	2000	1999	1998
EARNINGS AS DEFINED:			
Earnings from operations before income taxes after eliminating undistributed earnings of 20%- to 50%-owned affiliates	$ 279,478	$ 255,247	$ 229,611
Fixed charges excluding capitalized interest and preferred stock dividends of majority-owned subsidiary companies	58,361	50,668	52,113
Earnings as defined	$ 337,839	$ 305,915	$ 281,724
FIXED CHARGES AS DEFINED:			
Interest expense, including amortization of debt issue costs	$ 51,934	$ 45,219	$ 47,108
Interest capitalized	206	356	341
Portion of rental expense representative of the interest factor	6,427	5,449	5,005
Preferred stock dividends of majority-owned subsidiary companies	80	80	80
Fixed charges as defined	$ 58,647	$ 51,104	$ 52,534
RATIO OF EARNINGS TO FIXED CHARGES	5.76	5.99	5.36

SUBSIDIARIES OF THE COMPANY EXHIBIT 21

Name of Subsidiary	Jurisidiction of Incorporation
BRV, Inc. (Bremerton Sun, Redding Record Searchlight, Ventura County Newspapers)	California
Birmingham Post Company (Birmingham Post Herald)	Alabama
Boulder Publishing Company (Boulder Daily Camera)	Colorado
Channel 7 of Detroit, Inc., (WXYZ)	Michigan
Collier County Publishing Company (The Naples Daily News)	Florida
Denver Publishing Company (Rocky Mountain News)	Colorado
Evansville Courier Company, Inc., 91.5%-owned (The Evansville Courier Company, The Henderson Gleaner)	Indiana
Independent Publishing Company (Anderson Independent Mail)	South Carolina
Knoxville News-Sentinel Company	Delaware
Memphis Publishing Company, 91.3%-owned (The Commercial Appeal)	Delaware
New Mexico State Tribune Company (The Albuquerque Tribune)	New Mexico
Scripps Texas Newspapers L.P. (Corpus Christi Caller-Times, Abilene Reporter-News, Wichita Falls Times Record News, San Angelo Standard-Times)	Delaware
Scripps Howard Broadcasting Company, (WMAR, Baltimore; WCPO, Cincinnati; WEWS, Cleveland; KSHB, Kansas City; KMCI, Lawrence; KNXV, Phoenix, KJRH, Tulsa; WPTV, West Palm Beach)	Ohio
Scripps Networks, Inc., (Home & Garden Television, Do It Yourself Network; The Television Food Network, G.P., 64%-owned)	Deleware
Scripps Howard Publishing Co. (Scripps Howard News Service)	Delaware
Scripps Ventures, LLC	Delaware
Scripps Treasure Coast Publishing Company (Ft. Pierce Tribune, Jupiter Courier, Stuart News, Vero Beach Press Journal)	Florida
Tampa Bay Television, Inc., (WFTS)	Delaware
United Feature Syndicate, Inc. (United Media, Newspaper Enterprise Association)	New York

INDEPENDENT AUDITORS' CONSENT EXHIBIT 23

We consent to the incorporation by reference in Registration Statements Nos. 33-53953, 33-32740, 33-35525, 33-47828, 33-63398, 33-59701, 333-27621, 333-27623 and 333-40767 of The E. W. Scripps Company and subsidiary companies on Form S-8 and Registration Statement No. 33-36641 of The E. W. Scripps Company and subsidiary companies on Form S-3 of our report dated January 23, 2001, appearing in this Annual Report on Form 10-K of The E. W. Scripps Company and subsidiary companies for the year ended December 31, 2000.

DELOITTE & TOUCHE LLP
Cincinnati, Ohio
March 27, 2001

FIRST AMENDMENT TO JOINT OPERATING AGREEMENT EXHIBIT 10.04

This FIRST AMENDMENT TO JOINT OPERATING AGREEMENT (this "Amendment") is dated January 22, 2001, by and among The Denver Post Corporation, a Delaware corporation ("Denver Post"), Eastern Colorado Production Facilities, Inc., a Delaware corporation ("Eastern Colorado" and together with Denver Post, the "Post Entities"), Denver Newspaper Agency LLP, a Delaware limited liability partnership (the "LLP") and The Denver Publishing Company, a Colorado corporation ("Denver Publishing").

RECITALS

WHEREAS, the Post Entities, Denver Post Production Facilities LLC, a Delaware limited liability company (the "LLC"), and Denver Publishing previously entered into that certain Joint Operating Agreement (the "Original Agreement"), dated as of May 11, 2000, pursuant to which the parties agreed to combine certain newspaper properties into a single business operation in the form of a Delaware limited liability company;

WHEREAS, the LLC has been converted into a Delaware limited liability partnership, and in connection therewith, changed its name to "The Denver Newspaper Agency LLP"; and

WHEREAS, the parties now desire to amend the Original Agreement to reflect that the business operations described therein shall be conducted in the form of a Delaware limited liability partnership and not a Delaware limited liability company, and to make certain changes as set forth herein.

NOW, THEREFORE, in consideration of the Original Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Amendment.

(a) The Original Agreement is hereby amended by (i) substituting "The Denver Newspaper Agency LLP, a Delaware limited liability partnership" for any and all references to "Denver Post Production Facilities LLC, a Delaware limited liability company," (ii) substituting "the LLP" for any and all references to "the LLC" and (iii) removing any and all references to the LLC changing its name to "The Denver Newspaper Agency LLP." This Section 1(a) is intended to reflect in the Original Agreement the conversion of Denver Post Production Facilities LLC into Denver Newspaper Agency LLP and, notwithstanding anything else to the contrary in this Section 1(a), shall be applied consistently with such intent.

(b) The Original Agreement is hereby amended by adding the clause", as amended by that certain First Amendment to Contribution and Sale Agreement, dated January 22, 2001, by and among the Post Entities, Denver Publishing, and the LLP," after any reference therein to "The Denver Newspaper Agency Contribution and Sale Agreement."

(c) The Original Agreement is hereby amended by deleting all references to "Limited Liability Company Operating Agreement" and replacing such references with "Limited Liability Partnership Agreement."

(d) The Original Agreement is hereby amended by deleting in its entirety the form of Denver Newspaper Agency Limited Liability Company Operating Agreement attached as Exhibit B to the Original Agreement and replacing such Exhibit B with the form of Denver Newspaper Agency Limited Liability Partnership Agreement attached as Exhibit A hereto.

(e) The Original Agreement is hereby amended by deleting Section 1.13 in its entirety and replacing it with the following:

" 1.13 Limitation on Assumption of Liabilities. On the Effective Date, the LLP shall assume and be responsible for only those liabilities or obligations of Denver Post and Denver Publishing that are specifically contemplated by this Agreement and The Denver Newspaper Agency Contribution and Sale Agreement to be assumed by the LLP and for no others. In addition to any liabilities which may be defined as Denver Post Excluded Liabilities or Denver Publishing Excluded Liabilities in The Denver Newspaper Agency Contribution and Sale Agreement, the liabilities to be assumed by the LLP on the Effective Date shall not include any of the following liabilities (all of which shall hereinafter collectively be deemed "Excluded Liabilities"): All intercompany indebtedness, all indebtedness for borrowed money (other than capital leases related to the operations of The Denver Post or Denver Rocky Mountain News), all deferred tax liabilities of whatever nature, all accrued income or franchise tax liabilities, all liabilities for failure to perform or discharge in a timely manner prior to the Effective Date any liability to be assigned to the LLP as of the Effective Date hereof, all liabilities arising from any breach occurring prior to the Effective Date under any contract, license or other instrument to be assigned to the LLP as of the Effective Date, all liabilities arising from any litigation pending or threatened as of the Effective Date with respect to the operations of Denver Post or Denver Publishing or any assets to be transferred to the LLP as of the Effective Date, all liabilities arising out of any violations occurring prior to the Effective Date of any law or governmental regulation applicable to the operations of Denver Post or Denver Publishing or the assets being transferred to the LLP as of the Effective Date, and any current liabilities in the nature of accounts payable or other accrued liabilities; provided, however, the current liabilities shall exclude (i) the current portion of the capital leases relating to the respective operations of The Denver Post and Denver Rocky Mountain News and (ii) the unfulfilled portion of the prepaid subscription liabilities for each of The Denver Post and Denver Rocky Mountain News, and, thus, each shall not be included in the term "Excluded Liabilities".

Denver Post and Denver Publishing, respectively, shall indemnify and hold the other party and the LLP harmless against any and all damage, loss and cost (including reasonable attorneys' fees) arising out of or related to any Excluded Liability or any other liability or obligation of the indemnifying party that is not to be assumed by the LLP as of the Effective Date pursuant to this Agreement or The Denver Newspaper Agency Contribution and Sale Agreement."

(f) The Original Agreement is hereby amended by deleting Exhibit C and Exhibit D in their entirety and replacing them with Exhibit B attached hereto, with respect to Exhibit C in the Original Agreement, and Exhibit C attached hereto, with respect to Exhibit D in the Original Agreement.

(g) Section 1.6(d) of the Original Agreement is hereby amended by (i) deleting the word "and" immediately before clause (d) of such Section 1.6(d), and (ii) adding the following language before the period at the end of such clause (d) of Section 1.6(d): "and (e) an amount equal to the Excluded Payables (as such term is defined in The Denver Newspaper Agency Limited Liability Partnership Agreement) shall be treated as if such Excluded Payables had been assumed by the LLP for all purposes of this Section 1.6."

2. Representations and Warranties. Each of the parties hereto

represents and warrants to each of the other parties hereto that the following statements are true and correct as of the date hereof:

(a) Such party has all requisite corporate or limited liability company power and authority to execute and deliver this Amendment; and

(b) The execution and delivery of this Amendment will not conflict with, violate, or result in the breach of any term or provision of, or immediately or with the giving of notice, the passage of time, or both, constitute a default or event of default under any agreement, indenture, deed of trust, mortgage, instrument, order, law, decree or regulation to which such person is a party.

3. Miscellaneous.

(a) This Amendment may be executed in any number of counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one Agreement.

(b) This Amendment shall bind and inure to the benefit of the parties hereto, and their respective successors and assigns.

(c) This Amendment shall be governed by and construed and interpreted in accordance with the substantive laws of the State of Delaware.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date and year first written above.

THE DENVER POST CORPORATION

By:
Name: Joseph J. Lodovic, IV
Title: Executive Vice President
and Chief Financial Officer

EASTERN COLORADO PRODUCTION
FACILITIES, INC.

By:
Name: Joseph J. Lodovic, IV
Title: Executive Vice President
and Chief Financial Officer

DENVER NEWSPAPER AGENCY LLP

By: The Denver Post Corporation

By:
Name: Joseph J. Lodovic, IV
Title: Executive Vice President
and Chief Financial Officer

By: The Denver Publishing Company

By:
Name:
Title:

THE DENVER PUBLISHING COMPANY

By:
Name:
Title:

Joint Operating Agreement

Among

The Denver Post Corporation,

Eastern Colorado Production Facilities, Inc.,

Denver Post Production Facilities LLC

And

The Denver Publishing Company

Dated as of
May 11, 2000

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EXHIBITS

Exhibit A	Denver Newspaper Agency Contribution and Sale Agreement
Exhibit B	Denver Newspaper Agency Limited Liability Company Operating Agreement
Exhibit C	Denver Newspaper Agency License for Denver Post Names and Denver Post Intangibles
Exhibit D	Denver Newspaper Agency License for News Names and News Intangibles

JOINT OPERATING AGREEMENT

This Joint Operating Agreement (hereinafter the "Agreement" or "The Denver Newspaper Agency Joint Operating Agreement"), dated as of May 11, 2000, is entered into by and among The Denver Post Corporation, a Delaware corporation ("Denver Post"), The Denver Publishing Company, a Colorado corporation ("Denver Publishing") and Denver Post Production Facilities LLC, a Delaware limited liability company.

Denver Post currently publishes The Denver Post each weekday and weekend morning, in Denver, Colorado. Denver Publishing currently publishes Denver Rocky Mountain News each weekday and weekend morning, in Denver, Colorado. Both The Denver Post and Denver Rocky Mountain News (each, hereinafter, a "Newspaper", and both hereinafter, the "Newspapers") have substantial paid circulations in the Denver, Colorado metropolitan area and throughout the State of Colorado;

Although The Denver Post generates operating profits, Denver Rocky Mountain News suffers substantial operating losses and is currently in probable danger of financial failure;

The parties to this Agreement believe that the probable failure of Denver Rocky Mountain News can be avoided and that both Newspapers can be published profitably in the future provided that (1) they enter into a joint newspaper operating arrangement (a "JOA") pursuant to which their operating and business functions (but not their news and editorial functions) are appropriately combined, (2) both The Denver Post and Denver Rocky Mountain News continue separately to be published each weekday morning, (3) a special edition of Denver Rocky Mountain

News is published each Saturday morning containing editorial pages from both Denver Rocky Mountain News and The Denver Post, under a new, joint masthead and (4) a special edition of The Sunday Denver Post is published each Sunday morning containing editorial pages from both The Denver Post and Denver Rocky Mountain News, under a new joint masthead;

Accordingly, the parties have agreed to enter into a joint newspaper operating arrangement, which they believe meets the requirements of and is entitled to the protection afforded by the Newspaper Preservation Act, 15 U.S.C. 1801 et seq. ("NPA"). The parties have determined that such an arrangement will serve not only their best interests, but also those of their employees, their subscribers, their advertisers and the communities which they serve.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

ARTICLE 1
The LLC

1.1 Denver Post Production Facilities LLC.

Prior to the execution of this Agreement, Denver Post and its wholly owned subsidiary, Eastern Colorado Production Facilities, Inc., a Delaware corporation ("Eastern Colorado" and together with Denver Post the "Post Entities")) caused to be formed under the laws of the State of Delaware a limited liability company named "Denver Post Production Facilities LLC" (the "LLC"). In exchange for its and Eastern Colorado's membership interests therein, Denver Post itself and on behalf of Eastern Colorado transferred to the LLC the following assets (hereinafter, collectively, "Denver Post Initial Capital Contribution"):

(a) all real property and all appurtenances thereto and equipment thereon located at 4495 Fox Street, Denver, Colorado (hereinafter, collectively the "Denver Post Production Facility"); and,

(b) all furniture, fixtures, improvements, equipment, machinery, parts, computer hardware, tools, printing presses and other tangible property located at the Denver Post Production

Facility other than vehicles, leased personal property and Inventory (as defined in the Contribution and Sale Agreement appended as Exhibit A hereto).

1.2 Amendment and Restatement of Operating Agreement; Change of Name; Additional Capital Contribution by Denver Post.

(a) As of the Effective Date, as hereinafter defined, the Post Entities and the LLC shall jointly and severally cause the LLC to change its name to "The Denver Newspaper Agency LLC," to amend and restate the LLC's operating agreement in the form appended as Exhibit B hereto (hereinafter "The Denver Newspaper Agency Limited Liability Company Operating Agreement"), and to cause to be made to and received by the LLC an additional capital contribution from Denver Post, hereinafter the "Denver Post Additional Capital Contributions," in the form described in Section 1.4 of this Agreement.

(b) Concurrently with the foregoing, Post Entities shall also assign to the LLC, and the LLC shall assume and become fully liable for, all of the liabilities relating to the operation of The Denver Post and/or the Denver Post Contributed Assets which are defined as "Denver Post Assumed Liabilities" in Section 2.3 of The Denver Newspaper Agency Contribution and Sale Agreement (hereinafter collectively also, the "Denver Post Assumed Liabilities"). Upon the LLC's assumption of the Denver Post Assumed Liabilities, Denver Post shall have no further obligation or liability with respect thereto, and the LLC shall pay and discharge all such assumed liabilities in full and in a timely manner.

(c) As used in this Agreement, the "Effective Date" shall be the first business day of the first month commencing following the later of (i) the day on which the written consent of the Attorney General of the United States becomes effective, as provided in Section 4(b) of the NPA, and in Section 48.14 of the Regulations under the NPA (28 CFR 48.1), and as contemplated by Section 6.3 of this Agreement, provided that no injunction or restraining order shall then be in effect which restrains or prohibits the carrying out of this Agreement or the consummation of any of the transactions contemplated hereby and all of the material conditions for the closing of such transactions shall then have been satisfied, or (ii) if such injunction or restraining order is in effect, the first day on which it is removed or eliminated without further right of appeal, and all such conditions have been satisfied.

1.3 Sale of a Portion of Denver Post's Membership Interest in LLC to Denver Publishing; Initial Capital Contribution by Denver Publishing.

(a) Immediately following the implementation of the various matters described and set forth in Section 1.2, Denver Publishing shall (x) in exchange for a Percentage Interest equal to Sixty Million Dollars ($60,000,000) divided by the then fair market value of the net assets of the LLC, pay to Denver Post the cash sum of Sixty Million Dollars ($60,000,000), hereinafter the "Purchase Price" and (y) make an initial capital contribution to the LLC, hereinafter the "Denver Publishing Initial Capital Contribution," in the form set forth in Section 1.5 of this Agreement such that after such contribution, the Percentage Interests in the LLC shall be 50% for Denver Publishing, 49% for Denver Post and 1% for Eastern Colorado.

(b) Concurrently with the foregoing, Denver Publishing shall assign to the LLC, and the LLC shall, except as otherwise provided in this Agreement, assume and become fully liable for, all of the liabilities relating to the operations of Denver Rocky Mountain News and/or the Denver Publishing Contributed Assets which are defined as "Denver Publishing Assumed Liabilities" in Section 3.3 of The Denver Newspaper Agency Contribution and Sale Agreement (hereinafter collectively also, the "Denver Publishing Assumed Liabilities"). Upon the LLC's assumption of the Denver Publishing Assumed Liabilities, Denver Publishing shall have no further obligation or liability with respect thereto, and the LLC shall pay and discharge all such assumed liabilities in full and in a timely manner.

1.4 Form of Additional Capital Contribution of Denver Post.

(a) Denver Post's Additional Capital Contribution shall consist of the cash sum of One Million Dollars ($1,000,000) and all of its rights, title, and interest not previously contributed to the LLC in and to the specific properties and assets currently used or held for use in connection with the production and publication of The Denver Post which are defined as the "Additional Denver Post Contributed Assets" in Section 2.1 of The Contribution and Sale Agreement of even date herewith entered into by the parties hereto (hereinafter, "The Denver Newspaper Agency Contribution and Sale Agreement" and also hereinafter collectively the "Additional Denver Post Contributed Assets"). A copy of The Denver Newspaper Agency Contribution and Sale Agreement is appended as Exhibit B to this Agreement.

(b) The assets defined in Section 2.2 of The Denver Newspaper Agency Contribution and Sale Agreement as "Denver Post Excluded Assets" shall not constitute any part of the Additional Denver Post Contributed Assets but shall remain the separate property of Denver Post from and after the Effective Date. Notwithstanding the foregoing, Denver Post shall grant to the LLC a royalty-free license with respect to such of the Denver Post Excluded Assets as are defined as the Denver Post Names and the Denver Post Intangibles in Section 2.2 of The Denver Newspaper Agency Contribution and Sale Agreement. Such license shall be in the form attached hereto as Exhibit C, which shall be executed by Denver Post and delivered to the LLC on the Effective Date.

1.5 Form of Initial Capital Contribution of Denver Publishing.

(a) Denver Publishing's Initial Capital Contribution shall consist of the cash sum of One Million Dollars ($1,000,000) and all of its rights, title, and interest in and to the specific properties and assets used or held for use in connection with the production and publication of Denver Rocky Mountain News which are defined as "Denver Publishing Contributed Assets" in Section 3.1 of The Denver Newspaper Agency Contribution and Sale Agreement (hereinafter collectively also, the "Denver Publishing Contributed Assets").

(b) The assets defined in Section 3.2 of The Denver

Newspaper Agency Contribution and Sale Agreement as "Denver Publishing Excluded Assets" shall not constitute any part of the Denver Publishing Contributed Assets but shall remain the separate property of Denver Publishing from and after the Effective Date. Notwithstanding the foregoing, Denver Publishing shall grant to the LLC a royalty-free license with respect to such of the Denver Publishing Excluded Assets as are defined as the News Names and the News Intangibles in Section 3.2 of The Denver Newspaper Agency Contribution and Sale Agreement. Such license shall be in the form attached hereto as Exhibit D, which shall be executed by Denver Publishing and delivered to the LLC on the Effective Date.

1.6 Valuation of Certain Capital Contributions; Adjustment.

(a) Subject to the making of the True-Up Contribution (as hereinafter defined), each of the parties to this Agreement agrees, for all purposes with respect to this Agreement, The Denver Newspaper Agency Limited Liability Company Operating Agreement and The Denver Newspaper Agency Contribution and Sale Agreement, that the fair market value of (i) Denver Post's and Eastern Colorado's aggregate Initial and Additional Capital Contributions and aggregate capital account balances and (ii) the Purchase Price and Denver Publishing's Initial Capital Contribution and capital account balance, shall be deemed to be equal.

(b) To the extent that the aggregate value, determined (except as hereinafter expressly provided) in accordance with generally accepted accounting principles consistently applied, of the working capital contributed to the LLC as of the Effective Date by each of Post Entities and Denver Publishing as a consequence of Post Entities' Additional Capital Contribution and Denver Publishing's Initial Capital Contribution differs, the party whose working capital contribution is the lesser in value shall promptly following the final determination of such value (as hereinafter provided) contribute to the LLC an additional cash sum (the "True-Up Contribution") equal to the difference in value of the parties' respective working capital contributions. Once made, such True-Up Contribution shall be deemed to be part of the capital contribution of the party making such True-Up Contribution and aggregate capital contributions and aggregate capital accounts of the Post Entities shall be deemed equal to the capital contribution and capital account of Denver Publishing.

(c) For purposes of determining the amount of any required True-Up Contribution, the determination of the value of the working capital contributed to the LLC as of the Effective Date by each of Denver Post and Denver Publishing shall be determined by the party making such contribution upon written notice to the other parties to this Agreement and the LLC not later than one hundred fifty (150) days following the Effective Date.

(d) Except as expressly hereinafter provided, such determination shall be similarly made with respect to both Denver Post and Denver Publishing, on the basis of generally accepted accounting principles consistently applied. Notwithstanding the foregoing, for the purpose of such calculations (a) all newsprint inventories of Denver Post and Denver Publishing shall be valued at book value (without any corporate or other mark-up), (b) current liabilities shall include the present value of all capital leases relating to the respective operations of The Denver Post and Denver Rocky Mountain News (provided, that for such purpose The New York Times press lease relating to The Denver Post shall not be considered a capital lease for this purpose as long as the revenues derived by the LLC from the future operations of this press (excluding current commercial printing jobs currently printed elsewhere by Denver Post) equal or exceed payments by the LLC for such years pursuant to such lease), and (c) all trade accounts receivable shall be valued based upon the actual collections of the LLC with respect thereto during the 120 day period immediately following the Closing (with no value being attributed to any receivables remaining unpaid 120 days following the Closing, provided that any sums thereafter collected with respect to such receivables shall belong exclusively to the party assigning such receivables to the LLC), and (d) the unfulfilled portion of the prepaid subscription liabilities for each of The Denver Post and Denver Rocky Mountain News as of the Effective Date shall each be valued based upon a value of Twenty-Five Cents ($0.25) for each copy of the weekday and Saturday editions of each Newspaper and One Dollar ($1.00) for each copy of each Sunday edition of each Newspaper due to be delivered subsequent to the Effective Date.

(e) If either party objects to the other party's determination of the amount of working capital it contributed to the LLC, such objection shall be communicated in writing to all of the other parties to this Agreement and the LLC within forty-five (45) days of receipt of such determination. All such objections shall be referred for final resolution to a firm or firms of independent auditors chosen by mutual agreement of the independent auditors of the parties. All of the parties to this Agreement and the LLC shall receive written notification of the independent auditor's final determination of the value of such party's working capital contribution (determined in the manner provided in this Agreement) within thirty (30) days of such referral.

1.7 Other Capital Contributions.

In the event that the LLC shall subsequent to the Effective Date require funds other than the capital contributions described in Sections 1.4 and 1.5 of this Agreement for any authorized business purpose, all such funds, unless obtained from outside sources (subject to Section 5.1, hereof), shall be contributed by Denver Post and Denver Publishing on identical terms and in equal shares, when and as such additional contributions may be authorized as provided in Sections 5.1 or 8.1(c) hereof.

1.8 Failure to Make Payments.

If (i) either Denver Post or Denver Publishing (a "Defaulting Party") fails to make to the LLC any payment required hereunder, or under the terms of either The Denver Newspaper Agency Limited Liability Company Operating Agreement or The Denver Newspaper Agency Contribution and Sale Agreement, including, but not limited to, any properly authorized capital contribution, the other party (the "Non-Defaulting Party") may lend the amount thereof to the LLC on behalf of the Defaulting Party, or (ii) the Defaulting Party breaches any of its other obligations to the LLC, the other party may cure such breach. In any such event, (x) no distributions shall thereafter be made to the Defaulting Party by the LLC pursuant to Section 4.1(c) hereof or otherwise until the full amount of such loan that was made or incurred by the Non-Defaulting Party, plus interest from the date of default to the date(s) of such repayment(s) at a rate per annum equal to the rate announced from time to time by The Bank of New York as its prime or reference rate has been paid in full to the Non-Defaulting Party by the Defaulting Party and (y) and all such distributions which are thus withheld by the LLC from the Defaulting Party shall instead concurrently be paid by the LLC to the Non-Defaulting Party in repayment of such party's loan.

1.9 Contracts, Leases, Permits and Commitments; Assumption. On the Effective Date, Denver Post and Denver Publishing each will make available to the LLC, by way of assignment or otherwise, and will thereafter permit the LLC to assume and perform, all contracts, leases, permits and commitments (collectively, the "Contracts") relating to the operations of The Denver Post or Denver Rocky Mountain News and/or the Denver Post Contributed Assets or the Denver Publishing Contributed Assets exclusive of: (a) those Contracts described in Section 1.4(b) or Section 1.5(b) hereof, (b) those Contracts defined as Denver Post Excluded Assets, Denver Post Excluded Liabilities, Denver Publishing Excluded Assets or Denver Publishing Excluded Liabilities in The Denver Newspaper Agency Contribution and Sale Agreement, (c) any other Contracts which relate to the news and/or editorial functions of The Denver Post or Denver Rocky Mountain News (except as may otherwise be otherwise expressly provided herein or in The Denver Newspaper Agency Contribution and Sale Agreement), and (d) those advertising or subscription Contracts described in Sections 1.10 or 1.11 hereof (hereafter collectively, the "Excluded Contracts"). To the extent that any one or more of the Contracts to be assigned to the LLC may be assignable only with the consent or consents of third persons, Denver Post and Denver Publishing agree to use all reasonable efforts to procure such consent or consents, in cooperation with the LLC, by the Effective Date or as soon thereafter as is reasonably practicable. Except as may otherwise be provided in Section 1.13 hereof, the LLC shall be responsible for, and shall pay, any cancellation charges or other liabilities of Denver Post or Denver Publishing under any Excluded Contract. Notwithstanding the foregoing or any other provision of this Agreement, the LLC shall not, by virtue of the foregoing, be required hereby, as of or subsequent to the Effective Date, to assume or otherwise perform any Contract (including, but not limited to any collective bargaining agreement other than any such agreement that requires assignment and assumption in connection with the transactions contemplated hereby) if the Management Committee (by Absolute Majority Vote) determines such assumption is not in the LLC's best interest; provided, that any Contract which the Management Committee determines not to assume shall be deemed an Excluded Contract for the purpose of the preceding sentence.

1.10 Advertising Contracts.

In order to implement the Licenses granted pursuant to Exhibits C and D hereto, Denver Post and Denver Publishing each will deliver to the LLC (a) on the Effective Date (subject to any required approval from the Attorney General), the advertising information required by their respective Licenses, and (b) within 10 days after the Effective Date, a list of the amount of space used, up to but not including the Effective Date, by each such advertiser. The LLC will use such efforts as it deems reasonable and appropriate to fulfill and complete such advertising contracts and commitments requiring performance on or subsequent to the Effective Date, and shall have the exclusive right to make such modifications or short ratings or cancellations thereof as it deems reasonable and appropriate and shall, except as otherwise provided in Section 1.13 hereof, indemnify Denver Post or Denver Publishing with respect to all liabilities arising thereunder for all periods subsequent to the Effective Date. By the Effective Date, each of Denver Post and Denver Publishing shall independently develop standards for determining the acceptability of advertising for subsequent publication in its Newspaper (with Denver Publishing developing standards for the Saturday Edition and Denver Post developing standards for the Sunday Edition), and the LLC shall subsequent to the Effective Date apply those standards in determining the acceptability of advertising copy for subsequent publication in such Newspaper.

1.11 Subscription Contracts.

In order to implement the Licenses granted pursuant to Exhibits C and D hereto, on the Effective Date (subject to any required approval from the Attorney General), Denver Post and Denver Publishing each will deliver and make available to the LLC all subscription contracts then relating to The Denver Post and Denver Rocky Mountain News, respectively. The LLC will subsequent to the Effective Date use such efforts as it deems reasonable and appropriate to fulfill and perform all such subscription contracts for the regular weekday editions of The Denver Post and Denver Rocky Mountain News, and may, if necessary, use such efforts as it deems reasonable and appropriate to fulfill and perform such contracts by delivering subsequent to the Effective Date the Saturday Edition (as defined in Section 2.1 hereof), to all subscribers who will accept the same in substitution for the pre-Effective Date Saturday edition of The Denver Post and the Sunday Edition (as defined in Section 2.1 hereof) to all subscribers who will accept the same in substitution for the pre-Effective Date Sunday edition of Denver Rocky Mountain News.

1.12 Accounts Receivable.

Between the date hereof and the Effective Date, Denver Post and Denver Publishing shall use all reasonable efforts, consistent with past practices, to collect their respective advertising, circulation and other trade accounts receivable arising out of the publication of The Denver Post, and Denver Rocky Mountain News ("Accounts Receivable"). On and after the Effective Date, the LLC shall have the sole right to collect all Accounts Receivable, and to use such methods with respect to such collection, including settlement, compromise or litigation, as the LLC shall determine.

1.13 Limitation on Assumption of Liabilities.

On the Effective Date, the LLC shall assume and be responsible for only those liabilities or obligations of Denver Post and Denver Publishing that are specifically contemplated by this Agreement and The Denver Newspaper Agency Contribution and Sale Agreement to be assumed by the LLC and for no others. In addition to any liabilities which may be defined as Denver Post Excluded Liabilities or Denver Publishing Excluded Liabilities in The Denver Newspaper Agency Contribution and Sale Agreement, the liabilities to be assumed by the LLC on the Effective Date shall not include any of the following liabilities (all of which shall hereinafter collectively be deemed "Excluded Liabilities"): All intercompany indebtedness, all indebtedness for borrowed money (other than capital leases related to the operations of The Denver Post or Denver Rocky Mountain News), all deferred tax liabilities of whatever nature, all accrued income or franchise tax liabilities, all liabilities for failure to perform or discharge in a timely manner prior to the Effective Date any liability to be assigned to the LLC as of the Effective Date hereof, all liabilities arising from any breach occurring prior to the Effective Date under any contract, license or other instrument to be assigned to the LLC as of the Effective Date, all liabilities arising from any litigation pending or threatened as of the Effective Date with respect to the operations of Denver Post or Denver Publishing or any assets to be transferred to the LLC as of the Effective Date and all liabilities arising out of any violations occurring prior to the Effective Date of any law or governmental regulation applicable to the operations of Denver Post or Denver Publishing or the assets being transferred to the LLC as of the Effective Date.

Denver Post and Denver Publishing, respectively, shall indemnify and hold the other party and the LLC harmless against any and all damage, loss and cost (including reasonable attorneys' fees) arising out of or related to any Excluded Liability or any other liability or obligation of the indemnifying party that is not to be assumed by the LLC as of the Effective Date pursuant to this Agreement or The Denver Newspaper Agency Contribution and Sale Agreement.

1.14 Delivery of Books and Records.

As of the Effective Date, Denver Post and Denver Publishing each will deliver to the LLC such of their books, records, and files (not including general books of account) and circulation and advertising accounts receivables ledgers and accounts payable ledgers relating to The Denver Post or Denver Rocky Mountain News, whether or not heretofore expressly referred to herein, as may be reasonably required in connection with the collection of accounts receivable and the payment of assumed liabilities and the production, marketing, and circulation of the newspapers to be produced, marketed, and circulated hereunder by the LLC.

1.15 Use of Facilities and Properties.

Upon and subsequent to the Effective Date the properties and assets theretofore or thereupon contributed to the LLC by Denver Post and Denver Publishing shall be retained and used in connection with the joint operating arrangement contemplated hereby, except as the Management Committee shall by Absolute Majority Vote determine otherwise.

1.16 Employees.

(a) Commencing as of the Effective Date, The President and Chief Executive Officer of the LLC shall determine the staffing levels required for the LLC's operations and shall retain employees to perform non-news and non-editorial operations, including those employees and former employees of The Denver Post and Denver Rocky Mountain News, as the President and Chief Executive Officer shall deem reasonably necessary, appropriate or desirable to perform the LLC's operations. The President and Chief Executive Officer shall select those persons which he or she in his or her reasonable judgment determines to be qualified persons, including persons from the staffs of The Denver Post and Denver Rocky Mountain News, consistent with such legal and contractual obligations which may apply to the LLC, and shall not be obligated by this Agreement or any other agreement entered into by and between Denver Post and Denver Publishing to choose an equal number of employees from, or any specific number of employees from, The Denver Post and Denver Rocky Mountain News. Each Newspaper shall continue, however, to be responsible for the selection, hiring, and employment of the employees used in its own news and editorial operations.

(b) To the extent that the President and Chief Executive Officer does offer employment to persons then employed by The Denver Post or Denver Rocky Mountain News, it is contemplated that such employment will be offered upon terms substantially comparable to those applicable to their employment by The Denver Post or Denver Rocky Mountain News.

(c) Upon the hiring of any such employee of The Denver Post or Denver Rocky Mountain News, the LLC alone shall on and after the Effective Date be solely responsible for all obligations and incurred costs (whether arising under collective bargaining agreements, individual employment agreements, employee benefit or welfare plans, severance policies or arrangements or otherwise) relative to the future employment, termination or retirement of such employees.

(d) The LLC shall also be solely responsible for indemnifying both Denver Post and Denver Publishing in full with respect to any WARN Act, severance or other liability which arises as a consequence of the LLC's failure to offer employment as of the Effective Date to any person then employed by The Denver Post or Denver Rocky Mountain News (other than news or editorial staff employees) upon terms substantially comparable to those applicable to their employment by The Denver Post or Denver Rocky Mountain News.

(e) Upon and subsequent to the Effective Date, Denver Post and Denver Publishing shall remain independently responsible for all obligations and incurred costs relating to all persons thereafter employed relative to the news and editorial staffs of The Denver Post or Denver Rocky Mountain News. To the extent such costs are in the first instance paid by the LLC, the LLC shall be reimbursed for such costs by Denver Post and Denver

Publishing, respectively, in connection with the monthly distribution to such parties of Net Available Cash From Operations, as set forth in Article 4 of this Agreement.

(f) Subject to arrangements made by Denver Post and Denver Publishing prior to the Effective Date and the authority of the Management Committee, from and after the Effective Date, the President and Chief Executive Officer shall, commencing as of the Effective Date, have sole and exclusive authority to handle all labor relations matters with respect to all non-news and non-editorial employees of the LLC. All labor relations matters with respect to employees in the news and editorial departments of The Denver Post and Denver Rocky Mountain News shall be handled by (and shall be within the authority of) Denver Post and Denver Publishing, as the case may be.

(g) (i) It is the intention of Denver Post and Denver Publishing that those persons who have been employees of Denver Post, Denver Publishing or their respective Affiliates and who become employees of the LLC in connection with the transactions contemplated hereby shall receive employee benefits substantially comparable to those they would have received if they had remained with their prior employer. The parties will endeavor to design and implement employee benefits plans and arrangements that shall accomplish this result, subject to collective bargaining requirements. After consultation with the Management Committee, the President and Chief Executive Officer will have the authority to cause to be adopted benefit plans and arrangements that will in his or her reasonable judgment accomplish this result.

(ii) Denver Post and Denver Publishing shall not (nor shall they permit any of their respective Affiliates to) pay (or defer to the account of) any officer or other employee of the LLC (including, without limitation, the President and Chief Executive Officer) any form of compensation, remuneration or reimbursement, with respect to any period on or after the date of such officer's or employee's employment by the LLC, without the consent of the other Member.

1.17 Newsprint Purchases.

Commencing as of the Effective Date, each of Denver Post and Denver Publishing shall for each fiscal year of the LLC be responsible for providing to the LLC at its cost (as hereinafter defined) one-half of the newsprint needs of the LLC as reasonably forecast and determined by the LLC's President and Chief Executive Officer. For such purposes, Denver Post's and Denver Publishing's costs shall be deemed to be the average price paid for Denver deliveries by each entity (without any corporate mark-up) pursuant to newsprint contracts or otherwise. If Denver Post and/or Denver Publishing shall for any reason be unable to fulfill such obligations, the President and Chief Executive Officer shall secure such additional newsprint as he determines may be needed from whatever source he deems appropriate.

1.18 Initial Activities of the LLC.

The activities of the LLC prior to the Effective Date shall include the provision of publishing services to the Post Entities and planning for implementation of the joint newspaper operating arrangement contemplated by this Agreement and shall be limited to activities that do not require the prior written consent of the Attorney General. Prior to the Effective Date, nothing in this Agreement, the Limited Liability Company Operating Agreement or The Denver Newspaper Agency Contribution and Sale Agreement shall limit competition between Denver Post and Denver Publishing or their Affiliates or business ventures or activities Denver Post and Denver Publishing or their Affiliates may legally pursue together.

ARTICLE 2
Activities of the LLC

The parties agree as follows with respect to the activities of the LLC and their own activities from and after the Effective Date:

2.1 Publication of Newspapers.

(a) The LLC shall at its expense print, produce, distribute, and market (both as to circulation and advertising) The Denver Post (in broadsheet format) each weekday and Sunday morning and Denver Rocky Mountain News (in tabloid format with such news sections in broadsheet format as Denver Publishing chooses to include, consistent with current practices) each weekday morning and (in tabloid format with conversion to broadsheet format as soon as reasonably practicable from a production standpoint in the judgment of the Management Committee acting by Absolute Majority Vote) each Saturday morning, and shall otherwise jointly or separately exploit as it determines appropriate the advertising and/or news content of either or both publications, by mail, private delivery and/or such other technologies as the LLC may from time to time determine appropriate, subject to any separate agreements which may have been entered into prior to the Effective Date (as hereinafter defined) by and between Denver Post and Denver Publishing. The Saturday and Sunday editions of the Newspapers published by the LLC shall contain editorial pages and selected features from each of Denver Rocky Mountain News and The Denver Post. The Saturday edition shall be published under a joint masthead to which Denver Post and Denver Publishing shall mutually agree (the "Saturday Edition"). The Sunday edition shall be published under a joint masthead to which Denver Post and Denver Publishing shall also mutually agree (the "Sunday Edition").

(b) The LLC shall control, supervise, manage, and perform all operations (other than news/editorial operations) involved in printing, producing, distributing, and marketing the Newspapers; shall determine the edition times after consultation with the respective editors of such Newspapers; shall purchase materials, supplies, and national supplements as appropriate; shall solicit and sell advertising space in such Newspapers; shall, subsequent to the Effective Date, collect all accounts receivable, whether such accounts receivable come into existence prior to, on or after the Effective Date; shall establish circulation and advertising rates (but not advertising acceptability standards) for such Newspapers; and shall make all determinations and decisions and do any and all acts and things necessarily connected with the foregoing activities. Additionally, the cost of performing these functions shall be borne by the LLC.

(c) The LLC will promote circulation and advertising to enhance or improve the circulation and advertising sales of each Newspaper and to allow each Newspaper to achieve its full market potential.

(d) The LLC shall distribute such TMC product relative to the Denver market as it determines appropriate.

(e) The LLC may also engage in any non-news and non-editorial activities that would be appropriate for a single newspaper publisher, including but not limited to commercial printing and all other activities determined by the Management Committee to be consistent with the LLC's principal business purpose. Non-news and non-editorial activities with respect to any Newspapers published within the State of Colorado by Denver Post, Denver Publishing or their Affiliates other than The Denver Post or Denver Rocky Mountain News shall, to the extent permitted by law, include such joint advertising sales, joint subscription sales, joint delivery or other services as the LLC may from time to time determine to be appropriate, upon terms mutually agreeable to both Denver Post and Denver Publishing.

2.2 Property Used.

In producing and carrying on the businesses of the Newspapers under this Agreement, the LLC shall print such Newspapers and conduct all operations under this Agreement, except the operations of the news and editorial departments of the two Newspapers, with the LLC's equipment and from the LLC's plant or plants, or from the plant or plants of independent contractors selected by the LLC. The LLC may also utilize the Licenses granted to it to the extent necessary to carry on the activities of the LLC pursuant to this Agreement.

2.3 Editorial Independence.

Preservation of the editorial independence of each Newspaper is the essence of this Agreement. To this end, subsequent to the

Effective Date, the news and editorial material for editions of The Denver Post shall be gathered, prepared, and laid out by Denver Post and the news and editorial material for editions of Denver Rocky Mountain News shall be gathered, prepared, and laid out by Denver Publishing. The Denver Post's and Denver Rocky Mountain News' news and editorial staffs and news and editorial policies shall be independent of each other and of the LLC. Without limiting the generality of the foregoing, Denver Post and Denver Publishing each shall have the exclusive right to determine the editorial format, dress, layout, and news and feature content of editions of its Newspaper published subsequent to the Effective Date. All personnel responsible for the news and editorial content of The Denver Post shall be employees of Denver Post and shall be subject to the direction and authority of Denver Post, and all personnel responsible for the news and editorial content of Denver Rocky Mountain News shall be employees of Denver Publishing and shall be subject to the direction and authority of Denver Publishing.

2.4 News and Editorial Services and Expenses.

(a) Commencing as of the Effective Date, each Newspaper shall maintain an adequate staff of news, editorial, and photographic employees, and shall furnish the LLC complete news and editorial services necessary and appropriate for the publication of such Newspaper in the manner provided in this Agreement. Each Newspaper, in furnishing news and editorial copy and like materials to the LLC for publication, shall conform to the mechanical standards and limitations which prevail at the time of production in the plant or plants used by the LLC for the printing of such Newspaper, including press times established by the LLC.

(b) In order to equitably distribute between Denver Post and Denver Publishing the cost of producing the news for its Newspaper, and in consideration of evolutionary changes (attributable to market demand) in the number of pages of various editions of the Newspapers, the LLC shall credit Denver Post and Denver Publishing for supplying news to fill basic newsholes (the "Newshole") as follows:

(i) The President and Chief Executive Officer shall specify annually a news to advertising ratio for the Monday through Friday editions in the aggregate (the "Weekly Ratio") which shall be the same for both The Denver Post and Denver Rocky Mountain News; and,

(ii) The President and Chief Executive Officer shall also specify annually separate and discrete news to advertising ratios for the special edition of Denver Rocky Mountain News to be published on Saturday (the "Saturday Ratio") and the special edition of The Denver Post to be published on Sunday (the "Sunday Ratio").

(c) During the Term of this Agreement, the Newshole for each Newspaper shall be equivalent from week to week to that for the other Newspaper after adjustment for format (broadsheet or tabloid). Denver Post or Denver Publishing may elect to publish pages of news content in excess of its Newshole, provided that (1) the LLC has the production capacity to produce the pages as scheduled, and (2) the Member which elects to publish excess pages of news content shall be charged for the cost of production equal to a rate set annually by the President and Chief Executive Officer based on average set-up costs per page (the "Basic Page Charge") multiplied by the number of excess pages of news content, plus the average cost of newsprint, ink, labor, and other variable costs per page (the "Variable Page Charge") multiplied by the number of pages to be inserted and multiplied by the number of copies printed in which the extra news content pages are inserted (the "Total Excess Page Charge"). There shall be a Basic Page Charge and a separate Variable Page Charge for those editions of the Newspapers which are published in broadsheet and tabloid format, which shall be comparable for both The Denver Post and Denver Rocky Mountain News.

(d) The President and Chief Executive Officer shall specify annually allocations of editorial color and color pages to The Denver Post and Denver Rocky Mountain News (the "Color Allocations") in the same proportions that the color pages published by The Denver Post and Denver Rocky Mountain News individually have to the total of color pages published in The

Denver Post and Denver Rocky Mountain News collectively during the prior fiscal year.

(e) Denver Post or Denver Publishing may elect to publish pages using color in excess of their Color Allocations, provided that (1) the LLC has the production capacity to produce the pages using excess color as scheduled, and (2) the Member which elects to use excess color shall be charged for the cost of production equal to a rate set separately for broadsheet and tabloid editions of the Newspapers, determined on a comparable basis annually by the President and Chief Executive Officer based on average set up costs per page (the "Basic Color Charge") multiplied by the number of pages on which the excess color is to be used plus the average cost of ink, labor, and other variable costs per page (the "Variable Color Charge") multiplied by the number of pages on which the excess color is to be used and multiplied by the number of copies printed in which the extra color is used (the "Total Excess Color Charge"). The Basic Color Charge and the Variable Color Charge shall be comparable for both The Denver Post and Denver Rocky Mountain News.

(f) Denver Post or Denver Publishing may elect to publish any special news section in excess of its Newshole provided that (i) the LLC has the production capacity to produce the pages for each section as scheduled and (ii) the party electing to publishing any such special section shall be charged for the cost of production thereof in excess of the Total Excess Page Charge and the Total Excess Color Charge that such party is required to bear under this Agreement.

(g) Except as adjusted by the charges contemplated in Sections 2.4(c) and (e), all Editorial Expense (as defined hereafter) of the news and editorial functions of The Denver Post shall be borne by Denver Post and all Editorial Expense of the news and editorial functions of Denver Rocky Mountain News shall be borne by Denver Publishing. The term "Editorial Expense" as used in this Agreement (except as may otherwise expressly be provided herein or otherwise by Denver Post and Denver Publishing with respect to the Saturday and/or Sunday editions of the Newspapers) shall mean all costs and expenses associated with the news and editorial departments of The Denver Post, or Denver

Rocky Mountain News, as the case may be, including but not limited to: (i) compensation, retirement, pension, health and death benefits, worker's compensation insurance, and group insurance of news and editorial employees; (ii) severance pay of news and editorial employees; (iii) travel and other expenses of news and editorial employees; (iv) press association assessments and charges; (v) charges for news services, photo services and supplies, and editorial wire services; (vi) charges for the right to publish news and editorial features, comics, and other news and editorial material of every kind and character; (vii) the cost of news and editorial materials, printing, stationery, office supplies, and postage for the news and editorial departments; (viii) donations and dues; (ix) telegraphic, telephone, and long-distance telephone charges of such news and editorial departments; the cost and expense of maintaining the operation of a newspaper "morgue"; and (x) professional fees; provided, however, that (a) the term "Editorial Expense" shall not include the cost of unfurnished office space provided by the LLC pursuant to Section 2.5 hereof, which shall be provided at the sole cost and expense of the LLC, and (b) equipment that is an integral part of the production process even though located in the news and editorial departments of a Newspaper. Notwithstanding the foregoing, the following Editorial Expenses for the Saturday and Sunday editions of the Newspapers shall be the sole responsibility of the LLC and if paid in the first instance by Denver Post or Denver Publishing shall be promptly reimbursed by the LLC: (i) the cost of all comics in the Saturday and Sunday Newspapers, it being the anticipation of the parties that such Newspapers will have a substantially expanded comics section; (ii) all costs associated with the Sunday television book (such book to bear the same joint masthead as the Sunday Edition); (iii) the costs of weekly stock listings or other weekly business data included in any Saturday or Sunday publications; and (iv) the cost of magazine supplements such as Parade or U.S. Today.

2.5 Office Space.

The LLC shall provide each of Denver Post and Denver Publishing with comparably furnished, separate office space in Denver, Colorado which shall be adequate for the separate use of the news and editorial departments of The Denver Post and Denver Rocky Mountain News, as the case may be. Such office space shall include appropriately furnished office space for the news and editorial executives of each Newspaper. Such office space, together with utility services (other than telephone or other voice or data transmission charges), shall be provided at the expense of the LLC, and no rent or other similar charge shall be paid for such space by Denver Post or Denver Publishing or charged by the LLC.

ARTICLE 3
Quality of Content and Budgets

The parties agree that from and after the Effective Date:

3.1 Quality of Content.

Denver Post and Denver Publishing shall use all reasonable efforts to maintain the status of their respective publications as leading newspapers in the Denver area and throughout the state of Colorado. Denver Post and Denver Publishing shall seek to insure that the editorial quality of each of their respective publications meets the highest journalistic standards. Each of Denver Post and Denver Publishing shall be solely responsible for the news and editorial content of its Newspaper.

3.2 Budgets.

No later than 45 days before the beginning of each fiscal year, the President and Chief Executive Officer shall submit capital, operating and cash flow budgets (collectively, the "Budgets") covering the next succeeding fiscal year of the LLC to the Management Committee. The Operating Budget will incorporate the Weekly Ratio, Saturday Ratio, Sunday Ratio, Basic Page Charge, Variable Page Charge, Color Allocation, Basic Color Charge, and Variable Color Charge, as authorized for that fiscal year. The President and Chief Executive Officer shall seek and receive an approval of all of the Budgets and any amendments thereto in their entirety by an Absolute Majority Vote of the Management Committee prior to the implementation of them.

ARTICLE 4
Duties of LLC, Including Distribution of Available Cash

4.1 Duties of LLC.

The LLC agrees that from and after the Effective Date, it will:

(a) manage and operate all of the departments of the publishing businesses for The Denver Post and Denver Rocky Mountain News (excluding the news and editorial departments) and set and establish the respective advertising and subscription rates (but not advertising acceptability standards) of The Denver Post and Denver Rocky Mountain News from time to time;

(b) receive and collect all of the receipts and income relating to The Denver Post and Denver Rocky Mountain News, and from such income pay all operating expenses incidental to the publication of the Newspapers (except for news and editorial expenses, other than as herein expressly provided) in the manner and to the extent provided in this Agreement and The Denver Newspaper Agency Limited Liability Company Operating Agreement;

(c) subject to Section 1.8 hereof and any applicable provisions of The Denver Newspaper Agency Limited Liability Company Operating Agreement, distribute to Denver Post and Denver Publishing at least monthly, or at more frequent intervals as may be directed by the President and Chief Executive Officer, Net Available Cash From Operations, as defined in The Denver Newspaper Agency Limited Liability Company Operating Agreement;

(d) collect any amounts required to be collected by it pursuant to Section 1.7 hereof; and,

(e) account monthly to Denver Post and Denver Publishing for all revenues and expenditures, and keep Denver Post and Denver Publishing regularly informed of its affairs and business.

4.2 Allocation of Profits or Losses and Distributions of Cash.

(a) Commencing with the Effective Date, Profits and Losses, as defined in The Denver Newspaper Agency Limited

Liability Company Operating Agreement, shall be allocated among the Members in accordance with the provisions of The Denver Newspaper Agency Limited Liability Company Operating Agreement.

(b) Commencing with the Effective Date, distributions of Net Available Cash From Operations shall, subject to the provisions of Section 1.8 hereof, be distributed to the Members in accordance with The Denver Newspaper Agency Limited Liability Company Operating Agreement.

(c) The LLC shall be reimbursed by the Members for the Total Excess Page Charges and the Total Excess Color Charges pursuant to Sections 2.4(c) and 2.4(e) that may be due by them and for all Editorial Expenses of either party which the LLC in the first instance may have paid on their behalf, including but not limited to salaries and related benefits for their respective news and editorial staffs. In either case the LLC will account for these items before computing Profits or Losses.

4.3 Books and Records.

Accurate, full, and complete books of accounts and records, wherein all transactions of the LLC shall be entered, shall be kept at the principal office of the LLC for the account of the LLC in accordance with generally accepted accounting principles consistently applied (except as otherwise agreed by Denver Post and Denver Publishing) and, additionally, in accordance with the Code and regulations promulgated thereunder. Commencing with the Effective Date, Denver Post, Denver Publishing, and their respective representatives shall have the right to inspect, audit, copy or reproduce, each at its own expense, the books and records of the LLC.

4.4 Financial Statements.

Commencing with the Effective Date, the President and Chief Executive Officer shall cause to be delivered to Denver Post and to Denver Publishing the following financial statements and reports of the LLC prepared, in each case, in accordance with generally accepted accounting principles consistently applied (except as may be otherwise agreed by Denver Post and Denver

Publishing):

(a) promptly upon their availability and in any event within four (4) business days after the end of each month, unaudited statements of income or loss and cash flows and an unaudited balance sheet for the interim period through such month and the monthly period then ended and for the fiscal year-to-date, in reasonable detail, such statements of income or loss and cash flows for such period and for the fiscal year-to-date to include (1) a comparison of the fiscal year-to-date and the interim and monthly periods then ended with the corresponding periods for the fiscal year immediately preceding, if any, and (2) a comparison of actual to budgeted cash flows and income or loss;

(b) promptly upon their availability and in any event within four (4) business days after the end of each quarterly period in each fiscal year, an unaudited balance sheet and unaudited statements of income or loss and cash flows for the quarterly period then ended and for the fiscal year-to-date, in reasonable detail, such statement to include (1) a comparison of the fiscal year-to-date and the interim and quarterly periods then ended with the corresponding periods of the fiscal year immediately preceding, if any, and (2) a comparison of actual to budgeted cash flows and income or loss;

(c) promptly upon their availability and in any event within four (4) business days after the end of each fiscal year, an unaudited balance sheet and unaudited statements of income or loss and cash flows for the fiscal year then ended, all in reasonable detail, such statements to include (i) a comparison of the current fiscal year with the fiscal year immediately preceding, if any, and (ii) a comparison of actual to budgeted cash flows and income or loss;

(d) promptly upon their availability and in any event within fourteen (14) days after the end of each fiscal year, an unaudited balance sheet of the LLC as at the end of such fiscal year, and unaudited statements of income or loss and cash flows for such fiscal year, all in reasonable detail, such balance sheet and statements of income or loss and cash flows to include a comparison of the current fiscal year with the fiscal year immediately preceding, if any; and

(e) promptly upon their availability and in any event within sixty (60) days after the end of each fiscal year, an audited balance sheet of the LLC as at the end of such fiscal year, and audited statements of income or loss and cash flows for such fiscal year, all in reasonable detail and accompanied by an opinion thereon of the LLC's independent certified public accountants, such balance sheet and statements of income or loss and cash flows to include a comparison of the current fiscal year with the fiscal year immediately preceding, if any.

4.5 Auditors and Fiscal Year.

Commencing with the Effective Date, the independent auditors of the LLC shall be selected by Denver Publishing and Denver Post on a four-year rotating basis and shall be one of the five largest accounting firms in the United States (the "Big Five"). Commencing with the Effective Date, the independent auditors of the LLC shall be the independent auditors of Denver Publishing, and such auditors shall serve through the end of the fourth fiscal year of the LLC following the Effective Date. At least six months before the end of each four-year period, the Member who may choose the auditors for the next four-year period shall give notice to the LLC and the other Member(s) of its election to select independent auditors for the LLC. Any selection of auditors hereunder shall be limited to the Big Five firm or firms then serving as the independent auditors of Denver Post or Denver Publishing. Failure to give such notice shall be deemed an election to retain the auditors then engaged by the LLC. The LLC shall keep its books on a calendar-year basis.

4.6 Tax Returns.

Commencing with the Effective Date, Tax returns for the LLC shall be dealt with in the manner prescribed in The Denver Newspaper Agency Limited Liability Company Operating Agreement.

ARTICLE 5
Governance of LLC

5.1 Management Committee.

As of and subsequent to the Effective Date, the business and affairs of the LLC shall be managed by a committee (the "Management Committee") to be composed of four (4) members, two (2) of which shall be appointed collectively by Denver Post and Eastern Colorado and shall be the Chief Executive Officer and Chief Financial Officer of Denver Post (or their designees), and two (2) of which shall be appointed by Denver Publishing and shall be the Chief Executive Officer and Chief Financial Officer of The E. W. Scripps Company, an Ohio corporation and parent of Denver Publishing (or their designees). Commencing as of the Effective Date, a single member of the Management Committee shall be selected, as hereinafter provided, to serve as Chairman of the Management Committee for a four (4) year term or until the selection of his successor. The Chairman of the Management Committee shall preside over all meetings of the Management Committee and shall perform such other functions and responsibilities as the members of the Management Committee may from time to time appropriately delegate to such person under the terms of the Limited Liability Company Operating Agreement or otherwise. The initial Chairman of the Management Committee shall, as of the Effective Date, be selected by those members of the Management Committee appointed by Denver Post and Eastern Colorado, and thereafter the members of the Management Committee appointed by Denver Publishing and by Denver Post and Eastern Colorado, respectively, shall alternate selecting such Chairman every four (4) years. Commencing as of the Effective Date, the Management Committee (acting by Absolute Majority Vote) shall appoint annually a President and Chief Executive Officer of the LLC, reporting to it, to serve for a term of one year and until his or her successor is elected. The President and Chief Executive Officer shall, in consultation with the Management Committee, oversee all activities of the LLC, consistent with the terms of this Agreement, the Limited Liability Company Operating Agreement and the NPA, in accordance with annual operating and capital budgets approved by the Management Committee. The Management Committee (acting by Absolute Majority Vote) may remove the President and Chief Executive Officer at any meeting and elect his or her successor. In the case of a deadlock with respect to any matter to be acted upon by the Management Committee (other than the election or removal of a President and Chief Executive Officer and such other matters reserved solely for decision by an Absolute Majority Vote of the Management Committee or by the Members unanimously under the Limited Liability Company Operating Agreement and therein designated as "Reserved Matters," hereafter collectively, the "Reserved Matters"), the President and Chief Executive Officer of the LLC shall be empowered to break such deadlock. Any deadlock concerning any Reserved Matter shall be resolved in the manner provided in The Denver Newspaper Agency Limited Liability Company Operating Agreement.

5.2 The President and Chief Executive Officer.

Commencing as of the Effective Date, the President and Chief Executive Officer shall, in consultation with the Management Committee, have general charge and supervision of the business of the LLC, but shall have no duties or authority with respect to the news and editorial functions of The Denver Post and Denver Rocky Mountain News.

5.3 Certain Other Matters.

Commencing as of the Effective Date, the President and Chief Executive Officer shall conduct the business of the LLC pursuant to the terms hereof as a stand-alone, independent, joint venture of the Members. Subject to legal and contractual obligations, the President and Chief Executive Officer shall select qualified managers, executives, and personnel, and shall supervise the facilities and equipment used by the LLC and the operating systems and procedures of the LLC with respect to advertising, circulation, production, finance, personnel, and promotion. The President and Chief Executive Officer shall at all times act independently and disinterestedly as between Post Entities and Denver Publishing and in the best interests of the LLC.

5.4 Compensation.

The cost (including compensation) of the President and Chief Executive Officer and his or her staff shall be paid by the LLC.

ARTICLE 6
Other Matters

6.1 Representations and Warranties.

Each of the LLC, Denver Post, Eastern Colorado and Denver Publishing hereby represents and warrants to each other that:

(a) It is a corporation or limited liability company (as hereinbefore indicated) which is duly incorporated and in good standing under the laws of its jurisdiction of incorporation and is qualified to do business in Colorado.

(b) The consummation of the transactions provided for herein, in the Licenses, in The Denver Newspaper Agency Contribution and Sale Agreement and in The Denver Newspaper Agency Limited Liability Company Operating Agreement, will not conflict with, or result in a default under, or a violation of, any provision of its charter, by-laws or operating agreement (as applicable) or any agreement or instrument to which it is, or on the Effective Date may be, a party or by which it is, or on the Effective Date may be, bound.

(c) The execution and delivery by it of this Agreement, The Denver Newspaper Agency Contribution and Sale Agreement, the Licenses and The Denver Newspaper Agency Limited Liability Company Operating Agreement have been duly and validly authorized by all necessary corporate action on its part; and this Agreement, The Denver Newspaper Agency Contribution and Sale Agreement, the Licenses, and The Denver Newspaper Agency Limited Liability Company Operating Agreement have been duly executed and delivered by it.

(d) Subject to obtaining the written consent referred to in Section 6.3 hereof, this Agreement, the Licenses, The Denver Newspaper Agency Limited Liability Company Operating Agreement and The Denver Newspaper Agency Contribution and Sale Agreement constitute its valid and binding obligation, and no approval or consent is necessary for the execution, delivery and performance by it of this Agreement, The Denver Newspaper Agency Contribution and Sale Agreement, the Licenses or The Denver

Newspaper Agency Limited Liability Company Operating Agreement, except for such as have heretofore been obtained and are in full force and effect.

(e) It has no knowledge of facts that would materially adversely affect the value of any material asset (or the assets in the aggregate) to be transferred by it or its Affiliates to the LLC.

As used in this Agreement, "Affiliate" means, with respect to any party, (i) any entity directly or indirectly controlling, controlled by or under common control with such party, (ii) any entity owning or controlling ten percent or more of the outstanding voting securities of such party, (iii) any officer or director of such party or any entity owning an interest as a general partner in such party, or (iv) any entity that is a general partner, trustee or holder of ten percent or more of the voting securities of any entity described in clauses (i) through (iii) of this sentence. As used herein, the term "entity" shall mean any individual, partnership, corporation, trust or other business organization.

6.2 Certain Action.

Each party agrees to take all actions reasonably necessary and/or appropriate to carry out and effectuate the intent, purposes, and provisions of this Agreement and The Denver Newspaper Agency Limited Liability Company Operating Agreement and to cooperate with the others in every reasonable and proper way that will promote the successful operation of the joint operating arrangement under this Agreement and The Denver Newspaper Agency Limited Liability Company Operating Agreement.

6.3 NPA Filing.

As soon as practicable after the date hereof, an application shall be filed by Denver Post and Denver Publishing with the Department of Justice, and other appropriate procedures shall be implemented, to secure as soon as possible the written consent of the Attorney General of the United States as provided in Section 4(b) of the NPA. Each party shall support the application fully in every reasonable respect and shall cooperate in and coordinate with respect to the taking of all appropriate steps to secure approval of the application. Whether or not the Attorney General determines to give such written consent, this Agreement and The Denver Newspaper Agency Limited Liability Company Operating Agreement shall not terminate earlier than May 1, 2005 so long as either Denver Post or Denver Publishing elects to continue the process of seeking agency or judicial review. For purposes of the application, Denver Post and Denver Publishing shall each promptly designate "contact persons" for such coordination and consultation as is appropriate and proper and shall each give the other parties prompt written notice of such designation in the manner provided in Section 9.1 hereof. Furthermore, Denver Post and Denver Publishing shall make available, through their authorized representatives, such information as is necessary and appropriate in obtaining the Attorney General's approval of the application. All information which Denver Post, Denver Publishing or the LLC secure as a result of such access shall be held in confidence, shall not (except as legally required) be disclosed without the consent of the party from which the information is obtained, and shall not be used for competitive purposes. All documents which Denver Post, Denver Publishing or the LLC obtain as a result of such access shall be returned or destroyed in the event the transactions contemplated by this Agreement are not consummated.

6.4 Announcements.

Except as required by law, no party hereto will make any public announcement concerning this Agreement and the transactions contemplated hereby prior to the first mutually agreed upon announcement thereof without the consent of the other parties and then only upon the maximum advance notice to the other parties which is practicable under the circumstances.

6.5 Interim Covenants.

(a) Each of Post Entities and Denver Publishing covenants and agrees that from the date hereof to and including the Effective Date it shall, with respect to its Newspaper, continue to carry on its business in the ordinary course. The LLC hereby covenants and agrees that from the date hereof to and including the Effective Date, it shall carry on its business in the ordinary course consistent with the course of conduct heretofore and hereafter by Denver Post with respect to its Newspaper. From the date hereof to and including the Effective Date, neither the Post Entities nor Denver Publishing, with respect to its Newspaper, or the LLC with respect to its business will:

(i) engage in any transaction materially affecting it, its assets or Liabilities, except in the normal and ordinary course of that entity's business;

(ii) fail to use reasonable efforts to prevent any event or transaction from occurring which materially adversely affects that entity's business, operations, assets, Liabilities, financial condition or future prospects;

(iii) fail to use reasonable efforts to preserve intact its present organization, keep available the services of its employees, preserve its relationships with customers, suppliers and others having business dealings with it, to the end that its goodwill and ongoing business will not be materially impaired prior to the Closing;

(iv) sell, lease, transfer or agree to sell, lease or transfer any material asset of its Newspaper or relating to a Newspaper, except in the ordinary course of business;

(v) adopt or modify any pension, profit-sharing or other compensation plan (except as required by law or except for changes which would not affect the level of benefits) or enter into any contract of employment or permit any increases or changes in the compensation of employees of its Newspaper (including bonuses), except in accordance with past practices and in the ordinary course, or except as a result of collective bargaining heretofore or hereafter undertaken in the ordinary course, except to the extent required by law and except for retention arrangements made with employees of its Newspaper as a result of or in connection with the transactions contemplated by this Agreement;

(vi) enter into or amend any material contract or commitment, waive any material right or enter into any other material transaction, other than in the ordinary course; or

(vii) enter into any agreement to take any actions specified in this Section 6.5.

(b) Each party will promptly notify the others in writing upon becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby, or upon receiving any notice from any governmental department, court, agency or commission of its intention to institute an investigation into, or institute a suit or proceeding to restrain or enjoin the consummation of this Agreement or such transactions, or to nullify or render ineffective this Agreement or such transactions if consummated.

(c) This Agreement is subject to such obligations and duties as may be imposed on any party by statute, regulation, contract or law; and no party shall be liable for any damages to any other party, or any other person, for reasonable actions taken in compliance with such obligations. In the event that any court, administrative agency or tribunal, by order, determination or administrative action, requires a party to take actions in compliance with obligations and duties that may be imposed by statute, regulation, contract or law as a condition or precondition to the undertakings herein, or determines to initiate proceedings or does initiate proceedings to compel such actions of a party, then such party may take such actions as reasonably are required for compliance with such obligations and duties, or to discharge, adjust or settle such orders, determinations, administrative action or proceedings, it being agreed and understood that the parties will use all reasonable efforts to oppose the imposition of any such order, determination, administrative action or proceeding.

(d) Each of Post Entities and Denver Publishing, shall conscientiously endeavor to perform on a timely basis all obligations required to be performed by it under all contracts and leases relating to its Newspaper.

ARTICLE 7
Duration; Termination

7.1 Term.

Unless renewed as provided in this Section 7.1 or terminated pursuant to Section 7.2, this Agreement and The Denver Newspaper Agency Limited Liability Company Operating Agreement shall continue for a term ending at the close of business on the last day of the fiftieth full fiscal year following the Effective Date, whereupon this Agreement and The Denver Newspaper Agency Limited Liability Company Operating Agreement shall expire and terminate. This Agreement shall automatically renew for succeeding renewal periods of 25 years each, unless either Denver Post or Denver Publishing notifies the other in writing at least five years before the end of the then current period (including renewal periods), of the election of the party giving the notice to terminate this Agreement. If such notice is given, this Agreement shall terminate at the end of the initial period or the then current renewal period during which the notice is given.

7.2 Termination of this Agreement; Dissolution of the LLC.

(a) Prior to the Effective Date, this Agreement shall terminate on May 1, 2005, if the Effective Date shall not have occurred on or before such date, or upon such earlier date, if any, as the parties hereto may mutually agree upon in writing.

(b) After the Effective Date, this Agreement shall terminate only as hereinafter provided in this Section 7.2.

(c) After the Effective Date, no Member shall cause the LLC to be dissolved except as provided herein and in The Denver Newspaper Agency Limited Liability Company Operating Agreement. After the Effective Date, the LLC shall continue until dissolved as herein and thereafter provided. The LLC shall, subject to the provisions of subsection (e) hereof and to all applicable provisions of The Denver Newspaper Agency Limited Liability Company Operating Agreement, be dissolved upon the occurrence of any of the following:

(i) expiration of the term of this Agreement, as set forth in Section 7.1 hereof or of the Limited Liability Company Operating Agreement;

(ii) at the written election of a Member if any Member willfully or persistently commits one or more material breaches of this Agreement or The Denver Newspaper Agency Limited Liability Company Operating Agreement, or otherwise so conducts itself in matters relating to the LLC business that it is not reasonably practicable to carry on the business of the LLC; provided, however, that such election may be made only if the electing Member has given written notice to the other Members of such breaches or conduct and such breaches or conduct have not been substantially cured within 90 days after such notice has been given.

(iii) if the LLC experiences a net loss from its operations, before depreciation and amortization, as determined in accordance with generally accepted accounting principles consistently applied, for any three consecutive fiscal years, then, at any time within six months following the end of any such three consecutive fiscal years, any Member may give the others written notice of its intention to terminate this Agreement, and thereafter this Agreement shall (subject to the provisions of subsection (e) hereof) terminate three years after the end of such three consecutive fiscal years, or earlier if mutually agreed by Denver Post and Denver Publishing.

(d) No termination of this Agreement or dissolution of the LLC shall be construed to release any Member from liability at law or in equity to the other Members or the LLC arising out of any breach of the terms of this Agreement or The Denver Newspaper Agency Limited Liability Company Operating Agreement.

(e) As soon as practicable after the termination of this Agreement by lapse of time or otherwise, the LLC shall liquidate as provided in Section 7.3 and all applicable provisions of The Denver Newspaper Agency Limited Liability Company Operating Agreement.

7.3 Termination at End of Term.

Upon the termination of this Agreement and The Denver Newspaper Agency Limited Liability Company Operating Agreement, by lapse of time or otherwise:

(a) Denver Post and Denver Publishing will meet with each other and use their best efforts to develop a just and equitable plan for discontinuing and dissolving the LLC and distributing its assets in kind between Post Entities and Denver Publishing (after collection of all receivables and payment of all indebtedness and liabilities of the LLC and all costs of dissolution and liquidation), in accordance with the Members' respective Percentage Interests in the LLC, so as to enable Denver Post and Denver Publishing to resume separate publication of The Denver Post and Denver Rocky Mountain News, respectively, as independent businesses (a "Distribution Plan"). If Denver Post and Denver Publishing agree on a Distribution Plan, the assets of the LLC shall be distributed in accordance with the Distribution Plan, all Licenses shall automatically expire and terminate, and the LLC shall thereupon be dissolved. Except as provided in the Distribution Plan and upon effective distribution of assets by the LLC pursuant thereto, neither Denver Post, Eastern Colorado nor Denver Publishing shall have any separate right, title or interest in or to any asset of the LLC.

(b) If Denver Post and Denver Publishing are unable to agree upon a Distribution Plan, all receivables of the LLC shall be collected and the business affairs and assets of the LLC shall in accordance with all applicable terms of The Denver Newspaper Agency Limited Liability Company Operating Agreement be liquidated as promptly as possible in an orderly and businesslike manner. The proceeds shall be applied and distributed in accordance with the terms of The Denver Newspaper Agency Limited Liability Company Operating Agreement in the following order:

(1) To the payment and discharge of all of the LLC's debts and liabilities (other than those to Post Entities and Denver Publishing), including the establishment of any necessary reserves;

(2) To the payment of any debts and liabilities to Post Entities and Denver Publishing, including, but not limited to those arising pursuant to Section 1.8 hereof; and,

(3) To Denver Post, Eastern Colorado, and Denver Publishing, or their successors, in accordance with their respective Percentage Interests.

7.4 Transfers of Interests Under the Agreement and The Denver Newspaper Agency Limited Liability Company Operating Agreement.

After the Effective Date, the transfer of the rights of any party under this Agreement or The Denver Newspaper Agency Limited Liability Company Operating Agreement or as a Member of the LLC shall be governed exclusively by the provisions regarding such transfer set forth in The Denver Newspaper Agency Limited Liability Company Operating Agreement.

ARTICLE 8
Costs and Liabilities

8.1 Responsibility for Costs.

(a) Costs for the Application to and Proceedings with the Department of Justice. Each Member shall be responsible for its own costs, expenses and liabilities which are directly part of the application to and proceedings with the Department of Justice. Each of Post Entities (collectively) and Denver Publishing shall be responsible for one-half of all costs and expenses of the LLC with respect to such application and proceedings, including, but without limitation, cost of the hired economists, accountants, or other experts needed for such application and proceedings.

(b) Costs for Certain Challenges to the Transactions Contemplated by this Agreement. Each Member shall be responsible for its own costs and expenses (including, without limitation, costs of investigation and preparation) incurred in the defense of any suit, action or proceeding initiated or threatened by any governmental authority or any person or entity seeking to prohibit, enjoin or restrain the transactions contemplated by this Agreement, or seeking damages in connection with these transactions or otherwise attempting to challenge the full implementation of the joint operating arrangement provided in this Agreement including, without limitation, legal fees and other costs and expenses incurred in connection with any such matter. Each of Post Entities, on the one hand, and Denver Publishing, on the other, shall be responsible for one-half of all costs and expenses of the LLC incurred in the defense of such suits, actions or proceedings.

(c) Certain Other Costs and Taxes. Except as otherwise expressly herein provided, each party shall bear all fees and expenses incurred by such party in connection with, relating to or arising out of the consummation of the transactions contemplated hereby, including, without limitation, all taxes, attorneys', accountants' and other professional fees and expenses. All applicable sales, use and real estate transfer taxes, and all title insurance and survey costs shall be paid by the LLC.

8.2 Nature of Relationship.

Nothing contained in this Agreement shall constitute the parties hereto as alter egos or joint employers or as having any relationship other than as specifically provided herein and in The Denver Newspaper Agency Limited Liability Company Operating Agreement. Denver Post, Eastern Colorado and Denver Publishing each will retain and be responsible for (and will indemnify the other Members and the LLC against) all of its respective debts, obligations, liabilities, and commitments which are not transferred to and assumed by the LLC pursuant to this Agreement.

8.3 Members' Individual Responsibilities.

(a) The entire cost and expense of defending, settling or paying and discharging any liability or other claim on account of any article, feature, advertisement, editorial or other item published in or excluded from The Denver Post or Denver Rocky Mountain News as a result of any act done or omitted to be done by the news and editorial departments of The Denver Post or

Denver Rocky Mountain News shall be borne by Denver Post or Denver Publishing, as the case may be. Each of Denver Post and Denver Publishing agrees to indemnify and hold the LLC, the other Members, each of such Member's Affiliates, its and their directors, officers and employees harmless against any such liability, cost or expense incurred by such party.

(b) Except as may otherwise be specifically provided in this Agreement, no Member shall be charged with or held responsible for any claims arising before or after the Effective Date hereof by reason of any act or omission on the part of any other Member, and the responsible Member shall defend, settle, pay or discharge any such matter, and shall indemnify and hold harmless the other Members against any such matter, and from any liability, cost or expense arising therefrom.

8.4 LLC's Responsibility.

After the Effective Date, the entire cost and expense of defending, settling or paying and discharging any liability or other claim on account of (a) any article, feature, advertisement, editorial or other item published in or excluded from The Denver Post or Denver Rocky Mountain News as a result of any act done or omitted to be done by the LLC or (b) any other act done or omitted to be done by the LLC under this Agreement or The Denver Newspaper Agency Limited Liability Company Operating Agreement shall be borne by the LLC, except as otherwise expressly provided herein or therein. The LLC shall indemnify and hold each of Denver Post, Eastern Colorado and Denver Publishing and its Affiliates, directors, officers and employees harmless against any such liability, cost or expense incurred by any of them.

8.5 Force Majeure.

No party shall be liable to the others for any failure or delay in performance under this Agreement or The Denver Newspaper Agency Limited Liability Company Operating Agreement occasioned by war, riot, act of God or public enemy, strike, labor dispute, shortage of any supplies, failure of suppliers or workers or other cause beyond the control of the party required to perform, and such failure or delay shall not be considered a default hereunder, but this Section 8.5 shall not excuse any party from its obligation to pay any sum of money which such party is otherwise required to pay pursuant to this Agreement or The Denver Newspaper Agency Limited Liability Company Operating Agreement.

ARTICLE 9
Miscellaneous

9.1 Notices.

Each notice or other communication given pursuant to this Agreement or The Denver Newspaper Agency Limited Liability Company Operating Agreement shall be deemed to have been duly given when hand delivered or three days after being deposited in the United States mail, certified, postage prepaid, return receipt requested, and addressed to the party to be notified at such party's address as set forth below:

If to Denver Publishing to:	Denver Rocky Mountain News c/o The E.W. Scripps Company 312 Walnut Street, 28th Floor Cincinnati, Ohio 45202 Attn: Daniel J. Castellini Senior Vice President and Chief Financial Officer Telecopier: (513) 977-3729
With a Copy to:	Baker & Hostetler LLP 312 Walnut Street, Suite 2650 Cincinnati, OH 45202 Attn: William Appleton, Esq. Telecopier: (513) 929-0303
If to either or both of the Post Entities (or to the LLC prior to the Effective Date)	c/o MediaNews Group, Inc. 1560 Broadway, Suite 2100 Denver, CO 80202 Attn: Joseph J. Lodovic, IV Executive Vice President and Chief Financial Officer Telecopier: (303) 820-1929
With a Copy to:	Verner, Liipfert, Bernhard, McPherson and Hand, Chartered 901 15th Street, N.W., Suite 700 Washington, DC 20005-2301 Attn: Howell E. Begle, Jr., Esq. Telecopier: (202) 371-6279

The LLC shall on the Effective Date by notice to the other parties given in accordance with this Section 9.1 designate an address for receipt on or after such date of notices and communications hereunder. All such notices to the LLC shall on or after such date be to the attention of the President and Chief Executive Officer, with copies to Post Entities and Denver Publishing at the addresses then designated by them for the receipt of such notices pursuant to this Section 9.1. Any party may change its address or the individual to whom notice is to be directed hereunder by notice to the other parties given in accordance with this Section 9.1.

9.2 Non-Assignability.

This Agreement shall be binding upon and shall inure to the benefit of each of the parties hereto and their permitted successors and assigns, but any attempt by any party to assign any of its rights or to delegate any of its duties hereunder shall be subject to Section 7.4.

9.3 Entire Understanding.

This Agreement (including the Exhibits) and The Denver Newspaper Agency Contribution and Sale Agreement embody the entire understanding and agreement of the parties on the subject matter herein and therein contained and supersedes any and all prior agreements, arrangements, and understandings relative to the subject matter hereof and thereof.

9.4 Headings.

Titles, captions or headings contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provisions hereto.

9.5 Governing Law.

This Agreement shall be construed and enforced in accordance with the internal laws of the State of Colorado.

9.6 Modifications.

This Agreement shall be amended only by an agreement in writing and signed by the party against whom enforcement or discharge is sought.

9.7 Severability.

Each provision of this Agreement shall be considered severable from the rest and if any provision of this Agreement or its application to any person, entity or circumstance shall be held invalid and contrary to any existing or future law or unenforceable to any extent, the remainder of this Agreement and the application of any other provision to any person, entity or circumstance shall not be affected thereby and shall be interpreted and enforced to the greatest extent permitted by law so as to give effect to the original intent of the parties hereto.

9.8 Specific Performance.

In addition to any other remedies the parties may have, each party shall have the right to enforce the provisions of this Agreement through injunctive relief or by a decree or decrees of specific performance.

9.9 No Third Party Beneficiaries.

Nothing in this Agreement, express or implied, shall give to anyone other than the parties hereto and their respective permitted successors and assigns any benefit, or any legal or equitable right, remedy or claim, under or in respect of this Agreement.

IN WITNESS WHEREOF, the parties have signed in multiple counterparts this Agreement by their respective duly authorized signatories as of the day and year above written.

THE DENVER POST CORPORATION

By:
Joseph J. Lodovic, IV
Executive Vice President and
Chief Financial Officer

EASTERN COLORADO PRODUCTION
FACILITIES, INC.

By:
Joseph J. Lodovic, IV
Executive Vice President and
Chief Financial Officer

DENVER POST PUBLISHING FACILITIES LLC

By:

Joseph J. Lodovic, IV
Executive Vice President and
Chief Financial Officer

THE DENVER PUBLISHING COMPANY

By:

Daniel J. Castellini
Senior Vice President and
Chief Financial Officer

EMPLOYMENT AGREEMENT EXHIBIT 10.62

THIS EMPLOYMENT AGREEMENT is entered into as of July 20, 1999, between THE E. W. SCRIPPS COMPANY, an Ohio corporation (the "Company"), and KENNETH W. LOWE ("Executive").

W I T N E S S E T H :

WHEREAS, the Company and Executive desire to enter into this Employment Agreement to insure the Company of the services of Executive, to provide for compensation and other benefits to be paid and provided by the Company and Home & Garden Television, Television Food Network, and Scripps Howard Productions (Cable Network Companies) to Executive in connection therewith, and to set forth the rights and duties of the parties in connection therewith;

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties hereby agree as follows:

1. Employment.

(a) The Company hereby employs Executive as Chairman, President and Chief Executive Officer of each of the Cable Network Companies and Executive hereby accepts such employment, on the terms and conditions set forth herein.

(b) During the term of this Agreement and any renewal hereof (all references herein to the term of this Agreement shall include references to the period of renewal hereof, if any), Executive shall be and have the titles, duties and authority of Chairman, President and Chief Executive Officer of each of the Cable Network Companies and shall devote his entire business time and all reasonable efforts to his employment and perform diligently such duties as are customarily performed by the chairman, president and chief executive officer of companies the size and structure of the Cable Network Companies, together with such other duties as may be reasonably required from time to time by the Board of any of the Cable Network Companies or the Chief Executive Officer or Senior Vice President/Broadcast Division of the Company, which duties may include overseeing any new cable networks or related businesses created or acquired by the Company or the Cable Network Companies and shall be consistent with his position as set forth above and as provided in Paragraph 2(b).

(c) Executive shall not, without the prior written consent of the Company, directly or indirectly, during the term of this Agreement, other than in the performance of duties naturally inherent to the businesses of the Company and in furtherance thereof, render services of a business, professional or commercial nature to any other person or firm, whether for compensation or otherwise; provided, however, that so long as it does not materially interfere with his full-time employment hereunder, Executive may attend to outside investments, and serve as a director, trustee or officer of, or otherwise participate in, educational, welfare, social, religious and civic organizations.

2. Term and Positions.

(a) Subject to the provisions for renewal and termination hereinafter provided, the term of this Agreement shall begin on the date hereof and shall continue for the current Calendar Year and for the succeeding four Calendar Years. As of January 1, 2004, and as of January 1 of each succeeding even number calendar year thereafter (e.g. 2006, 2008, etc.), such term automatically shall be extended for two (2) additional years, unless: (i) this Employment Agreement is terminated as provided in Paragraph 5 hereof, or (ii) either the Company or Executive shall have given notice of non-renewal of this Employment Agreement to the other at least six (6) months before January 1, 2004, or six (6) months before the beginning of any such succeeding two (2) year period, as the case may be (for example, unless such written notice of non-renewal is given on or prior to July 1, 2003, the term of this Employment Agreement automatically will be extended, effective January 1, 2004, until December 31, 2006) (a "Non-renewal Notice").

(b) Executive shall serve, and shall be entitled and have the right to serve, as a member of the Board of each of the Cable Network Companies and for service on each such Board Executive will receive only such compensation, if any, that is paid to officers of the Company for service on each such Board on which Executive shall serve. Without limiting the generality of any of the foregoing, except as hereafter expressly agreed in writing by Executive, Executive shall not be required to report to any single individual except the Chief Executive Officer or the Senior VP/Broadcast Division of the Company and shall report also to the Boards of the Cable Network Companies.

3. Compensation.

(a) For all services he may render to the Company and the Cable Network Companies during the term of this Agreement, the Company shall pay to Executive the following:

(i) For the period beginning on the date hereof and ending December 31, 1999, salary equal to an annual salary of five-hundred thousand dollars ($500,000), multiplied by the ratio of the number of days in the period beginning on the date hereof and ending on the last day of the 1999 year to 365; and

(ii) for the Calendar Year beginning on January 1, 2000, and for each Calendar Year thereafter during the term of this Agreement, salary as determined by the Compensation Committee, which in no event shall be less than the annual salary that was payable by the Company to Executive under this Paragraph 3(a) for the immediately preceding Calendar Year.

Salary payable by the Company to Executive under this Paragraph 3(a) shall be payable in those installments customarily used in payment of salaries to the Company's executives (but in no event less frequently than monthly).

(b) In recognition of the value Executive has created in the Cable Network Companies and in order to encourage Executive to use his talents to enhance the operations and profitability of the Cable Network Companies in the future, the Company hereby grants to Executive 96,038 Deferred Stock Units. Each Deferred Stock Unit entitles Executive to receive from the Company on its Maturity Date (as defined herein) one Class A Common Share. On January 15 of each of Calendar Years 2000 through 2004 (each such date, a "Maturity Date"), 20% of the Deferred Stock Units shall mature and be exchanged for an equal number of Class A Common Shares. If Executive's employment hereunder is terminated for any reason (including for "Cause" as defined herein) before any Maturity Date, Executive (or his designated beneficiary or legal representative in case of his death) shall receive Class A Common Shares for the Deferred Stock Units on each remaining Maturity Date as if Executive were still employed at such time. No cash dividends or equivalent amounts shall be paid on outstanding Deferred Stock Units. On each Maturity Date, the Company shall pay to Executive an amount in cash which shall be equal to the cash dividends, if any, which would have been paid between the date hereof and the particular Maturity Date with respect to issued and outstanding Class A Common Shares equal in number to the number of Deferred Stock Units maturing on such Maturity Date. No interest shall be paid on any dividend equivalent or any part thereof. All Class A Common Shares issued in exchange for Deferred Stock Units shall be treasury shares of the Company.

(c) The Company hereby agrees to grant to Executive under the Company's 1997 Long-Term Incentive Plan (the "Incentive Plan") for each of Calendar Years 1999 through 2003 during all or part of which Executive is employed hereunder a number of Class A Common Shares of the Company to be determined as follows:

> For each such Calendar Year (commencing with 1999) in which the Cable Network Companies earn at least a 15% Total Business Return (as defined herein), Executive will receive a grant of Class A Common Shares equal in value to 1% of the Total Business Return for that Calendar Year. If the Total Business Return for the applicable Calendar Year is less than 15%, Executive will not be entitled to a grant of Class A Common Shares for that Calendar Year. "Total Business Return" will equal the percentage obtained by dividing (A) the excess, if any, of (i) the value of the Cable Network Companies for such Calendar Year plus the net dividends (as defined herein) paid by the Cable Network Companies to the Company in such Calendar Year over (ii) the value of the Cable Network Companies for the immediately preceding Calendar Year (the "Prior Year Base") by (B) the Prior Year Base. Notwithstanding anything to the contrary in the foregoing, if in any Calendar Year the value of the Cable Network Companies for such year is less than the value of the Cable Network Companies for the immediately preceding Calendar Year, the Total Business Return for each ensuing Calendar Year shall be calculated using the value of the Cable Network Companies for such immediately preceding Calendar Year as the Prior Year Base until such Prior Year Base is exceeded in one of such ensuing years. "Net dividends" means cash flows from operation of the Cable Network Companies on an after-tax basis net of all additional investment in the operating assets of the Cable Network Companies. The two charts attached to this Employment Agreement as Exhibit A will serve as hypothetical illustrations of the foregoing.

The number of Class A Common Shares subject to each grant will be determined by dividing one percent (1%) of the applicable Total Business Return by the Fair Market Value (as defined in the Incentive Plan) of a Class A Common Share on December 31 of the Calendar Year with respect to which such Total Business Return is calculated. Each grant will be made on or before April 15 (the "grant date") of the Calendar Year following the Calendar Year with respect to which such grant is to be made. The shares subject to each grant made to Executive hereunder will vest at the rate of 20% per year on each anniversary (a "vesting date") of the applicable grant date over the five years first following such grant. Unvested shares will remain on deposit with the Company and Executive will execute a blank stock power therefor in accordance with the Incentive Plan.

For purposes hereof, the increase in value of the Cable Network Companies will be determined by no later than March 31 of each of Calendar Years 2000 through 2004 by Duff & Phelps. Executive and the Company agree that such firm will take into consideration in valuing the Cable Network Companies the following criteria in addition to such other criteria as such firm determines to be pertinent: (i) revenues and expenses of the Cable Network Companies stated at levels generally consistent with those of a stand-alone company; (ii) future earnings and cash flow stated at levels generally consistent with those of a stand-alone company; (iii) historical financial performance to the extent it provides evidence of prospective results; (iv) current valuation criteria in equity markets; (v) the contribution of the Cable Network Companies as a whole to the market value of the Company; and (vi) the impact of any major new cable network or related business created or acquired by the Company or the Cable Network Companies during the term of this Agreement that Executive is required to oversee. Notwithstanding the foregoing, Executive and the Company agree as follows: (i) in valuing the Cable Network Companies Duff & Phelps will not take into consideration the "break-up" value that could be obtained if the separate companies or businesses then comprised by the Cable Network Companies were to be sold individually or as a group;

(ii) after consideration of all criteria as aforesaid (except "break-up" value) the Cable Network Companies will not be valued at levels exceeding their contribution as a whole to the market value of the Company as determined by Duff & Phelps; and (iii) if the Cable Network Companies as a whole are sold or the equity thereof becomes publicly traded, the market value of the Cable Network Companies (as evidenced by the sale price or the public trading price) will be the sole basis for determining the Total Business Return and neither Duff & Phelps nor any other valuation firm will be engaged. The methodology used by Duff & Phelps for the first valuation of the Cable Network Companies that it provides pursuant to this Section 3(c) will be the methodology used in all other valuations of the Cable Network Companies pursuant to this Section 3(c).

If Executive's employment hereunder terminates prior to any vesting date for reasons other than death, disability (as defined in Paragraph 4(c) hereof), Change in Control of the Company or the Cable Network Companies, termination without Cause (as defined in Paragraph 5(a)(ii) hereof) by the Company, or termination by Executive in the event of a material breach of this Agreement by the Company (i) which is not cured in all material respects within twenty days after Executive gives notice thereof to the Company and (ii) at a time when the Company does not have Cause to terminate Executive, all unvested shares and all rights to future grants hereunder will be forfeited. "Change in Control" for purposes of this Agreement shall mean (i) with respect to the Company, an event that would be required to be reported in response to Item 1 of Form 8-K or any successor form thereto promulgated under the Securities Exchange Act of 1934 ("Exchange Act"); provided, however, that the termination of The Edward W. Scripps Trust and the effectiveness, as a result of such termination, of certain provisions of the Scripps Family Agreement dated October 15, 1992, as it may be amended from time to time, shall not constitute a "Change in Control" regardless of whether such events are required to be or are reported pursuant to the Exchange Act; and (ii) with respect to the Cable Network Companies, sale by the Company of all or substantially all assets of, or transfer by the Company of majority voting control of, the

Cable Network Companies as a whole or the Home and Garden Television Network or the Television Food Network to any person that is not controlled by, under common control with, or in control of the Company.

If Executive's employment hereunder terminates prior to any vesting date by reason of his disability or death, or as a result of a Change in Control, all unvested shares will vest automatically at the time of such termination and all rights to future grants hereunder (other than those for the Calendar Year preceding such termination or in which such termination occurred, as provided for in the last paragraph of this section) will be forfeited.

If Executive's employment hereunder terminates, by reason of his disability or death, or as a result of a Change in Control, prior to a grant date following a Calendar Year with respect to which Executive was employed hereunder and would be entitled to a grant of Class A Common Shares hereunder, such grant shall nevertheless be made in accordance herewith, and all shares subject thereto shall be deemed vested as of the time of such grant and shall be issued to Executive (or his designated beneficiary or legal representatives in case of his death) on such grant date. If such termination occurs prior to the end of a Calendar Year, any grant to which Executive is entitled for such Calendar Year shall be prorated based on the ratio of the number of business days in such Calendar Year Executive was employed hereunder to the total number of business days in such Calendar Year.

If Executive's employment terminates as a result of a termination without Cause by the Company or a termination by Executive in the event of a material breach of this Agreement by the Company (i) which is not cured in all material respects within twenty days after Executive gives notice thereof to the Company and (ii) at a time when the Company does not have Cause to terminate Executive, all unvested shares will vest automatically at the time of such termination and all rights to future grants hereunder will continue and any grant hereunder to which Executive would have been entitled had he remained employed hereunder through Calendar Year 2003 and not been so terminated shall be made in accordance herewith, and all shares subject to such grant shall be deemed vested as of the time of such grant and shall be issued to Executive on the applicable grant date (or to his designated beneficiary or legal representatives in the case of his death prior to any applicable grant date).

(d) Executive shall be entitled, subject to the terms and conditions of the appropriate plans, to all benefits provided by the Company to Senior Level Executives in accordance with the Company's policies from time to time in effect.

(e) Upon delivery of proper documentation, therefore, Executive shall be reimbursed for all first class travel, hotel and all business expenses when incurred on Cable Network Companies business.

4. Payment in the Event of Death or Permanent Disability.

(a) In the event of Executive's death or "permanent disability" (as hereinafter defined) during the term of this Employment Agreement, the Company shall for a period equal to the greater of (i) twenty-four (24) months following the date of such death or permanent disability or (ii) the balance of the term remaining at such date continue to pay to Executive (or his successors and assigns under the applicable laws of descent and distribution in the event of his death) Executive's then effective per annum rate of salary, as determined under Paragraph 3(a), and provide to Executive (or to his family members covered under his family medical coverage) the same "family" medical coverage as provided to Executive on the date of such death or disability. Furthermore, in the event of Executive's death or permanent disability, Executive (or his designated beneficiary or legal representative in case of his death) shall receive Class A Common Shares for the Deferred Stock Units on each remaining Maturity Date as if Executive were still employed at such time.

(b) Except as otherwise provided in Paragraph 4(a), in the event of Executive's death or permanent disability Executive's employment hereunder shall terminate and Executive shall be entitled to no further compensation or other payments or benefits under this Employment Agreement, except as to unmatured

Deferred Stock Units and that portion of any unpaid salary and other benefits accrued and earned by him hereunder up to and including the date of such death or permanent disability, as the case may be.

(c) For purposes of this Employment Agreement, Executive's "permanent disability" shall be deemed to have occurred after one hundred fifty (150) days in the aggregate during any consecutive twelve (12) month period, or after ninety (90) consecutive days, during which one hundred fifty (150) or ninety (90) days, as the case may be, Executive, by reason of his physical or mental disability or illness, shall have been unable to discharge his duties under this Employment Agreement. The date of permanent disability shall be such one hundred fiftieth (150th) or ninetieth (90th) day, as the case may be. In the event either the Company or Executive, after receipt of notice of Executive's permanent disability from the other, dispute that Executive's permanent disability shall have occurred, Executive shall promptly submit to a physical examination by the chief of medicine of any major accredited hospital in the Cincinnati, Ohio, area selected by the Company and, unless such physician shall issue his written statement to the effect that in his or her opinion, based on his or her diagnosis, Executive is capable of resuming his employment and devoting his full time and energy to discharging his duties within thirty (30) days after the date of such statement, such permanent disability shall be deemed to have occurred.

(d) The payments to be made by the Company to Executive hereunder shall be offset and therefore reduced by the amount of any insurance proceeds (on a tax-effected basis) paid to Executive arising out of the events described in this Paragraph 4 from insurance policies (not including amounts otherwise payable to Executive pursuant to insurance policies provided under Company-wide employee benefit and welfare plans) obtained by the Company.

5. Termination

(a) The employment of Executive under this Employment Agreement, and the term of this Employment Agreement:

(i) shall be terminated automatically upon the death or permanent disability of Executive, or

(ii) may be terminated for Cause at any time by the Company, with any such termination not being in limitation of any other right or remedy the Company may have under this Employment Agreement or otherwise (for purposes of this Employment Agreement, the term "Cause" meaning:

(A) Executive's fraud or commission of a felony or of an act or series of acts, which in any case results in material injury to the business or reputation of the Company, or Executive's willful failure to perform his duties under this Employment Agreement, which failure has not been cured in all material respects within twenty (20) days after the Company gives notice thereof to Executive; or

(B) Executive's material breach of any provision of this Employment Agreement, which breach has not been cured in all material respects within twenty (20) days after the Company gives notice thereof to Executive); or

(iii) may be terminated at any time by the Company other than for the reasons set forth in the foregoing clauses (i) and (ii); or

(iv) may be terminated at any time (including following a Change in Control) by Executive with thirty (30) days' advance notice to the Company; or

(v) shall be terminated automatically at the end of the term of this Employment Agreement then in effect in the event either party gives to the other party a Non-renewal Notice.

Upon any such termination, Executive shall be deemed automatically to have resigned from all offices and directorships held by Executive in the Company or the Cable Network Companies. Notwithstanding anything to the contrary in this Section 5(a), the term "Cause" shall not include any act or series of acts taken by Executive in good faith on behalf of the Company, provided that such act or series of acts was within his authority as Executive, did not constitute a breach of any fiduciary duty and was not taken again following his receipt of direction to cease such act or acts from the Chief Executive Officer or Senior Vice President/Broadcast Division of the Company or the Board of any of the Cable Network Companies.

(b) If Executive's employment with the Company is terminated by the Company without Cause or by Executive following a Change in Control or at a time when the Company (i) has been in material breach of this Agreement for twenty (20) days after receiving notice of such breach from Executive and (ii) does not have Cause to terminate Executive, the Company shall continue to pay to Executive the per annum rate of salary then in effect under Paragraph 3(a) and provide the benefits described in Paragraph 3(d) then in effect (unless the terms of the applicable plans expressly prohibit the continuation of such benefits after such termination and cannot be amended, with applicability of such amendment limited to Executive, to provide for such continuation) for a period equal to the greater of (A) twenty-four months or (B) the balance of the term remaining at the time of such termination.

(c) In the event of termination for any reason set forth in subparagraph (a) of this Paragraph 5, except as otherwise provided in Paragraph 5(b), Executive shall be entitled to no further compensation or other payments or benefits under this Employment Agreement, except as to that portion of any unpaid salary and other benefits accrued and earned by him hereunder up to and including the effective date of such termination.

(d) In the event of termination for any reason set forth in subparagraph (a) of this Paragraph 5, Executive's employment with the Company for all purposes shall be deemed to have terminated as of the effective date of such termination hereunder, irrespective of whether the Company has a continuing obligation under this Employment Agreement to make payments or provide benefits to Executive after such effective date.

6. Covenants and Confidential Information

(a) Executive acknowledges the Cable Network Companies' reliance and expectation of Executive's continued commitment to performance of his duties and responsibilities during the term of this Employment Agreement. In light of such reliance and expectation on the part of the Cable Network Companies, during the term of this Employment Agreement and (i) for six (6) months after termination of Executive's employment and this Employment Agreement by the Company under Paragraph 5(a)(iii) hereof or by Executive at a time when the Company has been in material breach of this Agreement for twenty (20) days after receiving notice of such breach from Executive and does not have Cause to terminate Executive ("Company Breach") or (ii) one year after termination of Executive's employment and this Employment Agreement by Executive under Paragraph 5 hereof (other than termination by Executive for Company Breach) or by the Company under Paragraph 5(a)(ii) hereof, Executive shall not, directly or indirectly, do or suffer any of the following:

(i) Own, manage, control or participate in the ownership, management, or control of, or be employed or engaged by or otherwise affiliated or associated as a consultant, independent contractor or otherwise with, any other corporation, partnership, proprietorship, firm, association or other business entity, or otherwise engage in any business, which is in competition with the business of the Cable Network Companies as and where conducted by the Cable Network Companies at the time of such termination; provided, however, that the ownership of not more than one percent (1%) of any class of publicly traded securities of any entity shall not be deemed a violation of this covenant, and further provided that Executive's ownership of any interest in DNL, Inc., a corporation formed by Executive and certain other persons ("DNL"), shall not be deemed a violation of this covenant so long as DNL is not competing with any of the Cable Network Companies and Executive's ownership of such interest, his participation in the management or control of DNL or his employment or engagement thereby or affiliation or association therewith does not materially interfere with his full-time employment hereunder;

(ii) Solicit the employment of, assist in the soliciting of the employment of, or otherwise solicit the association in business with any person or entity of, any employee or officer of the Cable Network Companies.

(iii) Induce any person who is an employee, officer or agent of the Cable Network Companies to terminate said relationship.

(b) Executive expressly agrees and understands that the remedy at law for any breach by him of this Paragraph 6 may be inadequate and that the damages flowing from such breach are not readily susceptible to being measured in monetary terms. Accordingly, it is acknowledged that, upon adequate proof of Executive's violation of any provision of this Paragraph 6, the Cable Network Companies shall be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach and may withhold any amounts owed to Executive pursuant to this Agreement. Nothing in this Paragraph 6 shall be deemed to limit the Cable Network Companies' remedies at law or in equity for any breach by Executive of any of the provisions of this Paragraph 6 which may be pursued or availed by the Cable Network Companies.

(c) In the event Executive shall violate any legally enforceable provision of this Paragraph 6 as to which there is a specific time period during which he is prohibited from taking certain actions or from engaging in certain activities, as set forth in such provision, then, in such event, such violation shall toll the running of such time period from the date of such violation until such violation shall cease.

(d) Executive has carefully considered the nature and extent of the restrictions upon him and the rights and remedies conferred upon the Cable Network Companies under this Paragraph 6, and hereby acknowledges and agrees that the same are reasonable in time and territory, are designed to eliminate competition which otherwise would be unfair to the Cable Network Companies, do not stifle the inherent skill and experience of Executive, would not operate as a bar to Executive's sole means of support, are fully required to protect the legitimate interests of the Cable Network Companies and do not confer a benefit upon the Cable Network Companies disproportionate to the detriment to Executive.

7. Withholding Taxes.

All payments to Executive hereunder shall be subject to withholding on account of federal, state and local taxes as required by law.

8. No Conflicting Agreements.

Executive represents and warrants that he is not a party to any agreement, contract or understanding, whether employment or otherwise, which would restrict or prohibit him from undertaking or performing employment in accordance with the terms and conditions of this Employment Agreement.

9. Severable Provisions.

The provisions of this Employment Agreement are severable and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions and any partially unenforceable provision to the extent enforceable in any jurisdiction nevertheless shall be binding and enforceable.

10. Binding Agreement.

The rights and obligations of the Company under this Employment Agreement shall inure to the benefit of, and shall be binding on, the Company and its successors and assigns, and the rights and obligations (other than obligations to perform services) of Executive under this Employment Agreement shall inure to the benefit of, and shall be binding upon, Executive and his heirs, personal representatives and successors and assigns.

11. Arbitration.

Any controversy or claim arising out of or relating to this Employment Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Rules of the American Arbitration Association then pertaining in the City of Cincinnati, Ohio, and judgment upon the award rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction thereof. The arbitrator or arbitrators shall be deemed to possess the powers to issue mandatory orders and restraining orders in connection with such arbitration; provided, however, that nothing in this Paragraph 11 shall be construed so as to deny the Cable Network Companies the right and power to seek and obtain injunctive relief in a court of equity for any breach or threatened breach by Executive of any of his covenants contained in Paragraph 6 hereof. The parties shall share equally the fees and other expenses of the arbitrator(s).

12. Notices.

Notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when sent by certified mail, postage prepaid, addressed to the intended recipient at the address set forth at the end of this Employment Agreement, or at such other address as such intended recipient hereafter may have designated most recently to the other party hereto with specific reference to this Paragraph 12.

13. Waiver.

The failure of either party to enforce any provision or provisions of this Employment Agreement shall not in any way be construed as a waiver of any such provision or provisions as to any future violations thereof, nor prevent that party thereafter from enforcing each and every other provision of this Employment Agreement. The rights granted the parties herein are cumulative and the waiver of any single remedy shall not constitute a waiver of such party's right to assert all other legal remedies available to it under the circumstances.

14. Miscellaneous.

This Employment Agreement supersedes all prior agreements and understandings between the parties and may not be modified or terminated orally. All obligations and liabilities of each party hereto in favor of the other party hereto relating to matters arising prior to the date hereof have been fully satisfied, paid and discharge. No modification, termination or attempted waiver shall be valid unless in writing and signed by the party against whom the same is sought to be enforced.

15. Governing Law.

This Employment Agreement shall be governed by and construed according to the laws of the State of Ohio.

16. Captions and Paragraph Headings.

Captions and paragraph headings used herein are for convenience and are not a part of this Employment Agreement and shall not be used in construing it.

IN WITNESS WHEREOF, the parties have executed this

Employment Agreement on the day and year first set forth above.

Attn: Corporate Secretary
P.O. Box 5380
Cincinnati, Ohio 45201-5380

THE E. W. SCRIPPS COMPANY

By:
William R. Burleigh
Chairman and President

104 River Place Lane
Louisville, TN 37777

Kenneth W. Lowe