NEW YORK TIMES CO
Form 10-K
February 22, 2011
Table of Contents

UNITED STATES 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 26, 2010* Commission file number *1-5837*

THE NEW YORK TIMES COMPANY

(Exact name of registrant as specified in its charter)

New York	***13-1102020***
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
620 Eighth Avenue, New York, N.Y.	***10018***
(Address of principal executive offices)	(Zip code)

Registrant s telephone number, including area code *(212) 556-1234*

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Class A Common Stock of $.10 par value	*New York Stock Exchange*

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

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

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

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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes 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 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.

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

Large accelerated filer	Accelerated filer
Non-accelerated filer	Smaller reporting company

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

The aggregate worldwide market value of Class A Common Stock held by non-affiliates, based on the closing price on June 25, 2010, the last business day of the registrant s most recently completed second quarter, as reported on the New York Stock Exchange, was approximately $1.3 billion. As of such date, non-affiliates held 72,899 shares of Class B Common Stock. There is no active market for such stock.

The number of outstanding shares of each class of the registrant s common stock as of February 15, 2011 (exclusive of treasury shares), was as follows: 146,182,163 shares of Class A Common Stock and 819,125 shares of Class B Common Stock.

Documents incorporated by reference

Portions of the Proxy Statement relating to the registrant s 2011 Annual Meeting of Stockholders, to be held on April 27, 2011, are incorporated by reference into Part III of this report.

Table of Contents

INDEX TO THE NEW YORK TIMES COMPANY 2010 ANNUAL REPORT ON FORM 10-K

Table of Contents

PART I

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K, including the sections titled Item 1A Risk Factors and Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements that relate to future events or our future financial performance. We may also make written and oral forward-looking statements in our Securities and Exchange Commission (SEC) filings and otherwise. We have tried, where possible, to identify such statements by using words such as believe, expect, intend, estimate, anticipate, v project, plan and similar expressions in connection with any discussion of future operating or financial performance. Any forward-looking statements are and will be based upon our then-current expectations, estimates and assumptions regarding future events and are applicable only as of the dates of such statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated in any such statements. You should bear this in mind as you consider forward-looking statements. Factors that we think could, individually or in the aggregate, cause our actual results to differ materially from expected and historical results include those described in Item 1A Risk Factors below as well as other risks and factors identified from time to time in our SEC filings.

ITEM 1. BUSINESS

INTRODUCTION

The New York Times Company (the Company) was incorporated on August 26, 1896, under the laws of the State of New York. The Company is a diversified media company that currently includes newspapers, digital businesses, investments in paper mills and other investments. The Company and its consolidated subsidiaries are referred to collectively in this Annual Report on Form 10-K as we, our and us.

We classify our businesses based on our operating strategies into two reportable segments, the News Media Group and the About Group. Financial information about our segments can be found in Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations and in Note 19 of the Notes to the Consolidated Financial Statements.

The News Media Group consists of the following:

- The New York Times Media Group, which includes The New York Times (The Times), the International Herald Tribune (the IHT), NYTimes.com and related businesses;
- the New England Media Group, which includes The Boston Globe (the Globe), Boston.com, the Worcester Telegram & Gazette (the T&G), Telegram.com and related businesses; and
- the Regional Media Group, which includes 14 daily newspapers in Alabama, California, Florida, Louisiana, North Carolina and South Carolina, their Web sites, other print publications and related businesses.

The About Group consists of the Web sites of About.com, ConsumerSearch.com, UCompareHealthCare.com and CalorieCount.com and related businesses.

Additionally, we own equity interests in a Canadian newsprint company; a supercalendered paper manufacturing partnership in Maine; Metro Boston LLC (Metro Boston), which publishes a free daily newspaper in the greater Boston area; and quadrantONE LLC (quadrantONE), which is an online advertising network that sells bundled premium, targeted display advertising onto local newspaper and other Web sites.

We also own a 16.57% interest in New England Sports Ventures, LLC, doing business as Fenway Sports Group, which owns the Boston Red Sox baseball club; Liverpool Football Club (a soccer team in the English Premier League); approximately 80% of New England Sports Network (a regional cable sports network that televises the Red Sox and Boston Bruins hockey games); and 50% of Roush Fenway Racing (a leading NASCAR team). In the second quarter of 2010, we sold

Table of Contents

50 of our units in Fenway Sports Group, and we are exploring the sale of our remaining 700 units, in whole or in parts.

Revenues, operating profit and identifiable assets of foreign operations are not significant.

Our businesses are affected by seasonal patterns in advertising, with generally higher advertising volume in the fourth quarter due to holiday advertising. The level of advertising sales in any period may also be affected by advertisers decisions to increase or decrease their advertising expenditures in response to anticipated consumer demand and general economic conditions.

Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and all amendments to those reports, and the Proxy Statement for our Annual Meeting of Stockholders are made available, free of charge, on our Web site *http://www.nytco.com*, as soon as reasonably practicable after such reports have been filed with or furnished to the SEC.

NEWS MEDIA GROUP

The News Media Group reportable segment consists of The New York Times Media Group, the New England Media Group and the Regional Media Group. The News Media Group generates revenues principally from advertising and subscriptions.

Advertising is sold in our newspapers and other publications, on our Web sites and across other digital platforms, as discussed below. We divide such advertising into three main categories: national, retail and classified. Advertising revenue also includes preprints, which are advertising supplements. Advertising revenue information for the News Media Group appears under Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations.

The New York Times Media Group

The New York Times Media Group comprises The Times, the IHT, NYTimes.com and related businesses. The Times, a daily (Monday through Saturday) and Sunday newspaper, commenced publication in 1851. The IHT, a daily newspaper, commenced publishing in Paris in 1887 and serves as the global edition of The Times. The Times and the IHT are available in print, online at NYTimes.com and global.nytimes.com (formerly iht.com), and on other digital platforms.

Circulation

The Times is circulated in print in each of the 50 states, the District of Columbia and worldwide. Approximately 43% of the weekday (Monday through Friday) circulation is in the 31 counties that make up the greater New York City area, which includes New York City, Westchester, Long Island, and parts of upstate New York, Connecticut, New Jersey and Pennsylvania; 57% is elsewhere. On Sundays, approximately 38% of the circulation is in the greater New York City area and 62% elsewhere. According to reports filed with the Audit Bureau of Circulations (ABC), an independent agency that audits the circulation of most U.S. newspapers and magazines, for the six-month period ended September 30, 2010, The Times had the largest daily and Sunday circulation of all seven-day newspapers in the United States.

The Times s average net paid weekday and Sunday circulation, which reflects newspapers sold predominantly in print, for the years ended December 26, 2010, and December 27, 2009, are shown below:

(Thousands of copies)	**Weekday (Mon. - Fri.)**	**Sunday**
2010	906.1	1,356.8
2009	959.2	1,405.2

We implemented price increases for subscription and newsstand copies for The Times in the second quarter of 2009, which contributed to the declines in average weekday and Sunday copies sold in 2010 compared with 2009. In 2010, approximately 64% of the weekday and 74% of the Sunday circulation was sold through subscriptions; the remainder was sold primarily on newsstands.

Table of Contents

The IHT s average net paid circulation for the years ended December 26, 2010, and December 27, 2009, were 217,685 (estimated) and 219,188, respectively. These figures follow the guidance of Office de Justification de la Diffusion, an agency based in Paris and a member of the International Federation of Audit Bureaux of Circulations that audits the circulation of most of France s newspapers and magazines. The final 2010 figure will not be available until April 2011.

Advertising

The sales forces of The New York Times Media Group sell national, retail and classified advertising worldwide across multiple platforms, including in print, online and on other digital platforms.

According to data compiled by Kantar Media (formerly TNS Media Intelligence), an independent agency that measures advertising sales volume and estimates advertising revenue, The Times had the largest market share in 2010 in advertising revenue among a national newspaper set that consists of USA Today, The Wall Street Journal and The Times. Based on recent data provided by Kantar Media, we believe The Times ranks first by a substantial margin in advertising revenue in the general weekday and Sunday newspaper field in the New York metropolitan area.

Production and Distribution

The Times is currently printed at our production and distribution facility in College Point, N.Y., as well as under contract at 26 remote print sites across the United States. The Times is delivered to newsstands and retail outlets in the New York metropolitan area through a combination of third-party wholesalers and our own drivers. In other markets in the United States and Canada, The Times is delivered through agreements with other newspapers and third-party delivery agents.

The IHT is printed under contract at more than 38 sites throughout the world and is sold in 160 countries and territories.

Digital Platforms

NYTimes.com and global.nytimes.com reach wide audiences across the New York metropolitan region, the nation and the world. According to comScore Media Metrix, an online audience measurement service, in December 2010 NYTimes.com reached 32.4 million unique visitors in the United States and 44.8 million unique visitors worldwide. The Times and the IHT are also expanding their reach and deepening their engagement with readers and users by delivering content across other digital platforms, including mobile applications and social networking sites, as well as reader application products offering a digital reading experience similar to print.

Digital revenues are primarily from the sale of advertising. Advertising is sold to national, international and local customers and includes online display advertising (banners, large-format units, half-page units, interactive multimedia), classified advertising (real estate, help-wanted, automotive) and contextual advertising (links supplied by Google).

We currently offer paid subscriptions to Times content through several e-reader platforms. In early 2011, we also plan to begin charging consumers for content provided on NYTimes.com, as well as across other digital platforms. We intend to implement a pay model that will offer users free access to a set number of articles per month and then charge users who are not print subscribers once they exceed that number. The pay model will be designed so that readers referred from third-party sites, such as blogs, social networks and search engines, will be able to access that content without triggering the gate.

Other Businesses

The New York Times Media Group s other businesses include:

- Baseline, Inc., a leading online subscription database and research service for information on the film and television industries and a provider of premium film and television data to Web sites;
- The New York Times Index, which produces and licenses The New York Times Index, a print publication;

Table of Contents

Digital Archive Distribution, which licenses electronic archive databases to resellers of that information in the business, professional and library markets; and

The New York Times News Services Division, which is made up of Syndication Sales and Business Development. Syndication Sales transmits articles, graphics and photographs from The Times, the Globe and other publications to over 1,500 newspapers, magazines and Web sites in 95 countries worldwide; and offers a technology and design solution that allows other publishers and media organizations to deliver their content across new digital platforms. Business Development principally comprises Photo Archives, The New York Times Store, Book Development and Rights & Permissions.

We also have a 57% ownership interest in Epsilen, LLC, an online education platform, and its operating results are consolidated in the results of The New York Times Media Group.

New England Media Group

The New England Media Group comprises the Globe, Boston.com, the T&G, Telegram.com and related businesses. The Globe is a daily and Sunday newspaper that commenced publication in 1872. The T&G is a daily and Sunday newspaper that began publishing in 1866.

Circulation

The Globe is distributed in print throughout New England, although its circulation is concentrated in the Boston metropolitan area. According to reports filed with ABC, for the six-month period ended September 30, 2010, the Globe ranked first in New England for both daily and Sunday circulation volume.

The Globe s average net paid weekday and Sunday circulation, which reflects newspapers sold predominantly in print, for the years ended December 26, 2010, and December 27, 2009, are shown below:

(Thousands of copies)	**Weekday (Mon. - Fri.)**	**Sunday**
2010	224.3	367.4
2009	264.5	419.3

We implemented price increases for subscription and newsstand copies of the Globe in the second quarter of 2009, which contributed to the declines in average weekday and Sunday copies sold in 2010 compared with 2009. Approximately 75% of the Globe s weekday circulation and 73% of its Sunday circulation was sold through subscriptions in 2010; the remainder was sold primarily on newsstands.

The T&G and several Company-owned non-daily newspapers some published under the name of Coulter Press circulate throughout Worcester County and northeastern Connecticut. The T&G s average net paid weekday and Sunday circulation for the years ended December 26, 2010, and December 27, 2009, are shown below:

(Thousands of copies)	**Weekday (Mon. - Fri.)**	**Sunday**
2010	67.0	78.7
2009	73.6	86.0

The T&G s paid circulation includes newspapers sold in print and online beginning in August 2010, when Telegram.com implemented a pay model.

Advertising

The sales forces of the New England Media Group sell retail, classified and national advertising across multiple platforms, including in print, online and other digital platforms, broadcast and direct marketing vehicles, capitalizing on opportunities to deliver to national and local advertisers a broad audience in the New England region.

Table of Contents

Production and Distribution

The Globe s printing operations are consolidated into its Boston, Mass., facility, and all editions of the Globe are currently printed and prepared for delivery at this facility. Virtually all of the Globe s subscription circulation was delivered by a third-party service in 2010.

Digital Platforms

The Globe s Web site, Boston.com, is one of the most-visited regional Web sites in the United States. According to comScore Media Metrix, in December 2010 Boston.com reached 6.9 million unique visitors in the United States. The Globe is also expanding its reach and deepening engagement with readers and users by delivering content across other digital platforms, including mobile applications and social networking sites, as well as reader application products offering a digital reading experience similar to print.

Boston.com primarily derives its revenue from advertising. Advertising is sold to both national and local customers and includes online display advertising and classified advertising.

We currently offer paid subscriptions to Globe content through several e-reader platforms. The Globe intends to extend both The Boston Globe and Boston.com brands across digital platforms. As part of this strategy, in September 2010, the Globe announced plans to create a new paid subscription Web site, BostonGlobe.com, which will feature content produced by the newspaper s journalists. In the second half of 2011, we plan to begin charging consumers for content provided on BostonGlobe.com, as well as across other digital platforms. Boston.com will remain free to consumers and will continue its focus on being a news and information source for the greater Boston area.

In August 2010, the T&G began charging users who are not print subscribers for unlimited access to articles produced by its staff on Telegram.com. The T&G implemented a metered model, in which users who are not print subscribers are given free access to 10 local news articles per month, and after that limit are required to have a paid print or online subscription in order to view additional locally produced articles.

Regional Media Group

The Regional Media Group includes 14 daily newspapers, of which 12 publish on Sunday, one paid weekly newspaper, related print and digital businesses, free weekly newspapers, and the North Bay Business Journal, a weekly publication targeting business leaders in California s Sonoma, Napa and Marin Counties.

The average weekday and Sunday circulation for the year ended December 26, 2010, for each of the daily newspapers of the Regional Media Group are shown below:

	Circulation			Circulation	
Daily Newspapers	**Daily**	**Sunday**	**Daily Newspapers**	**Daily**	**Sunday**
The Gadsden Times (Ala.)	20,663	17,748	Winter Haven News Chief (Fla.)	4,839	6,550
The Tuscaloosa News (Ala.)	30,070	31,377	The Courier (Houma, La.)	14,715	16,252
The Press Democrat (Santa Rosa, Calif.)	60,429	64,538	Daily Comet (Thibodaux, La.)	8,673	N/A
Sarasota Herald-Tribune (Fla.)	76,693	96,237	The Dispatch (Lexington, N.C.)	8,084	N/A
Star-Banner (Ocala, Fla.)	33,880	41,156	Times-News (Hendersonville, N.C.)	13,603	13,911
The Gainesville Sun (Fla.)	33,278	40,569	Wilmington Star-News (N.C.)	43,233	45,678
The Ledger (Lakeland, Fla.)	48,802	63,833	Herald-Journal (Spartanburg, S.C.)	36,289	43,383

The Petaluma Argus-Courier, in Petaluma, Calif., our only paid subscription weekly newspaper, had an average weekly circulation for the year ended December 26, 2010, of 6,033 copies. The North Bay Business Journal, a weekly business-to-business publication, had an average weekly circulation for the year ended December 26, 2010, of 4,511 copies.

We are also expanding the reach of these newspapers by delivering content online and across other digital platforms, including mobile and social networking sites.

Table of Contents

ABOUT GROUP

The About Group includes the Web sites of About.com, ConsumerSearch.com, UCompareHealthCare.com and CalorieCount.com and related businesses.

About.com focuses on delivering at scale high-quality content that is personally relevant to its users. The Web site has more than 800 sites supported by Guides who are experts in the topics they cover and who produce original content across more than 78,000 topics, in 2.9 million articles. According to comScore Media Metrix, in December 2010 About.com reached 42.0 million unique visitors in the United States and 75.6 million unique visitors worldwide.

ConsumerSearch.com analyzes expert and user-generated consumer product reviews and recommends the best products to purchase based on the findings. UCompareHealthCare.com provides dynamic Web-based interactive tools that enable users to measure the quality of certain healthcare services. CalorieCount.com is an online resource that offers weight management tools, nutritional information and social support that is personally relevant to its users.

The About Group generates revenues through cost-per-click advertising (sponsored links for which the About Group is paid when a user clicks on the ad), display advertising and e-commerce (including sales lead generation). Almost all of its revenues (95% in 2010) are derived from the sale of cost-per-click advertising and display advertising. Cost-per-click advertising, which in 2010 represented 57% of the About Group s total advertising revenues, is principally derived from an arrangement with Google under which third-party advertising is placed on the About Group s Web sites.

FOREST PRODUCTS INVESTMENTS AND OTHER JOINT VENTURES

We have ownership interests in one newsprint mill and one mill producing supercalendered paper, a polished paper used in some magazines, catalogs and preprinted inserts, which is a higher-value grade than newsprint (the Forest Products Investments), as well as in Fenway Sports Group, Metro Boston and quadrantONE. These investments are accounted for under the equity method and reported in Investments in Joint Ventures in our Consolidated Balance Sheets. For additional information on our investments, see Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations and Note 7 of the Notes to the Consolidated Financial Statements.

Forest Products Investments

We have a 49% equity interest in a Canadian newsprint company, Donohue Malbaie Inc. (Malbaie). The other 51% is owned by AbitibiBowater Inc. (AbitibiBowater), a large global manufacturer of paper, market pulp and wood products. Malbaie manufactures newsprint on the paper machine it owns within AbitibiBowater s paper mill in Clermont, Quebec. Malbaie is wholly dependent upon AbitibiBowater for its pulp, which is purchased by Malbaie from AbitibiBowater s paper mill in Clermont, Quebec. In 2010, Malbaie produced 214,000 metric tons of newsprint, of which approximately 27% was sold to us, with the balance sold to AbitibiBowater for resale.

We have a 40% equity interest in Madison Paper Industries (Madison), a partnership operating a supercalendered paper mill in Madison, Maine. Madison purchases the majority of its wood from local suppliers, mostly under long-term contracts. In 2010, Madison produced 190,000 metric tons, of which approximately 4% was sold to us.

Malbaie and Madison are subject to comprehensive environmental protection laws, regulations and orders of provincial, federal, state and local authorities of Canada or the United States (the Environmental Laws). The Environmental Laws impose effluent and emission limitations and require Malbaie and Madison to obtain, and operate in compliance with the conditions of, permits and other governmental authorizations (Governmental Authorizations). Malbaie and Madison follow policies and operate monitoring programs designed to ensure compliance with applicable Environmental Laws and Governmental Authorizations and to minimize exposure to environmental liabilities. Various regulatory authorities periodically review the status of the operations of Malbaie and Madison. Based on the foregoing, we believe that Malbaie and Madison are in substantial compliance with such Environmental Laws and Governmental Authorizations.

Table of Contents

Other Joint Ventures

We own a 16.57% interest in Fenway Sports Group, which owns the Boston Red Sox baseball club; Liverpool Football Club (a soccer team in the English Premier League); approximately 80% of New England Sports Network (a regional cable sports network); and 50% of Roush Fenway Racing (a leading NASCAR team). We are exploring the sale of our interest in Fenway Sports Group, in whole or in parts.

We own a 49% interest in Metro Boston, which publishes a free daily newspaper in the greater Boston area.

We also own a 25% interest in quadrantONE, which is an online advertising network that sells bundled premium, targeted display advertising onto local newspaper and other Web sites. The Web sites of the New England and Regional Media Groups participate in this network.

RAW MATERIALS

The primary raw materials we use are newsprint and supercalendered paper. We purchase newsprint from a number of North American producers. The paper used by The New York Times Media Group, the New England Media Group and the Regional Media Group was purchased from unrelated suppliers and related suppliers in which we hold equity interests (see Forest Products Investments). A significant portion of newsprint is purchased from AbitibiBowater, a large global manufacturer of paper, pulp and wood products.

In 2010 and 2009, we used the following types and quantities of paper (all amounts in metric tons):

	Newsprint		Coated, Supercalendered and Other Paper	
	2010	**2009**	**2010**	**2009**
The New York Times Media Group[1]	145,000	154,000	14,900	16,200
New England Media Group[1]	45,000	54,000	1,800	2,100
Regional Media Group	38,000	40,000		
Total	228,000	248,000	16,700	18,300

(1) The Times and the Globe use coated, supercalendered or other paper for The New York Times Magazine, T: The New York Times Style Magazine and the Globe s Sunday Magazine.

COMPETITION

Our media properties and investments compete for advertising and consumers with other media in their respective markets, including paid and free newspapers, Web sites, digital platforms and applications, social media, broadcast, satellite and cable television, broadcast and satellite radio, magazines, other forms of media and direct marketing. Competition for advertising is generally based upon audience levels and demographics, price, service, targeting capabilities and advertising results, while competition for circulation and readership is generally based upon format, content, quality, service, timeliness and price.

The Times competes for advertising and circulation primarily with national newspapers such as The Wall Street Journal and USA Today; newspapers of general circulation in New York City and its suburbs; other daily and weekly newspapers and television stations and networks in markets in which The Times circulates; and some national news and lifestyle magazines.

The IHT s key competitors include all international sources of English-language news, including The Wall Street Journal s European and Asian Editions, the Financial Times, Time, Newsweek International and The Economist; and news channels CNN, CNNi, Sky News International, CNBC and BBC.

The Globe competes primarily for advertising and circulation with other newspapers and television stations in Boston, its neighboring suburbs and the greater New England region, including, among others, The Boston Herald (daily and Sunday).

Table of Contents

Our other newspapers compete for advertising and circulation with a variety of newspapers and other media in their markets.

In addition, as a result of the secular shift from print to digital media, all of our newspapers increasingly face competition for audience and advertising from a wide variety of digital alternatives, including news and other Web sites, news aggregation sites, online advertising networks and exchanges, online classified services and other new media formats.

NYTimes.com and Boston.com primarily compete for advertising and traffic with other advertising-supported news and information Web sites, such as Google News, Wikipedia, Yahoo! News and CNN.com, online advertising networks and exchanges and classified advertising portals. Internationally, global.nytimes.com competes against international online sources of English language news, such as bbc.co.uk and reuters.com.

About.com competes for advertising and traffic with large-scale portals, such as AOL, MSN and Yahoo!, and across a broad array of digital advertising media, including advertising networks and exchanges. About.com also competes with other content providers, such as Demand Media, Associated Content and AOL s Seed, as well as targeted Web sites, such as WebMD, CNET and iVillage, whose content overlaps with that of About.com s individual topics.

Fenway Sports Group competes in the consumer entertainment market in Boston and New England through its interest in the Boston Red Sox and New England Sports Network, nationally through its interest in Roush Fenway Racing and internationally through its interest in Liverpool Football Club, primarily with other professional sports teams and other forms of live, film and broadcast entertainment.

EMPLOYEES

We had approximately 7,414 full-time equivalent employees as of December 26, 2010.

	Employees
The New York Times Media Group	3,094
New England Media Group	1,912
Regional Media Group	1,755
About Group	241
Corporate	412
Total Company	7,414

Labor Relations

As of December 26, 2010, approximately 1,700 full-time equivalent employees of The Times and NYTimes.com were represented by 9 unions with 10 labor agreements. Approximately three-quarters of the 1,460 full-time equivalent employees of the Globe and Boston.com are represented by 10 unions with 12 labor agreements. Listed below are collective bargaining agreements covering the following categories of employees and applicable expiration dates. As indicated below, certain collective bargaining agreements have expired and negotiations for new contracts are ongoing. We cannot predict the timing or the outcome of these negotiations.

	Employee Category	Expiration Date
The Times and NYTimes.com	Mailers	March 30, 2011
	New York Newspaper Guild	March 30, 2011
	Electricians	March 30, 2012
	Machinists	March 30, 2012
	Paperhandlers	March 30, 2014
	Typographers	March 30, 2016
	Pressmen	March 30, 2017
	Stereotypers	March 30, 2017
	Drivers	March 30, 2020

Table of Contents

	Employee Category	Expiration Date
The Globe	Machinists	December 31, 2010 (expired)
	Garage mechanics	December 31, 2010 (expired)
	Engravers	December 31, 2010 (expired)
	Technical services group	December 31, 2010 (expired)
	Drivers	December 31, 2010 (expired)
	Typographers	December 31, 2010 (expired)
	Boston Mailers Union	December 31, 2010 (expired)
	Paperhandlers	December 31, 2010 (expired)
	Warehouse employees	December 31, 2010 (expired)
	Boston Newspaper Guild	December 31, 2012
	Electricians	December 31, 2012
	Pressmen	December 31, 2012

The IHT has approximately 300 employees worldwide, including approximately 165 located in France, whose terms and conditions of employment are established by a combination of French national labor law, industry-wide collective agreements and Company-specific agreements.

Approximately one-third of the 459 full-time equivalent employees of the T&G are represented by four unions. Labor agreements with production unions expire on August 31, 2011, October 8, 2011 and November 30, 2016. The labor agreements with the Providence Newspaper Guild, representing newsroom and circulation employees, expire on June 14, 2012.

Of the approximately 233 full-time equivalent employees at The Press Democrat, 77 are represented by three unions. The labor agreement with the Teamsters, which represents certain employees in the circulation department, expires on June 30, 2011; the labor agreement with the Newspaper Guild expires on December 31, 2011; and the labor agreement with the pressmen expires on December 31, 2013.

ITEM 1A. RISK FACTORS

You should carefully consider the risk factors described below, as well as the other information included in this Annual Report on Form 10-K. Our business, financial condition or results of operations could be materially adversely affected by any or all of these risks, or by other risks or uncertainties not presently known or currently deemed immaterial, that may adversely affect us in the future.

Economic weakness and uncertainty in the United States, in the regions in which we operate and in key advertising categories has adversely affected and may continue to adversely affect our advertising revenues.

Advertising spending, which drives a significant portion of our revenues, is sensitive to economic conditions. National and local economic conditions, particularly in the New York City and Boston metropolitan regions, as well as in Florida, affect the levels of our national, retail and classified advertising revenue. Economic factors that have adversely affected advertising revenue include lower consumer and business spending, high unemployment, depressed home sales and other challenges affecting the economy. Our advertising revenues are particularly adversely affected if advertisers respond to weak economic conditions by reducing their budgets or shifting spending patterns or priorities, or if they are forced to consolidate or cease operations. Continuing weak economic conditions and outlook would adversely affect our level of advertising revenues and our business, financial condition and results of operations.

Table of Contents

All of our businesses face substantial competition for advertisers.

We face substantial competition for advertising revenue in our various markets from free and paid newspapers, magazines, Web sites, digital platforms and applications, television, radio, other forms of media, direct marketing and online advertising networks and exchanges. Competition for advertising is generally based on audience levels and demographics, price, service and advertising results. It has intensified both as a result of the continued development and fragmentation of digital media and adverse economic conditions. Competition from all of these media and services affects our ability to attract and retain advertisers and consumers and to maintain or increase our advertising rates.

The increasing popularity of digital media and the shift in consumer habits and advertising expenditures from traditional to digital media has adversely affected and may continue to adversely affect our revenues.

Web sites, applications for mobile devices, social networking tools and other digital platforms distributing news and other content continue to gain popularity. This migration to digital technologies among both providers and consumers of content may accelerate due to economic conditions with companies seeking greater efficiencies and consumers seeking more value and lower-cost alternatives. As a result, print subscriptions may decline and advertising spending may continue to shift from traditional media forms to digital media. We expect that advertisers will continue to allocate increasing portions of their budgets to digital media, which through pay-for-performance and keyword-targeted advertising can offer more measurable returns than traditional print media. This secular shift has intensified competition for advertising in traditional media and has contributed to and may continue to contribute to a decline in print advertising revenue.

We may not achieve sufficient subscribers or audience levels to make a digital pay model financially attractive.

In early 2011, we plan to launch a pay model on NYTimes.com and across digital platforms with the intention of developing a second digital revenue stream, while preserving our digital advertising business. The Times will implement a metered model, whereby users will be asked to pay after accessing for free a set number of articles per month. Our ability to build a subscriber base on our digital platforms depends on market acceptance, consumer habits, the timely development of an adequate online infrastructure, practices of delivery platforms and other factors. Traffic levels may stagnate or decline as a result of the implementation of a pay model, which may adversely affect our advertiser base and advertising rates and result in a decline in digital revenues. If we are unable to convert a sufficient number of users to a paid status or maintain our digital audience for advertising sales, our business, financial condition and prospects may be adversely affected.

If we are unable to retain and grow our digital audience, our digital businesses will be adversely affected.

The increasing number of digital media options available on the Internet, through social networking tools and through mobile and other devices distributing news and other content is expanding consumer choice significantly. Faced with a multitude of media choices and a dramatic increase in accessible information, consumers may place greater value on when, where and how and at what price they consume digital content than they do on the source or reliability of such content. The increasing popularity of news aggregation Web sites and customized news feeds (often free to users) may reduce our traffic levels by creating a disincentive for the audience to visit our Web sites or use our digital applications. In addition, the undifferentiated presentation of some of our content in aggregation with other content may lead audiences to fail to distinguish our content from the content of other providers. Our reputations for quality journalism and content are important in competing for revenues in this environment and are based on consumer and advertiser perceptions. If consumers fail to differentiate our content from other content providers in digital media, or if the quality of our journalism or content is perceived as less reliable, we may not be able to increase our online traffic sufficiently or retain a base of frequent visitors to our digital platforms.

Table of Contents

Online traffic is also driven by Internet search results, including search results provided by Google, the primary search engine directing traffic to the Web sites of the About Group and many of our other sites. Search engines frequently update and change the methods for directing search queries to Web pages or change methodologies or metrics for valuing the quality and performance of Internet traffic on delivering cost-per-click advertisements. Any such changes could decrease the amount of revenue that we generate from online advertisements. The failure to successfully manage search engine optimization efforts across our businesses could result in a significant decrease in traffic to our various Web sites, which could result in substantial decreases in conversion rates and repeat business, as well as increased costs if we were to replace free traffic with paid traffic, any or all of which would adversely affect our business, financial condition and results of operations.

If traffic levels stagnate or decline, we may not be able to create sufficient advertiser interest in our digital businesses or to maintain or increase the advertising rates of the inventory on our digital platforms. Even if we maintain traffic levels, the market position of our brands may not be enough to counteract a significant downward pressure on advertising rates as a result of a significant increase in inventory.

The About Group depends upon arrangements with Google, and any changes in this relationship could adversely affect its business, financial condition and results of operations.

Cost-per-click revenue of the About Group is principally derived from an arrangement with Google. If the About Group is unable to renew the existing agreement with Google, the About Group s business, financial condition and results of operations may be adversely affected. In addition, the amount of revenue we receive from Google depends upon a number of factors outside of our control, including the efficiency of Google s system in attracting advertisers and serving up paid listings on our content pages and judgments made by Google about the relative attractiveness (to the advertiser) of clicks on paid listings on our Web pages. Changes to Google s paid listings network efficiency or its judgment about the relative attractiveness of clicks on paid listings on our Web pages has had and may continue to have an adverse effect on the About Group s business, financial condition and results of operations.

To remain competitive, we must be able to respond to and capitalize on changes in technology, services and standards and changes in consumer behavior.

Technological developments in the media industry continue to evolve rapidly. Advances in that technology have led to an increasing number of alternative methods for the delivery of news and other content and have driven consumer demand and expectations in unanticipated directions. If we are unable to exploit new and existing technologies to distinguish our products and services from those of our competitors or adapt to new distribution methods that provide optimal user experiences, our business, financial condition and prospects may be adversely affected.

Technological developments also pose other challenges that could adversely affect our revenues and competitive position. New delivery platforms may lead to pricing restrictions, the loss of distribution control and the loss of a direct relationship with consumers. We may also be adversely affected if the use of technology developed to block the display of advertising on Web sites proliferates.

Technological developments and any changes we make to our business model may require significant capital investments. We may be limited in our ability to invest funds and resources in digital products, services or opportunities and we may incur costs of research and development in building and maintaining the necessary and continually evolving technology infrastructure. It may also be difficult to attract and retain talent for critical positions. Some of our existing competitors and possible additional entrants may have greater operational, financial and other resources or may otherwise be better positioned to compete for opportunities and as a result, our digital businesses may be less successful.

Table of Contents

Decreases in circulation volume adversely affect our circulation and advertising revenues.

Advertising and circulation revenues are affected by circulation and readership levels of our newspaper properties. Competition for circulation and readership is generally based upon format, content, quality, service, timeliness and price. In recent years, our newspaper properties, and the newspaper industry as a whole, have experienced declining print circulation volume. This is due to, among other factors, increased competition from new digital media formats and sources other than traditional newspapers (often free to users), declining discretionary spending by consumers affected by weak economic conditions, high subscription and newsstand rates, and a growing preference among some consumers to receive all or a portion of their news other than from a newspaper. We have also experienced volume declines as a result of our strategy to implement circulation price increases at many of our newspaper properties and to focus on individually paid circulation that is preferred by advertisers. If these or other factors result in a prolonged decline in circulation volume, the rate and volume of advertising revenues may be adversely affected (as rates reflect circulation and readership, among other factors). These factors could also affect our ability to institute circulation price increases for our print products at a rate sufficient to offset circulation volume declines.

If we are unable to execute cost-control measures successfully, our total operating costs may be greater than expected, which may adversely affect our profitability.

We have significantly reduced operating costs by reducing staff and employee benefits and implementing general cost-control measures across the Company, and expect to continue these cost-control efforts. If we do not achieve expected savings or our operating costs increase as a result of our strategic initiatives, our total operating costs may be greater than anticipated. In addition, if our cost-reduction strategy is not managed properly, such efforts may affect the quality of our products and our ability to generate future revenue. Reductions in staff and employee compensation and benefits could also adversely affect our ability to attract and retain key employees.

Significant portions of our expenses are fixed costs that neither increase nor decrease proportionately with revenues. If we are not able to implement further cost control efforts or reduce our fixed costs sufficiently in response to a decline in our revenues, we may experience a higher percentage decline in our income from continuing operations.

A significant increase in the price of newsprint, or limited availability of newsprint supply, would have an adverse effect on our operating results.

The cost of raw materials, of which newsprint is the major component, represented approximately 8% of our total operating costs in 2010. The price of newsprint has historically been volatile and may increase as a result of various factors, including:

- a reduction in the number of suppliers as a result of restructurings and consolidations in the North American newsprint industry;
- declining newsprint supply as a result of paper mill closures and conversions to other grades of paper; and
- other factors that adversely impact supplier profitability, including increases in operating expenses caused by raw material and energy costs, and a rise in the value of the Canadian dollar, which adversely affects Canadian suppliers whose costs are incurred in Canadian dollars but whose newsprint sales are priced in U.S. dollars.

In addition, we rely on our suppliers for deliveries of newsprint. The availability of our newsprint supply may be affected by various factors, including strikes and other disruptions that may affect deliveries of newsprint.

If newsprint prices increase significantly or we experience significant disruptions in the availability of our newsprint supply in the future, our operating results will be adversely affected.

Table of Contents

Sustained increases in costs of providing pension and employee health and welfare benefits and the underfunded status of our pension plans may adversely affect our operations, financial condition and liquidity.

Employee benefits, including pension expense, accounted for approximately 9% of our total operating costs in 2010. Our profitability is significantly impacted by increases in these costs that may be due to factors beyond our control, including interest rates and returns on plan assets, which affect our pension expense and may increase our funding obligations. Our qualified pension plans were underfunded as of the January 1, 2011, valuation date and we expect to make substantial contributions in the future to fund this deficiency. If interest rates decrease or investment returns are below expectations, those contributions may be higher than currently anticipated. As a result, we may have less cash available for working capital and other corporate uses, which may have an adverse impact on our operations, financial condition and liquidity.

A significant number of our employees are unionized, and our business and results of operations could be adversely affected if labor negotiations or contracts were to further restrict our ability to maximize the efficiency of our operations.

Approximately 40% of our full-time equivalent work force are unionized. As a result, we are required to negotiate the wages, salaries, benefits, staffing levels and other terms with many of our employees collectively. Our results could be adversely affected if future labor negotiations or contracts were to further restrict our ability to maximize the efficiency of our operations. If we were to experience labor unrest, strikes or other business interruptions in connection with labor negotiations or otherwise, or if we are unable to negotiate labor contracts on reasonable terms, our ability to produce and deliver our most significant products could be impaired. In addition, our ability to make short-term adjustments to control compensation and benefits costs, rebalance our portfolio of businesses or otherwise adapt to changing business needs may be limited by the terms of our collective bargaining agreements.

Due to our participation in multiemployer pension plans, we have exposures under those plans that may extend beyond what our obligations would be with respect to our employees.

We participate in, and make periodic contributions to, various multiemployer pension plans that cover many of our union employees. Our required contributions to these funds could increase because of a shrinking contribution base as a result of the insolvency or withdrawal of other companies that currently contribute to these funds, inability or failure of withdrawing companies to pay their withdrawal liability, low interest rates, lower than expected returns on pension fund assets or other funding deficiencies.

We incurred significant pension withdrawal liabilities in 2009 in connection with amendments to various collective bargaining agreements affecting certain multiemployer pension plans, primarily at the Globe, and the closure of City & Suburban Delivery Systems, Inc. (City & Suburban), our retail and newsstand distribution subsidiary, which resulted in the partial or complete cessation of contributions to certain multiemployer plans. We may be required to make additional contributions under applicable law with respect to those plans or other multiemployer pension plans from which we may withdraw or partially withdraw. Our withdrawal liability for any multiemployer pension plan will depend on the extent of that plan s funding of vested benefits. If a multiemployer pension plan in which we participate has significant underfunded liabilities, such underfunding will increase the size of our potential withdrawal liability.

We may buy or sell different properties as a result of our evaluation of our portfolio of businesses. Such acquisitions or divestitures would affect our costs, revenues, profitability and financial position.

From time to time, we evaluate the various components of our portfolio of businesses and may, as a result, buy or sell different properties. These acquisitions or divestitures affect our costs, revenues, profitability and financial position. We may also consider the acquisition of specific properties or businesses that fall outside our traditional lines of business if we deem such properties sufficiently attractive.

Table of Contents

Divestitures have inherent risks, including possible delays in closing transactions (including potential difficulties in obtaining regulatory approvals), the risk of lower-than-expected sales proceeds for the divested businesses, unexpected costs associated with the separation of the business to be sold from our integrated information technology systems and other operating systems, and potential post-closing claims for indemnification. In addition, adverse economic or market conditions may result in fewer potential bidders and unsuccessful sales efforts. Expected cost savings, which are offset by revenue losses from divested businesses, may also be difficult to achieve or maximize due to our fixed cost structure.

Acquisitions also involve risks, including difficulties in integrating acquired operations, diversions of management resources, debt incurred in financing these acquisitions (including the related possible reduction in our credit ratings and increase in our cost of borrowing), differing levels of management and internal control effectiveness at the acquired entities and other unanticipated problems and liabilities. Competition for certain types of acquisitions, particularly digital properties, is significant. Even if successfully negotiated, closed and integrated, certain acquisitions or investments may prove not to advance our business strategy and may fall short of expected return on investment targets.

From time to time, we make noncontrolling minority investments in private entities and these investments may be subject to capital calls. We may have limited voting rights or an inability to influence the direction of such entities, although income from such investments may represent a significant portion of our income. Therefore, the success of these ventures may be dependent upon the efforts of our partners, fellow investors and licensees. These investments are generally illiquid, and the absence of a market inhibits our ability to dispose of them. This inhibition as well as an inability to control the timing or process relating to a disposition could adversely affect our liquidity and the value we may ultimately attain on a disposition. If the value of the companies in which we invest declines, we may be required to record a charge to earnings.

Our debt agreements contain restrictions that limit our flexibility in operating our business.

Our debt agreements contain various covenants that limit our ability to engage in specified types of transactions. For example, these covenants, among other things, restrict, subject to certain exceptions, our ability and the ability of our subsidiaries to:

- incur or guarantee additional debt or issue certain preferred equity;
- pay dividends on or make distributions to holders of our common stock or make other restricted payments;
- sell certain assets;
- create or incur liens on certain assets to secure debt;
- make certain investments;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; or
- enter into certain transactions with affiliates.

These restrictions limit our flexibility in operating our business and responding to opportunities.

Changes in our credit ratings or macroeconomic conditions may affect our liquidity, increasing borrowing costs and limiting our financing options.

Our long-term debt is currently rated below investment grade by Standard & Poor s and Moody s Investors Service. If our credit ratings remain below investment grade or are lowered further, borrowing costs for future long-term debt or short-term borrowing facilities may increase and our financing options, including our access to the unsecured borrowing market, would be more limited. We may also be subject to additional restrictive covenants that would reduce our flexibility. In addition, macroeconomic conditions, such as continued or increased volatility or disruption in the credit markets, would adversely affect our ability to refinance existing debt or obtain additional financing to support operations or to fund new acquisitions or capital-intensive internal initiatives.

Table of Contents

We may be required to record non-cash impairment charges with respect to certain of our assets.

Each year, we evaluate the various components of our portfolio in connection with annual impairment testing. We also continually evaluate whether current factors or indicators require the performance of an interim impairment assessment of those assets, as well as other investments and other long-lived assets. We may be required to record a non-cash charge if the financial statement carrying value of an asset is in excess of its estimated fair value. Fair value could be adversely affected by weak economic or market conditions within our industry that may have an adverse impact on our cash flows or our stock price. An impairment charge would adversely affect our reported earnings.

We may not be able to protect intellectual property rights upon which our business relies, and if we lose intellectual property protection, our assets may lose value.

Our business depends on our intellectual property, including our valuable brands, content, services and internally developed technology. We believe our proprietary trademarks and other intellectual property rights are important to our continued success and our competitive position.

Unauthorized parties may attempt to copy or otherwise obtain and use our content, services, technology and other intellectual property, and we cannot be certain that the steps we have taken to protect our proprietary rights will prevent any misappropriation or confusion among consumers and merchants, or unauthorized use of these rights.

Advancements in technology have exacerbated the risk by making it easier to duplicate and disseminate content. In addition, as our business and the risk of misappropriation of our intellectual property rights have become more global in scope, we may not be able to protect our proprietary rights in a cost effective manner in a multitude of jurisdictions with varying laws.

If we are unable to procure, protect and enforce our intellectual property rights, we may not realize the full value of these assets, and our business may suffer. If we must litigate in the United States or elsewhere to enforce our intellectual property rights or determine the validity and scope of the proprietary rights of others, such litigation may be costly and divert the attention of our management.

Our Class B Common Stock is principally held by descendants of Adolph S. Ochs, through a family trust, and this control could create conflicts of interest or inhibit potential changes of control.

We have two classes of stock: Class A Common Stock and Class B Common Stock. Holders of Class A Common Stock are entitled to elect 30% of the Board of Directors and to vote, with holders of Class B Common Stock, on the reservation of shares for equity grants, certain material acquisitions and the ratification of the selection of our auditors. Holders of Class B Common Stock are entitled to elect the remainder of the Board and to vote on all other matters. Our Class B Common Stock is principally held by descendants of Adolph S. Ochs, who purchased The Times in 1896. A family trust holds approximately 90% of the Class B Common Stock. As a result, the trust has the ability to elect 70% of the Board of Directors and to direct the outcome of any matter that does not require a vote of the Class A Common Stock. Under the terms of the trust agreement, the trustees are directed to retain the Class B Common Stock held in trust and to vote such stock against any merger, sale of assets or other transaction pursuant to which control of The Times passes from the trustees, unless they determine that the primary objective of the trust can be achieved better by the implementation of such transaction. Because this concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that may otherwise be beneficial to our businesses, the market price of our Class A Common Stock could be adversely affected.

Legislative and regulatory developments may result in increased costs and lower advertising revenue from our digital businesses.

All of our operations are subject to government regulation in the jurisdictions in which they operate. Due to the wide geographic scope of its operations, the IHT is subject to regulation by political entities throughout the world. In addition, our Web sites are available worldwide and are subject to laws regulating the Internet both within and outside the United States. We may incur increased costs necessary to comply with existing and newly adopted laws and regulations or penalties for any failure to comply. Advertising revenue from our digital businesses could be adversely affected, directly or indirectly, by existing or future laws and regulations relating to the use of consumer data in digital media.

Table of Contents

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal executive offices are located in our New York headquarters building in the Times Square area. The building was completed in 2007 and consists of approximately 1.54 million gross square feet, of which approximately 828,000 gross square feet of space have been allocated to us. We owned a leasehold condominium interest representing approximately 58% of the New York headquarters building until March 6, 2009, when one of our affiliates entered into an agreement to sell and simultaneously lease back a portion of our leasehold condominium interest (the Condo Interest). The sale-leaseback transaction encompassed 21 floors, or approximately 750,000 rentable square feet, currently occupied by us. The sale price for the Condo Interest was $225 million. We have an option, exercisable during the 10th year of the lease term, to repurchase the Condo Interest for $250 million. The lease term is 15 years, and we have three renewal options that could extend the term for an additional 20 years. We continue to own seven floors in our New York headquarters building, totaling approximately 216,000 rentable square feet, that were not included in the sale-leaseback transaction, of which six floors are leased to a third party.

In addition, we built a printing and distribution facility with 570,000 gross square feet located in College Point, N.Y., on a 31-acre site for which we have a ground lease. We have an option to purchase the property at any time before the lease ends in 2019. We own a facility in Boston, Mass., of 703,000 gross square feet that includes printing operations and offices. We also own properties with an aggregate of approximately 1,235,000 gross square feet and lease properties with an aggregate of approximately 370,000 rentable square feet in various locations. These properties, our New York headquarters and the College Point and Boston properties are used by our News Media Group. Properties leased by the About Group total approximately 46,000 rentable square feet.

ITEM 3. LEGAL PROCEEDINGS

There are various legal actions that have arisen in the ordinary course of business and are now pending against us. Such actions are usually for amounts greatly in excess of the payments, if any, that may be required to be made. It is the opinion of management after reviewing such actions with our legal counsel that the ultimate liability that might result from such actions will not have a material adverse effect on our consolidated financial statements.

Table of Contents

EXECUTIVE OFFICERS OF THE REGISTRANT

Name	Age	Employed By Registrant Since	Recent Position(s) Held as of February 22, 2011 (except as noted)
Corporate Officers			
Arthur Sulzberger, Jr.	59	1978	Chairman (since 1997) and Publisher of The Times (since 1992)
Janet L. Robinson	60	1983	President and Chief Executive Officer (since 2005); Executive Vice President and Chief Operating Officer (2004); Senior Vice President, Newspaper Operations (2001 to 2004); President and General Manager of The Times (1996 to 2004)
Michael Golden	61	1984	Vice Chairman (since 1997); President and Chief Operating Officer, Regional Media Group (since 2009); Publisher of the IHT (2003 to 2008); Senior Vice President (1997 to 2004)
James M. Follo	51	2007	Senior Vice President and Chief Financial Officer (since 2007); Chief Financial and Administrative Officer, Martha Stewart Living Omnimedia, Inc. (2001 to 2006)
R. Anthony Benten	47	1989	Senior Vice President, Finance (since 2008); Corporate Controller (since 2007); Vice President (2003 to 2008); Treasurer (2001 to 2007)
Todd C. McCarty	45	2009	Senior Vice President, Human Resources (since 2009); Senior Vice President, Global Human Resources, The Reader s Digest Association (2008 to 2009); Senior Vice President, Human Resources, Rite Aid Corporation (2005 to 2008); Senior Vice President, North American Human Resources, Starwood Hotels & Resorts Worldwide, Inc. (2000 to 2005)
Martin A. Nisenholtz	55	1995	Senior Vice President, Digital Operations (since 2005); Chief Executive Officer, New York Times Digital (1999 to 2005)
Kenneth A. Richieri	59	1983	Senior Vice President (since 2007), General Counsel (since 2006) and Secretary (from 2008 to February 2011); Vice President (2002 to 2007); Deputy General Counsel (2001 to 2005); Vice President and General Counsel, New York Times Digital (1999 to 2003)
Operating Unit Executives			
Scott H. Heekin-Canedy	59	1987[(1)]	President and General Manager of The Times (since 2004); Senior Vice President, Circulation of The Times (1999 to 2004)
Christopher M. Mayer	49	1984	Publisher of the Globe and President of the New England Media Group (since 2010); Senior Vice President, Circulation and Operations of the Globe (2008 to 2009); Chief Information Officer and Senior Vice President of the Globe (2005 to 2008); Vice President, Circulation Sales of the Globe (2002 to 2005)

(1) Mr. Heekin-Canedy left the Company in 1989 and returned in 1992.

PART II

ITEM 5. MARKET FOR THE REGISTRANT S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

MARKET INFORMATION

The Class A Common Stock is listed on the New York Stock Exchange. The Class B Common Stock is unlisted and is not actively traded.

The number of security holders of record as of February 15, 2011, was as follows: Class A Common Stock: 7,044; Class B Common Stock: 28.

In February 2009, our Board of Directors voted to suspend the quarterly dividend on our Class A and Class B Common Stock. The decision to pay a dividend in future periods and the appropriate level of dividends will be considered by our Board of Directors on an ongoing basis in light of our earnings, capital requirements, financial condition and other factors considered relevant. In addition, our Board of Directors will consider restrictions in any existing indebtedness, such as the terms of our 6.625% senior unsecured notes due 2016, which restrict our ability to pay dividends. See Third-Party Financing in Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations.

The following table sets forth, for the periods indicated, the high and low closing sales prices for the Class A Common Stock as reported on the New York Stock Exchange.

	2010		2009	
Quarters	**High**	**Low**	**High**	**Low**
First Quarter	$ 14.67	$ 10.62	$ 7.70	$ 3.51
Second Quarter	12.80	8.35	6.99	4.52
Third Quarter	9.76	7.18	8.82	4.77
Fourth Quarter	10.00	7.60	12.16	7.32

Table of Contents

EQUITY COMPENSATION PLAN INFORMATION

The following table presents information regarding our existing equity compensation plans as of December 26, 2010.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders			
Stock options and stock-based awards	21,769,000[1]	$ 33	8,252,000[2]
Employee Stock Purchase Plan			7,013,000[3]
Total	**21,769,000**		**15,265,000**
Equity compensation plans not approved by security holders	None	None	None

(1) Includes shares of Class A Common Stock to be issued upon exercise of outstanding stock options granted under the Company s 1991 Executive Stock Incentive Plan (the 1991 Incentive Plan), as well as its Non-Employee Directors Stock Option Plan or Non-Employee Directors Stock Incentive Plan (together, the Directors Plans). Includes shares of Class A Common Stock to be issued upon conversion of stock-settled restricted stock units under the 1991 Incentive Plan.

(2) Includes shares of Class A stock available for future stock options to be granted under the Company s 2010 Incentive Compensation Plan (the 2010 Incentive Plan) and the Directors Plan. The 2010 Incentive Plan has 8,000,000 shares remaining for issuance upon the grant, exercise or other settlement of share-based awards. The Directors Plan provides for the issuance of up to 496,000 shares of Class A Common Stock in the form of stock options or restricted stock units. The amount reported for stock options includes the aggregate number of securities remaining (approximately 252,000 as of December 26, 2010) for future issuances under that plan. Stock options granted under the 1991 Incentive Plan, 2010 Incentive Plan and the Directors Plan must provide for an exercise price of 100% of the fair market value on the date of grant and, except in the case of the 2010 Incentive Plan (which does not specify a maximum term), a maximum term of 10 years.

(3) Includes shares of Class A Common Stock available for future issuance under the Company s Employee Stock Purchase Plan.

Table of Contents

PERFORMANCE PRESENTATION

The following graph shows the annual cumulative total stockholder return for the five years ending December 31, 2010, on an assumed investment of $100 on December 31, 2005, in the Company, the Standard & Poor s S&P 500 Stock Index and an index of peer group media companies. The peer group returns are weighted by market capitalization at the beginning of each year. The peer group is comprised of the Company and the following media companies: Gannett Co., Inc., Media General, Inc., The McClatchy Company and The Washington Post Company. Stockholder return is measured by dividing (a) the sum of (i) the cumulative amount of dividends declared for the measurement period, assuming monthly reinvestment of dividends, and (ii) the difference between the issuer s share price at the end and the beginning of the measurement period by (b) the share price at the beginning of the measurement period. As a result, stockholder return includes both dividends and stock appreciation.

UNREGISTERED SALES OF EQUITY SECURITIES

On December 15, 2010, we issued 800 shares of Class A Common Stock to holders of Class B Common Stock upon the conversion of such Class B Common Stock into Class A Common Stock. The conversions, which were in accordance with our Certificate of Incorporation, did not involve a public offering and were exempt from registration pursuant to Section 3(a)(9) of the Securities Act of 1933, as amended.

Table of Contents

ISSUER PURCHASES OF EQUITY SECURITIES[1]

Period	Total Number of Shares of Class A Common Stock Purchased (a)	Average Price Paid Per Share of Class A Common Stock (b)	Total Number of Shares of Class A Common Stock Purchased as Part of Publicly Announced Plans or Programs (c)	Maximum Number (or Approximate Dollar Value) of Shares of Class A Common Stock that May Yet Be Purchased Under the Plans or Programs (d)
September 27, 2010- October 31, 2010		$		$ 91,386,000
November 1, 2010- November 28, 2010				$ 91,386,000
November 29, 2010- December 26, 2010				$ 91,386,000
Total for the fourth quarter of 2010		$		$ 91,386,000

(1) On April 13, 2004, our Board of Directors authorized repurchases in an amount up to $400 million. During the fourth quarter of 2010, we did not purchase any shares of Class A Common Stock pursuant to our publicly announced share repurchase program. As of February 15, 2011, we had authorization from our Board of Directors to repurchase an amount of up to approximately $91 million of our Class A Common Stock. Our Board of Directors has authorized us to purchase shares from time to time as market conditions permit. There is no expiration date with respect to this authorization.

Table of Contents

ITEM 6. SELECTED FINANCIAL DATA

The Selected Financial Data should be read in conjunction with Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations and the Consolidated Financial Statements and the related Notes in Item 8. The results of operations for WQXR-FM and WQEW-AM, previously included in The New York Times Media Group, which is part of the News Media Group, have been presented as discontinued operations for all periods presented before the sale of WQXR-FM in 2009. The Broadcast Media Group s results of operations have been presented as discontinued operations, and certain assets and liabilities are classified as held for sale for all periods presented before the Group s sale in 2007. The pages following the table show certain items included in Selected Financial Data. All per share amounts on those pages are on a diluted basis. All fiscal years presented in the table below comprise 52 weeks, except 2006, which comprises 53 weeks.

	As of and for the Years Ended				
(In thousands)	**December 26, 2010**	**December 27, 2009**	**December 28, 2008**	**December 30, 2007**	**December 31, 2006**
Statement of Operations Data					
Revenues	**$ 2,393,463**	$ 2,440,439	$ 2,939,764	$ 3,184,757	$ 3,274,387
Operating costs	**2,136,927**	2,307,800	2,783,076	2,919,031	2,986,853
Impairment of assets	**16,148**	4,179	197,879	11,000	814,433
Pension withdrawal expense	**6,268**	78,931			
Net pension curtailment gain		53,965			
Loss on leases and other		34,633			
Gain/(loss) on sale of assets		5,198		(68,156)	
Operating profit/(loss)	**234,120**	74,059	(41,191)	186,570	(526,899)
Income/(loss) from joint ventures	**19,035**	20,667	17,062	(2,618)	19,340
Gain on sale of investment	**9,128**				
Interest expense, net	**85,062**	81,701	47,790	39,842	50,651
Premium on debt redemption		9,250			
Income/(loss) from continuing operations before income taxes	**177,221**	3,775	(71,919)	144,110	(558,210)
Income/(loss) from continuing operations	**108,705**	1,569	(65,940)	86,960	(571,892)
Discontinued operations, net of income taxes	**13**	18,332	8,602	121,637	28,090
Net income/(loss) attributable to The New York Times Company common stockholders	**$ 107,704**	$ 19,891	$ (57,839)	$ 208,704	$ (543,443)
Balance Sheet Data					
Property, plant and equipment - net	**$ 1,156,786**	$ 1,250,021	$ 1,353,619	$ 1,468,013	$ 1,375,365
Cash and cash equivalents and short-term investments	**399,642**	36,520	56,784	51,532	72,360
Total assets	**3,285,741**	3,088,557	3,401,680	3,473,092	3,855,928
Total debt and capital lease obligations	**996,443**	769,217	1,059,375	1,034,979	1,445,928
Total New York Times Company stockholders equity	**659,927**	604,042	503,963	978,200	819,842

Table of Contents

(In thousands, except ratios, per share and employee data)	As of and for the Years Ended December 26, 2010	December 27, 2009	December 28, 2008	December 30, 2007	December 31, 2006
Per Share of Common Stock					
Basic earnings/(loss) per share attributable to The New York Times Company common stockholders:					
Income/(loss) from continuing operations	**$ 0.74**	$ 0.01	$ (0.46)	$ 0.61	$ (3.95)
Discontinued operations, net of income taxes	**0.00**	0.13	0.06	0.84	0.19
Net income/(loss)	**$ 0.74**	$ 0.14	$ (0.40)	$ 1.45	$ (3.76)
Diluted earnings/(loss) per share attributable to The New York Times Company common stockholders:					
Income/(loss) from continuing operations	**$ 0.71**	$ 0.01	$ (0.46)	$ 0.61	$ (3.95)
Discontinued operations, net of income taxes	**0.00**	0.13	0.06	0.84	0.19
Net income/(loss)	**$ 0.71**	$ 0.14	$ (0.40)	$ 1.45	$ (3.76)
Dividends per share	**$**	$	$ .750	$ .865	$ .690
Stockholders equity per share	**$ 4.32**	$ 4.13	$ 3.51	$ 6.79	$ 5.67
Average basic shares outstanding	**145,636**	144,188	143,777	143,889	144,579
Average diluted shares outstanding	**152,600**	146,367	143,777	144,158	144,579
Key Ratios					
Operating profit/(loss) to revenues	**10%**	3%	1%	6%	16%
Return on average common stockholders equity	**17%**	4%	8%	23%	48%
Return on average total assets	**3%**	1%	2%	6%	13%
Total debt and capital lease obligations to total capitalization	**60%**	56%	68%	51%	64%
Current assets to current liabilities[(1)]	**1.70**	1.00	.60	.68	.91
Ratio of earnings to fixed charges[(2)]	**2.78**			3.14	
Full-Time Equivalent Employees	**7,414**	7,665	9,346	10,231	11,585

(1) The current assets to current liabilities ratio is higher in 2010 because of a higher cash balance.
(2) In 2009, 2008 and 2006, earnings were inadequate to cover fixed charges by approximately $16 million, $56 million and $579 million, respectively, due to certain charges in each year.

Table of Contents

The items below are included in the Selected Financial Data.

2010

The items below had an unfavorable effect on our results of $17.8 million, or $.13 per share:

- a $16.1 million pre-tax charge ($10.1 million after tax, or $.07 per share) for the impairment of assets at the Globe s printing facility in Billerica, Mass., whose results are included in The New England Media Group.
- a $12.7 million pre-tax gain from the sale of an asset at one of the paper mills in which we have an investment. Our share of the pre-tax gain, after eliminating the noncontrolling interest portion, is $10.2 million ($6.4 million after tax, or $.04 per share).
- an $11.4 million one-time tax charge ($.07 per share) for the reduction in future tax benefits for retiree health benefits resulting from the federal health care legislation enacted in 2010.
- a $9.1 million pre-tax gain ($5.3 million after tax, or $.03 per share) from the sale of 50 of our 750 units in Fenway Sports Group.
- a $6.8 million pre-tax charge ($4.1 million after tax, or $.03 per share) for severance costs.
- a $6.3 million pre-tax charge ($3.9 million after tax, or $.03 per share) for an adjustment to estimated pension withdrawal obligations under several multiemployer pension plans at the Globe, whose results are included in the New England Media Group.

2009

The items below had an unfavorable effect on our results of $56.3 million, or $.38 per share:

- a $78.9 million pre-tax charge ($49.5 million after tax, or $.34 per share) for a pension withdrawal obligation under certain multiemployer pension plans.
- a $54.0 million pre-tax net pension curtailment gain ($30.7 million after tax, or $.21 per share) resulting from freezing of benefits under various Company-sponsored qualified and non-qualified pension plans.
- a $53.9 million pre-tax charge ($32.3 million after tax, or $.22 per share) for severance costs.
- a $34.9 million pre-tax gain ($19.5 million after tax, or $.13 per share) from the sale of WQXR-FM.
- a $34.6 million pre-tax charge ($20.0 million after tax, or $.13 per share) for a loss on leases ($31.1 million) and a fee ($3.5 million) for the early termination of a third-party printing contract. The lease charge includes a $22.8 million charge for a loss on leases associated with the closure of City & Suburban, our retail and newsstand distribution subsidiary, and an $8.3 million loss on a lease for office space at The New York Times Media Group.
- a $9.3 million pre-tax charge ($5.3 million after tax, or $.04 per share) for a premium on the redemption of $250.0 million principal amount of our 4.5% notes, which was completed in April 2009.
- a $5.2 million pre-tax gain ($3.2 million after tax, or $.02 per share) on the sale of surplus real estate assets at the Regional Media Group.
- a $4.2 million pre-tax charge ($2.6 million after tax, or $.01 per share) for the impairment of assets due to the reduced scope of a systems project.

2008

The items below had an unfavorable effect on our results of $180.1 million, or $1.24 per share:

- a $160.4 million pre-tax, non-cash charge ($109.3 million after tax, or $.76 per share) for the impairment of property, plant and equipment, intangible assets and goodwill at the New England Media Group.
- an $81.0 million pre-tax charge ($46.2 million after tax, or $.32 per share) for severance costs.
- a $19.2 million pre-tax, non-cash charge ($10.7 million after tax, or $.07 per share) for the impairment of an intangible asset at the IHT, whose results are included in The New York Times Media Group.
- an $18.3 million pre-tax, non-cash charge ($10.4 million after tax, or $.07 per share) for the impairment of assets for a systems project.

Table of Contents

a $5.6 million pre-tax, non-cash charge ($3.5 million after tax, or $.02 per share) for the impairment of our 49% ownership interest in Metro Boston.

2007

The items below increased net income by $18.8 million, or $.13 per share:

a $190.0 million pre-tax gain ($94.0 million after tax, or $.65 per share) from the sale of the Broadcast Media Group.
a $68.2 million net pre-tax loss ($41.3 million after tax, or $.29 per share) from the sale of assets, mainly our Edison, N.J., facility, which we closed in March 2008.
a $42.6 million pre-tax charge ($24.4 million after tax, or $.17 per share) for accelerated depreciation of certain assets at the Edison, N.J., facility.
a $39.6 million pre-tax gain ($21.2 million after tax, or $.15 per share) from the sale of WQEW-AM.
a $35.4 million pre-tax charge ($20.2 million after tax, or $.14 per share) for severance costs.
an $11.0 million pre-tax, non-cash charge ($6.4 million after tax, or $.04 per share) for the impairment of an intangible asset at the T&G, whose results are included in the New England Media Group.
a $7.1 million pre-tax, non-cash charge ($4.1 million after tax, or $.03 per share) for the impairment of our 49% ownership interest in Metro Boston.

2006

The items below had an unfavorable effect on our results of $763.0 million, or $5.28 per share:

an $814.4 million pre-tax, non-cash charge ($735.9 million after tax, or $5.09 per share) for the impairment of goodwill and other intangible assets at the New England Media Group.
a $34.3 million pre-tax charge ($19.6 million after tax, or $.14 per share) for severance costs.
a $20.8 million pre-tax charge ($11.5 million after tax, or $.08 per share) for accelerated depreciation of certain assets at our Edison, N.J., facility.
a $14.3 million increase in pre-tax income ($8.3 million after tax, or $.06 per share) related to the additional week in our 2006 fiscal calendar.
a $7.8 million pre-tax loss ($4.3 million after tax, or $.03 per share) from the sale of our 50% ownership interest in Discovery Times Channel, which we sold in October 2006.

Table of Contents

ITEM 7. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis provides information that management believes is relevant to an assessment and understanding of our consolidated financial condition as of December 26, 2010, and results of operations for the three years ended December 26, 2010. This item should be read in conjunction with our Consolidated Financial Statements and the related Notes included in this Annual Report.

EXECUTIVE OVERVIEW

We are a diversified media company that currently includes newspapers, digital businesses, investments in paper mills and other investments. We classify our businesses based on our operating strategies into two reportable segments, the News Media Group and the About Group.

The News Media Group consists of the following divisions:

- The New York Times Media Group, which includes The Times, the IHT, NYTimes.com and related businesses;
- the New England Media Group, which includes the Globe, Boston.com, the T&G, Telegram.com and related businesses; and
- the Regional Media Group, which includes 14 daily newspapers in Alabama, California, Florida, Louisiana, North Carolina and South Carolina, their Web sites, other print publications and related businesses.

The About Group consists of About.com, ConsumerSearch.com, UCompareHealthCare.com and CalorieCount.com and related businesses.

Our revenues were $2.4 billion in 2010. The percentage of revenues contributed by division is below.

News Media Group

The News Media Group generates revenues principally from print and digital advertising and through circulation. Other revenues, primarily consist of revenues from news services/syndication, commercial printing, rental income and digital archives. The News Media Group s main operating costs are employee-related costs and raw materials, primarily newsprint.

News Media Group revenues in 2010 by category and percentage share are below.

Table of Contents

About Group

The About Group generates revenues through cost-per-click advertising (sponsored links for which the About Group is paid when a user clicks on the ad), display advertising and e-commerce (including sales lead generation). Almost all of its revenues (95% in 2010) are derived from the sale of cost-per-click and display advertising. Cost-per-click advertising accounted for 57% of the About Group s total advertising revenues in 2010. The About Group s main operating costs are employee-related costs and content and hosting costs.

Joint Ventures

Our investments accounted for under the equity method are as follows:

- a 49% interest in Metro Boston, which publishes a free daily newspaper in the greater Boston area;
- a 49% interest in a Canadian newsprint company, Malbaie;
- a 40% interest in a partnership, Madison, operating a supercalendered paper mill in Maine;
- a 25% interest in quadrantONE, an online advertising network that sells bundled premium, targeted display advertising onto local newspaper and other Web sites; and
- a 16.57% interest in New England Sports Ventures, doing business as Fenway Sports Group, which owns the Boston Red Sox baseball club; Liverpool Football Club (a soccer team in the English Premier League); approximately 80% of New England Sports Network (a regional cable sports network that televises the Red Sox and Boston Bruins hockey games); and 50% of Roush Fenway Racing (a leading NASCAR team). In the second quarter of 2010, we sold 50 of our units in Fenway Sports Group, and we are exploring the sale of our remaining 700 units, in whole or in parts.

Business Environment

We believe that a number of factors and industry trends have had, and will continue to have, an adverse effect on our business and prospects. These include the following:

Economic conditions

The challenging business environment in 2010 adversely affected our advertising revenues. Advertising spending, which drives a significant portion of our revenues, is susceptible to economic conditions. Advertising revenue trends improved in 2010 with the rate of decline in print advertising revenues moderating compared with 2009, as encouraging signs of improvement were seen in the overall economy. Weak national and local economic conditions, particularly in the New York City and Boston metropolitan regions, affect the levels of our national, classified and retail advertising revenue. Changes in spending patterns and priorities, including shifts in marketing strategies and budget cuts of key advertisers, in response to weak economic conditions, have depressed and may continue to depress our advertising revenue.

Secular shift to digital media choices

The competition for advertising revenue in various markets has intensified as a result of the continued development of digital media technologies. We expect that technological developments will continue to favor digital media choices, adding to the challenges posed by audience fragmentation.

We have expanded and will continue to expand our digital offerings; however, most of our revenues are currently from traditional print products where advertising revenues are declining. We believe that the shift from traditional media forms to a growing number of digital media choices has contributed to, and may continue to contribute to, a decline in print advertising. In digital advertising, the marketplace has experienced significant downward pressure on advertising rates as a result of significant increases in inventory. As the advertising climate remains challenged, media companies have been re-evaluating their business models, with some moving towards various forms of digital pay models that will depend on greater market acceptance and a shift in consumer attitudes.

Table of Contents

Circulation

Circulation is another significant source of revenue for us. Circulation revenues are affected by circulation and readership levels. In recent years, our newspaper properties, and the newspaper industry as a whole, have experienced declining print circulation volume. This is due to, among other factors, increased competition from new digital formats and sources other than traditional newspapers (often free to users), declining discretionary spending by consumers, higher subscription and newsstand rates and a growing preference among some consumers for receiving all or a portion of their news from a variety of sources.

Costs

A significant portion of our costs are fixed costs and therefore we are limited in our ability to reduce costs in the short term. Our most significant costs are employee-related costs and raw materials, which together accounted for approximately 50% of our total operating costs in 2010. Changes in employee-related costs and the price and availability of newsprint can materially affect our operating results.

For a discussion of these and other factors that could affect our results of operations and financial condition, see Forward-Looking Statements and Item 1A Risk Factors.

Our Strategy

Our results in 2010 reflect our ability to manage the business during a period of transformation for our industry and amidst uneven economic conditions. We anticipate that the challenges we currently face will continue, and we believe that the following elements are key to our efforts to address them.

Extending the reach of our brands

Because of our high-quality content, we believe we have very powerful and trusted brands that attract educated, affluent and influential audiences. We are addressing the increasingly fragmented media landscape by building on the strength of our brands, particularly The Times. We have significantly expanded our presence on new digital platforms and added new tools and multimedia features across our properties. To better serve the distinct audiences of the Globe and Boston.com, the Globe also plans to extend its reach by launching a new paid subscription site, BostonGlobe.com, in the second half of 2011.

Strengthening our digital businesses

Our goal is to grow our digital businesses by broadening our audiences, deepening engagement and monetizing the usage of our Web sites. We are pursuing a multiplatform strategy across our Company with new digital products and new platforms, such as mobile, social media networks and reader application products.

Our digital businesses provide diversified advertising revenue. NYTimes.com benefits from the large national advertiser base that The Times brand attracts, and About.com generates most of its revenues from cost-per-click and display advertising. We are also focused on continuing to offer a premier environment for integrated brand advertising across platforms through advertising product innovation and our integrated print and digital sales structure.

Diversifying our revenue streams

As the advertising marketplace changes, we plan to continue to diversify our revenue streams to make us less susceptible to the inevitable economic cycles and to respond to the secular changes in our industry.

In response, we have sought to strengthen our national advertising presence at The Times. In 2010, approximately 57% of the News Media Group s advertising revenues were from national advertising.

Our digital businesses also provide meaningful diversification during our transition to an increasingly multiplatform company, with 16.2% of all revenues and 26.3% of all advertising rev-

enues in 2010 derived from our digital businesses. We have begun offering paid subscriptions of our content through several e-reader platforms. In early 2011, we also plan to introduce a pay model for NYTimes.com and across digital platforms with the intention of developing a second digital revenue stream, while preserving our digital advertising business. We will implement a metered model that will offer users free access to a set number of articles per month and then charge users who are not print subscribers once they exceed that number. We have also announced plans to launch a pay model for a new paid subscription Web site, BostonGlobe.com, in the second half of 2011. As our news and information are being featured in an increasingly broad range of platforms and devices, we will continue to examine our circulation pricing in coordination with our overall multiplatform strategy to reflect the extended reach of our content.

Restructuring our cost base

Over the past few years, we have focused on realigning our cost base to ensure that we are operating our businesses as efficiently as possible, while maintaining the quality of our journalism and achieving our long-term strategy. We took significant actions in 2009 to re-engineer our cost base, which led to a $475 million reduction in operating costs in 2009. While expense control efforts have become more challenging as we have cycled past those actions, we reduced our operating costs by approximately $171 million in 2010. While we expect higher newsprint prices and pension expense, we remain focused on managing our expenses to identify further efficiencies in our operations and to respond to the secular changes in our industry.

Managing our portfolio of businesses

Over the past several years, we have been managing our portfolio of businesses, focusing more on growth areas, such as digital. We also continue to evaluate our businesses to determine whether they are meeting our targets for financial performance, growth and return on investment and whether they remain relevant to our strategy.

Managing our pension-related obligations

The funded status of our qualified defined benefit pension plans has been adversely affected by the current interest rate environment and required contributions for our qualified pension plans can have a significant impact on future cash flows.

For purposes of accounting principles generally accepted in the United States of America (GAAP), we estimated that our qualified pension plans were underfunded (meaning the present value of future obligations exceeded the fair value of plan assets) as of December 26, 2010, by approximately $442 million, an improvement of approximately $79 million from our fiscal year-end 2009.

For funding purposes as measured in accordance with the Employee Retirement Income Security Act (ERISA), based on preliminary results, as of January 1, 2011, the underfunded status of our qualified pension plans was approximately $270 million, an improvement of approximately $150 million from the prior year. In 2010, the funded status of these pension plans benefited from the contributions made and favorable performance in pension assets, offset in part by lower interest rates.

We made contributions totaling approximately $176 million in 2010 to certain qualified pension plans. The majority of these contributions were discretionary. We made a $9.0 million contribution to one of our qualified pension plans in January 2011. We may make discretionary contributions in 2011 to our Company-sponsored qualified pension plans based on cash flows, pension asset performance, interest rates and other factors, but we will not be required to make mandatory contributions in 2011, except for contractual contributions of approximately $32 million in connection with The New York Times Newspaper Guild pension plan.

We have taken a number of other steps to manage our pension-related obligations. At the end of 2009, we froze our non-union pension plan. In addition, in connection with amending certain collective bargaining agreements in 2009, we froze a qualified pension plan and withdrew or partially withdrew from various multiemployer pension plans.

Table of Contents

In addition, we have focused on managing our multiemployer pension plans. While certain of our cost management efforts have created pension withdrawal liabilities, principally in connection with certain union agreements at the Globe and the closure of our wholesale distribution business, we believe these measures were an important step to address pension obligations that we projected would otherwise have continued to grow over time.

Improving our liquidity

We have continued to manage our liquidity position by improving our financial flexibility and we remain focused on reducing our total debt.

We have improved our financial flexibility through the cash we generate from our businesses, and the decisive steps we have taken to reduce costs, manage capital spending, suspend our dividend and rebalance our portfolio of assets. In addition, in November 2010, we completed a $225.0 million private debt offering of 6.625% senior unsecured notes due 2016, and we intend to use the net proceeds for general corporate purposes including, among other things, to pay down debt and other financial obligations as part of our refinancing strategy.

With our strong cash flows from operations in 2010, along with proceeds from the private debt offering, we ended 2010 with cash, cash equivalents and short-term investments of approximately $400 million, even after making pension contributions totaling approximately $176 million during the year. As of December 26, 2010, our total debt and capital lease obligations was approximately $996 million and our total debt and capital lease obligations, net of cash, cash equivalents and short-term investments, was approximately $597 million, which we believe provides a useful measure of our liquidity and overall debt position.

The majority of our debt matures in 2015 or later. Our $400.0 million revolving credit facility expires in June 2011. As of December 26, 2010, other than letters of credit of approximately $62 million, we had no borrowings under the facility. We believe our cash balance and cash provided by operations, in combination with other financing sources, will be sufficient to meet our immediate financing needs. We expect that the renewal or replacement of the revolving credit facility, if any, would be at a reduced level and would require additional restrictions and/or be on a secured basis.

Our decisive steps to manage capital spending further contributed to our improved liquidity in 2010. In 2010, our capital expenditures totaled approximately $35 million. We project capital expenditures will be approximately $45 to $55 million in 2011, as we invest in, among other things, digital initiatives across our Company.

Outlook

We remain in a challenging business environment, resulting in lingering uncertainty about the economic outlook and an increasingly competitive landscape. Advertising revenue continues to be highly volatile and visibility remains limited. In January 2011, print advertising revenues decreased at approximately the same level we experienced in the fourth quarter of 2010 and digital advertising revenues increased in the mid-single digits, as we experienced continued strength at the News Media Group, partially offset by softness at the About Group.

We expect circulation revenues in the first quarter of 2011 to decrease in line with the declines we experienced in the second half of 2010.

Given current industry forecasts, we expect newsprint prices to increase and negatively impact operating expense, particularly in the first half of 2011.

For 2011, we project capital expenditures to be between $45 and $55 million. We expect depreciation and amortization to be $125 to $130 million and interest expense, net to be $100 to $105 million.

Table of Contents

RESULTS OF OPERATIONS

Overview

The following table presents our consolidated financial results.

(In thousands)	December 26, 2010	December 27, 2009	December 28, 2008	% Change 10-09	% Change 09-08
Revenues					
Advertising	**$ 1,300,361**	$ 1,336,291	$ 1,771,033	(2.7)	(24.5)
Circulation	**931,493**	936,486	910,154	(0.5)	2.9
Other	**161,609**	167,662	258,577	(3.6)	(35.2)
Total revenues	**2,393,463**	2,440,439	2,939,764	(1.9)	(17.0)
Operating costs					
Production costs:					
Raw materials	**160,422**	166,387	250,843	(3.6)	(33.7)
Wages and benefits	**498,270**	524,782	620,573	(5.1)	(15.4)
Other	**303,086**	330,061	438,927	(8.2)	(24.8)
Total production costs	**961,778**	1,021,230	1,310,343	(5.8)	(22.1)
Selling, general and administrative costs	**1,054,199**	1,152,874	1,328,432	(8.6)	(13.2)
Depreciation and amortization	**120,950**	133,696	144,301	(9.5)	(7.3)
Total operating costs	**2,136,927**	2,307,800	2,783,076	(7.4)	(17.1)
Impairment of assets	**16,148**	4,179	197,879	*	(97.9)
Pension withdrawal expense	**6,268**	78,931		(92.1)	N/A
Net pension curtailment gain		53,965		N/A	N/A
Loss on leases and other		34,633		N/A	N/A
Gain on sale of assets		5,198		N/A	N/A
Operating profit/(loss)	**234,120**	74,059	(41,191)	*	*
Income from joint ventures	**19,035**	20,667	17,062	(7.9)	21.1
Gain on sale of investment	**9,128**			N/A	N/A
Interest expense, net	**85,062**	81,701	47,790	4.1	71.0
Premium on debt redemption		9,250		N/A	N/A
Income/(loss) from continuing operations before income taxes	**177,221**	3,775	(71,919)	*	*
Income tax expense/(benefit)	**68,516**	2,206	(5,979)	*	*
Income/(loss) from continuing operations	**108,705**	1,569	(65,940)	*	*
Discontinued operations:					
(Loss)/income from discontinued operations, net of income taxes		(1,156)	302	N/A	*
Gain on sale, net of income taxes	**13**	19,488	8,300	(99.9)	*
Income/(loss) from discontinued operations, net of income taxes	**13**	18,332	8,602	(99.9)	*
Net income/(loss)	**108,718**	19,901	(57,338)	*	*
Net income attributable to the noncontrolling interest	**(1,014)**	(10)	(501)	*	(98.0)
Net income/(loss) attributable to The New York Times Company common stockholders	**$ 107,704**	$ 19,891	$ (57,839)	*	*

* Represents an increase or decrease in excess of 100%.

Table of Contents

Revenues

Revenues by reportable segment and for the Company as a whole were as follows:

(In thousands)	December 26, 2010	December 27, 2009	December 28, 2008	% Change 10-09	% Change 09-08
Revenues					
News Media Group	**$ 2,257,386**	$ 2,319,378	$ 2,824,469	(2.7)	(17.9)
About Group	**136,077**	121,061	115,295	12.4	5.0
Total revenues	**$ 2,393,463**	$ 2,440,439	$ 2,939,764	(1.9)	(17.0)

News Media Group

Advertising, circulation and other revenues by division of the News Media Group and for the Group as a whole were as follows:

(In thousands)	December 26, 2010	December 27, 2009	December 28, 2008	% Change 10-09	% Change 09-08
The New York Times Media Group					
Advertising	**$ 780,424**	$ 797,298	$ 1,067,916	(2.1)	(25.3)
Circulation	**683,717**	683,445	668,129	0.0	2.3
Other	**92,697**	101,118	180,510	(8.3)	(44.0)
Total	**$ 1,556,838**	$ 1,581,861	$ 1,916,555	(1.6)	(17.5)
New England Media Group					
Advertising	**$ 213,720**	$ 230,886	$ 319,114	(7.4)	(27.6)
Circulation	**167,360**	167,998	154,201	(0.4)	8.9
Other	**42,809**	41,710	50,334	2.6	(17.1)
Total	**$ 423,889**	$ 440,594	$ 523,649	(3.8)	(15.9)
Regional Media Group					
Advertising	**$ 177,056**	$ 192,924	$ 276,463	(8.2)	(30.2)
Circulation	**80,416**	85,043	87,824	(5.4)	(3.2)
Other	**19,187**	18,956	19,978	1.2	(5.1)
Total	**$ 276,659**	$ 296,923	$ 384,265	(6.8)	(22.7)
Total News Media Group					
Advertising	**$ 1,171,200**	$ 1,221,108	$ 1,663,493	(4.1)	(26.6)
Circulation	**931,493**	936,486	910,154	(0.5)	2.9
Other	**154,693**	161,784	250,822	(4.4)	(35.5)

Total	**$ 2,257,386**	$ 2,319,378	$ 2,824,469	(2.7)	(17.9)

Advertising Revenue

Advertising revenue is primarily determined by the volume, rate and mix of advertisements. The challenging business environment in 2010, including the transformation of our industry and an uneven economic recovery, adversely affected our advertising revenues. Advertising spending, which drives a significant portion of our revenues, is susceptible to economic conditions. Changes in spending patterns and priorities, including shifts in marketing strategies and budget cuts, of key advertisers in response to uneven economic conditions and alternative digital advertising platforms, contributed to the decline in print advertising revenues and the growth in digital advertising revenues. Advertising revenue trends improved in 2010 with the rate of decline in print advertising revenues moderating compared with 2009, as encouraging signs of improvement were seen in the overall economy. In 2010, News Media Group advertising revenues decreased primarily due to lower print volume across most advertising categories, offset in part by higher digital advertising. Print advertising revenues, which represented approximately 82% of total advertising

Table of Contents

revenues for the News Media Group, declined 7.9% in 2010, mainly due to lower national and retail advertising. Digital advertising revenues grew 18.3% in 2010, mainly driven by growth in national advertising.

In 2009, News Media Group advertising revenues decreased primarily due to lower print and digital volume. Print advertising revenues, which represented approximately 85% of total advertising revenues for the News Media Group, declined 28.8% in 2009. Digital advertising revenues declined 10.9% in 2009, mainly due to classified advertising declines.

Advertising revenues (print and digital) by category for the News Media Group were as follows:

(In thousands)	December 26, 2010	December 27, 2009	December 28, 2008	% Change 10-09	% Change 09-08
News Media Group					
National	**$ 664,377**	$ 667,732	$ 857,616	(0.5)	(22.1)
Retail	**277,196**	301,075	397,949	(7.9)	(24.3)
Classified	**190,911**	213,823	357,827	(10.7)	(40.2)
Other	**38,716**	38,478	50,101	0.6	(23.2)
Total	**$ 1,171,200**	$ 1,221,108	$ 1,663,493	(4.1)	(26.6)

Below is a percentage breakdown of 2010 advertising revenue by division:

			Classified						
	National	Retail and Preprint	Help Wanted	Real Estate	Auto	Other	Total Classified	Other Advertising Revenue	Total
The New York Times Media Group	76%	13%	2%	5%	1%	2%	10%	1%	100%
New England Media Group	30	33	5	7	8	7	27	10	100
Regional Media Group	6	60	4	7	8	9	28	6	100
Total News Media Group	**57**	**24**	**3**	**6**	**3**	**4**	**16**	**3**	**100**

The New York Times Media Group

Total advertising revenues declined in 2010 compared with 2009 primarily due to lower print advertising revenues, particularly in national and classified advertising, offset in part by strong growth in digital national advertising revenues.

National advertising revenues were flat compared with 2009 as the declines in print advertising offset the solid growth in digital advertising revenues. The gains in digital advertising were offset by declines in print advertising primarily due to lower volume in the studio entertainment, telecommunications and financial services categories in 2010. Increased spending in the financial services, American fashion and media categories contributed to growth in national digital advertising in 2010.

Soft economic conditions throughout 2010 continued to negatively affect retail advertising, which decreased in 2010 compared with 2009. Retail advertising declined primarily due to lower volume in various print advertising categories, such as mass market and department stores advertising. While retail advertising experienced declines in the first three quarters of 2010 compared with the respective periods in 2009, both digital and print retail advertising revenues grew in the fourth quarter of 2010 compared with the fourth quarter of 2009 mainly as advertisers responded to increased consumer spending.

Classified advertising revenues declined in 2010 compared with 2009 primarily due to declines in all print categories (real estate, automotive and help-wanted). While all print classified advertising categories continued to be negatively affected by soft economic conditions and experienced secular shifts to digital alternatives, digital real estate advertising revenues grew in 2010 compared with 2009.

Total advertising revenues declined in 2009 compared with 2008 primarily due to lower print advertising, particularly in the national category. Digital advertising also declined, principally in the classified and national categories.

National advertising revenues decreased in 2009 compared with 2008 primarily due to lower print advertising. National print advertising was negatively affected by weak economic conditions, with significant categories, such as studio entertainment, financial services and international fashion, experiencing declines. National digital advertising also experienced volume declines in 2009 compared with 2008. In the fourth quarter of 2009, the national print advertising revenue declines lessened as the quarter progressed, and national digital advertising increased, as advertising demand improved as the economy began to recover.

Retail advertising revenues in 2009 declined compared with 2008 mainly because of lower volume in various print categories. Continued economic weakness contributed to shifts in marketing strategies and budget cuts of major advertisers, which negatively affected retail advertising.

Classified advertising revenues declined in 2009 compared with 2008 mainly due to declines in all print categories (real estate, help-wanted and automotive) and digital categories. Weak economic conditions contributed to the declines in print and digital classified advertising, with declines in print classified advertising exacerbated by secular shifts to digital alternatives, particularly in the help-wanted and real estate categories.

New England Media Group

Total advertising revenues declined in 2010 compared with 2009 mainly due to continued declines in print advertising revenue, partially offset by growth in digital advertising. Retail, national and classified advertising revenues decreased primarily due to lower volume in various print advertising categories. Print declines were also exacerbated by secular shifts to digital advertising. Digital advertising revenues grew in 2010 compared with 2009 mainly as a result of higher national advertising volume.

Total advertising revenues declined in 2009 compared with 2008 primarily due to continued declines in print advertising revenue. Digital advertising also declined. Retail, national and particularly classified advertising revenues declined in 2009 compared with 2008, mainly due to declines in various print and digital advertising categories. Soft economic conditions and challenging market conditions in the Boston and greater New England area led to declines in all print categories of classified advertising revenues (help-wanted, real estate and automotive) and nearly all digital classified categories (mainly help-wanted and real estate). The help-wanted category experienced the most significant declines due to the continued softness in the job market. Print declines were also exacerbated by secular shifts to digital advertising.

Regional Media Group

Total advertising revenues declined in 2010 compared with 2009 primarily due to declines in print advertising revenue, partially offset by growth in digital advertising revenues. Print advertising revenues experienced declines mainly due to lower volume in the retail and classified (real estate and automotive) advertising categories. Soft economic conditions continued to contribute to declines in the retail sector. Digital advertising revenues grew in 2010 compared with 2009 mainly as a result of higher national advertising volume.

Total advertising revenues declined in 2009 compared with 2008 primarily due to declines in all print categories, particularly in the retail and classified areas (real estate, help-wanted and automotive). Soft economic conditions contributed to declines in the Florida and the California housing markets. About two-thirds of the Regional Media Group advertising revenues came from newspapers in Florida and California. Also, in 2009, digital classified and retail advertising decreased due to continued economic weakness.

Table of Contents

Circulation Revenue

Circulation revenue is based on the number of copies sold and the subscription and newsstand rates charged to customers.

Circulation revenues in 2010 were flat compared with 2009 primarily as declines in copies sold across the News Media Group offset the subscription and newsstand price increases implemented by both The Times and the Globe in the second quarter of 2009.

Circulation revenues in 2009 increased compared with 2008 mainly because of higher subscription and newsstand prices, offset in part by volume declines across the News Media Group and the impact of the closure of City & Suburban in early January 2009.

Other Revenue

Other revenues for the News Media Group decreased in 2010 compared with 2009 primarily because of lower digital archives and commercial printing revenues.

Other revenues for the News Media Group decreased in 2009 compared with 2008 primarily due to lower revenues from our wholesale delivery operations as a result of the closure of City & Suburban in early January 2009 in addition to lower commercial printing revenues.

About Group

In 2010, revenues for the About Group increased primarily due to growth in display and cost-per-click advertising as a result of higher rates and page views compared with 2009. However, uneven economic conditions, as well as competitive pressures in the market, negatively impacted display advertising in the fourth quarter of 2010. In addition, design changes in cost-per-click advertisements served by Google had a negative impact on page views and click-through rates in the second half of 2010, and we expect that to be the case through the first half of 2011.

In 2009, revenues for the About Group increased primarily due to higher advertising rates in cost-per-click advertising and higher volume of display advertising, which showed an improving trend compared with 2008.

Operating Costs

Below are charts of our consolidated operating costs.

Components of Consolidated Operating Costs

Consolidated Operating Costs as a Percentage of Revenues

Table of Contents

Operating costs were as follows:

(In thousands)	December 26, 2010	December 27, 2009	December 28, 2008	% Change 10-09	% Change 09-08
Operating costs					
Production costs:					
Raw materials	**$ 160,422**	$ 166,387	$ 250,843	(3.6)	(33.7)
Wages and benefits	**498,270**	524,782	620,573	(5.1)	(15.4)
Other	**303,086**	330,061	438,927	(8.2)	(24.8)
Total production costs	**961,778**	1,021,230	1,310,343	(5.8)	(22.1)
Selling, general and administrative costs	**1,054,199**	1,152,874	1,328,432	(8.6)	(13.2)
Depreciation and amortization	**120,950**	133,696	144,301	(9.5)	(7.3)
Total operating costs	**$ 2,136,927**	$ 2,307,800	$ 2,783,076	(7.4)	(17.1)

Production Costs

Total production costs in 2010 decreased compared with 2009 primarily due to lower compensation and benefits costs ($27 million) and outside printing and distribution costs ($12 million), mainly reflecting the impact of a reduced workforce and cost-saving initiatives, as well as lower raw materials expense ($6 million), primarily newsprint.

In 2010, newsprint expense declined 6.7%, with 8.5% from lower consumption offset in part by 1.8% from higher pricing. Newsprint prices hit the bottom of the cycle in the third quarter of 2009, but increased steadily through the first half of 2010. Although we did not experience significant newsprint price increases in the second half of 2010, newsprint prices were higher than the same period in 2009.

Total production costs in 2009 decreased compared with 2008 primarily as a result of savings from our strategy to reengineer our cost base and declining raw materials expense. Our staff reduction efforts and other cost-saving initiatives lowered compensation costs and benefits expense by approximately $95 million.

In 2009, raw materials expense declined approximately $84 million, primarily in newsprint. Newsprint expense declined 30.3%, with 19.4% from lower consumption and 10.9% from lower pricing. Newsprint prices increased in 2008, reaching a peak in the fourth quarter, and then declined significantly until the third quarter of 2009 due to an oversupply of newsprint in the market as a result of a rapid decline in consumption.

The closure of City & Suburban in January 2009 contributed approximately $49 million in production cost savings in 2009.

Selling, General and Administrative Costs

Total selling, general and administrative costs in 2010 decreased compared with 2009 primarily due to lower severance costs ($48 million) as a result of the timing of workforce reduction programs, lower bad debt expense ($16 million) due to improvements in the overall economy and lower benefits expense ($11 million), professional fees ($8 million) and various other costs.

Total selling, general and administrative costs in 2009 decreased compared with 2008, primarily as a result of savings from our strategy to reengineer our cost base. In 2009, our cost reduction efforts resulted in approximately $68 million of savings from the closure of City & Suburban and $49 million in lower promotion costs and professional fees. In addition, we had lower severance costs of approximately $26 million.

Table of Contents

Depreciation and Amortization

Consolidated depreciation and amortization by reportable segment, Corporate and the Company as a whole, were as follows:

	December 26,	December 27,	December 28,	% Change	
(In thousands)	**2010**	2009	2008	**10-09**	**09-08**
Depreciation and amortization					
News Media Group	**$ 109,341**	$ 122,609	$ 124,254	(10.8)	(1.3)
About Group	**11,609**	11,087	12,251	4.7	(9.5)
Corporate			7,796	N/A	N/A
Total depreciation and amortization	**$ 120,950**	$ 133,696	$ 144,301	(9.5)	(7.3)

Depreciation and amortization decreased at the News Media Group in 2010 compared with 2009 primarily due to the accelerated depreciation expense recognized in 2009 for assets at the Billerica, Mass., printing facility. We completed the consolidation of this printing facility with the Globe s printing facility in Boston, Mass., in the second quarter of 2009.

Beginning in 2009, we began to allocate Corporate s depreciation and amortization expense to our operating segments. Therefore, Corporate did not recognize depreciation and amortization expense in 2010 or 2009.

Segment Operating Costs

The following table sets forth consolidated costs by reportable segment, Corporate and the Company as a whole.

	December 26,	December 27,	December 28,	% Change	
(In thousands)	**2010**	2009	2008	**10-09**	**09-08**
Operating costs					
News Media Group	**$ 2,015,728**	$ 2,182,964	$ 2,657,537	(7.7)	(17.9)
About Group	**74,125**	70,180	75,905	5.6	(7.5)
Corporate	**47,074**	54,656	49,634	(13.9)	10.1
Total operating costs	**$ 2,136,927**	$ 2,307,800	$ 2,783,076	(7.4)	(17.1)

News Media Group

In 2010, operating costs for the News Media Group decreased compared with 2009 primarily due to declines across most major categories. Lower severance costs ($46 million), compensation and benefits costs ($30 million), bad debt expense ($17 million), outside printing and distribution costs ($16 million), and depreciation and amortization costs ($13 million) were the main drivers. Lower severance costs were due to the timing of workforce reduction programs and lower compensation and benefits costs reflect the impact of our reduced workforce and cost-saving initiatives. Lower bad debt expense was a result of improved economic conditions compared with 2009. Lower outside printing and distribution costs mainly reflect the impact of cost-saving initiatives.

In 2009, operating costs for the News Media Group decreased compared with 2008 primarily due to reductions in nearly all major expense categories as a result of our strategy to reengineer our cost base and declining raw materials expense. The closure of City & Suburban in January 2009 contributed approximately $119 million in cost savings in 2009. Our cost-saving initiatives lowered compensation costs and benefits expense by approximately $106 million and promotion costs and professional fees by approximately $44 million. Raw materials expense declined approximately $84 million, particularly in newsprint, mainly as a result of lower newsprint consumption. In addition, we had lower severance costs of approximately $27 million.

Table of Contents

About Group

Operating costs for the About Group increased in 2010 compared with 2009 primarily due to higher compensation and benefits costs ($2.2 million) and higher marketing costs ($0.5 million).

Operating costs for the About Group decreased in 2009 compared with 2008 primarily due to reductions in nearly all major categories as a result of cost-saving initiatives. These efforts lowered marketing costs ($2.1 million) and professional fees ($1.6 million). Depreciation and amortization expense also declined in 2009 ($1.1 million).

Corporate

Operating costs for Corporate decreased in 2010 compared with 2009 primarily due to lower professional fees ($6.7 million) and benefits and compensation costs ($3.2 million), offset in part by a one-time benefit from the sale of an asset ($1.8 million) in the second quarter of 2009.

Operating costs for Corporate increased in 2009 compared with 2008 primarily due to higher performance-related compensation costs and benefits expense ($19.2 million), offset in part by lower depreciation expense ($7.8 million).

Other Items

Impairment of Assets

2010

We consolidated the Globe s printing facility in Billerica, Mass., into the Boston, Mass., printing facility in the second quarter of 2009. After exploring different opportunities for the assets at Billerica, we entered into an agreement in the third quarter of 2010 to sell the majority of these assets to a third party. Therefore, assets with a carrying value of approximately $20 million were written down to their fair value, resulting in a $16.1 million impairment charge in 2010.

There were no impairment charges in connection with our 2010 annual impairment test, which was completed in the fourth quarter. However, the Regional Media Group s estimated fair value continues to approximate its carrying value in 2010. The Regional Media Group includes approximately $152 million of goodwill in 2010.

In determining the fair value of the Regional Media Group, we made significant judgments and estimates regarding the expected severity and duration of the current economic slowdown and the secular changes affecting the newspaper industry. The effect of these assumptions on projected long-term revenues, along with the continued benefits from reductions to the group s cost structure, play a significant role in calculating the fair value of the Regional Media Group.

We estimated a 2% annual growth rate to arrive at a normalized residual year representing the perpetual cash flows of the Regional Media Group. The residual year cash flow was capitalized to arrive at the terminal value of the Regional Media Group. Utilizing a discount rate of 10.5%, the present value of the cash flows during the projection period and terminal value were aggregated to estimate the fair value of the Regional Media Group. We assumed a discount rate of 10.5% in the discounted cash flow analysis for the 2010 annual impairment test compared to a 10.2% discount rate used in the 2009 annual impairment test. In determining the appropriate discount rate, we considered the weighted average cost of capital for comparable companies.

We believe that if the Regional Media Group s projected cash flows are not met during 2011, a goodwill impairment charge is possible in 2011.

2009

In the fourth quarter of 2009, we recorded a $4.2 million charge for an impairment of assets due to the reduced scope of a systems project at the News Media Group.

Table of Contents

2008

In the first quarter of 2008, we recorded a non-cash impairment charge of $18.3 million for the write-down of assets for a systems project at the News Media Group. We reduced the scope of a major advertising and circulation project to decrease capital spending, which resulted in the write-down of previously capitalized costs.

In the third quarter of 2008, we performed an interim impairment test at the New England Media Group, which is part of the News Media Group reportable segment, due to certain impairment indicators, including the continued decline in print advertising revenue affecting the newspaper industry and lower-than-expected current and projected operating results. The assets tested included goodwill, indefinite-lived intangible assets, other long-lived assets being amortized and an equity method investment in Metro Boston.

We recorded a non-cash impairment charge of $166.0 million. This impairment charge reduced the carrying value of goodwill and other intangible assets of the New England Media Group to zero.

The fair value of the New England Media Group s goodwill was the residual fair value after allocating the total fair value of the New England Media Group to its other assets, net of liabilities. The total fair value of the New England Media Group was estimated using a combination of a discounted cash flow model (present value of future cash flows) and a market approach model based on comparable businesses. The goodwill was not tax deductible because the 1993 acquisition of the Globe was structured as a tax-free stock transaction.

The fair value of the mastheads at the New England Media Group was calculated using a relief-from-royalty method and the fair value of the customer list was calculated by estimating the present value of associated future cash flows.

The property, plant and equipment of the New England Media Group was estimated at fair value less cost to sell. The fair value was determined giving consideration to market and income approaches to value.

The carrying value of our investment in Metro Boston was written down to fair value because the business had experienced lower-than-expected growth and we anticipated lower growth compared with previous projections, leading management to conclude that the investment was other than temporarily impaired. The impairment was recorded within Income from joint ventures.

Our 2008 annual impairment test, which was completed in the fourth quarter, resulted in an additional non-cash impairment charge of $19.2 million relating to the IHT masthead. The impairment charge reduced the carrying value of the IHT masthead to zero. The asset impairment mainly resulted from lower projected operating results and cash flows primarily due to the economic downturn and secular decline of print advertising revenues. The fair value of the masthead was calculated using a relief-from-royalty method.

The impairment charges included in Impairment of assets and Income from joint ventures in our Consolidated Statements of Operations, are presented below by asset.

	December 26, 2010			December 27, 2009			December 28, 2008		
(In thousands)	**Pre-tax**	**Tax**	**After-tax**	**Pre-tax**	**Tax**	**After-tax**	**Pre-tax**	**Tax**	**After-tax**
Newspaper mastheads	**$**	**$**	**$**	$	$	$	$ 57,470	$ 22,653	$ 34,817
Goodwill							22,897		22,897
Customer list							8,336	3,086	5,250
Property, plant and equipment	**16,148**	**6,017**	**10,131**	4,179	1,615	2,564	109,176	44,167	65,009
Total	**16,148**	**6,017**	**10,131**	4,179	1,615	2,564	197,879	69,906	127,973
Metro Boston investment							5,600	2,084	3,516
Total	**$ 16,148**	**$ 6,017**	**$ 10,131**	$ 4,179	$ 1,615	$ 2,564	$ 203,479	$ 71,990	$ 131,489

Table of Contents

Pension Withdrawal Expense

In 2010, we recorded a $6.3 million charge for a change in estimate of pension withdrawal obligations under several multiemployer pension plans at the Globe.

The 2009 pension withdrawal obligation expense was $78.9 million. In 2009, employees of the Globe represented by various unions ratified amendments to their collective bargaining agreements that allowed us to withdraw or partially withdraw from various multiemployer pension plans. The withdrawals resulted in withdrawal liabilities to the respective plans for our proportionate share of any unfunded vested benefits. We recorded a $73.6 million charge for the present value of estimated future payments under the pension withdrawal liabilities. Our total future payments are estimated to be approximately $214 million. The actual liability will not be known until each plan completes a final assessment of the withdrawal liability and issues a demand to us.

Also in 2009, we recorded a $5.3 million charge for the present value of future payments under a pension withdrawal liability under a multiemployer pension plan related to the closure of our subsidiary, City & Suburban. Our total future payments are approximately $6 million.

Pension Curtailment Gain

We did not make any significant changes to our pension plans during 2010. However, in 2009, we made the following changes to certain of our pension plans which resulted in a net pension curtailment gain of $54.0 million.

We amended a Company-sponsored qualified defined benefit pension plan for non-union employees to discontinue future benefit accruals under the plan and freeze existing accrued benefits effective December 31, 2009. Benefits earned by participants under the pension plan prior to January 1, 2010 were not affected. We also froze a non-qualified defined benefit pension plan that provides enhanced retirement benefits to select members of management. The accrued benefits under this supplemental benefit plan will be determined and frozen based on eligible earnings through December 31, 2009. The reduction of benefits under the qualified and non-qualified plans mentioned above and various other non-qualified plans resulted in a curtailment gain of $56.7 million.

In 2009, we also froze a Company-sponsored qualified pension plan in connection with ratified amendments to a collective bargaining agreement covering the Newspaper Guild of the Globe. The amendments resulted in a curtailment loss of $2.5 million.

In 2009, we also eliminated certain non-qualified retirement benefits of various employees of the Globe in connection with the amendment of two union agreements. The amendments resulted in a curtailment loss of $0.2 million.

Loss on Leases and Other

The total loss on leases and other recorded in 2009 was $34.6 million.

In 2009, we recorded a loss of $22.8 million for the present value of remaining rental payments under leases, for property previously occupied by City & Suburban, in excess of rental income under potential subleases. Also in 2009, we recorded a loss of $8.3 million for the present value of remaining rental payments under a lease for office space at The New York Times Media Group, in excess of rental income under potential subleases.

In the fourth quarter of 2009, we also recorded a $3.5 million charge for the early termination of a third-party printing contract.

Gain on Sale of Assets

In 2009, we sold certain surplus real estate assets at the Regional Media Group and recorded a gain of $5.2 million on the sales.

Table of Contents

Operating Profit/(Loss)

Consolidated operating profit/(loss) by reportable segment, Corporate and the Company as a whole, were as follows:

(In thousands)	December 26, 2010	December 27, 2009	December 28, 2008	% Change 10-09	% Change 09-08
Operating profit/(loss)					
News Media Group	**$ 219,242**	$ 21,163	$ (30,947)	*	*
About Group	**61,952**	50,881	39,390	21.8	29.2
Corporate	**(47,074)**	2,015	(49,634)	*	*
Total operating profit/(loss)	**$ 234,120**	$ 74,059	$ (41,191)	*	*

* Represents an increase or decrease in excess of 100%.

We discuss the reasons for the year-to-year changes in each segment s and Corporate s operating profit in the Revenues, Operating Costs, and Other Items sections above.

NON-OPERATING ITEMS

Income from Joint Ventures

We have investments in Metro Boston, two paper mills (Malbaie and Madison), quadrantONE and Fenway Sports Group, which are accounted for under the equity method. Our proportionate share of the operating results of these investments is recorded in Income from joint ventures in our Consolidated Statements of Operations. See Note 7 of the Notes to the Consolidated Financial Statements for additional information regarding these investments.

In 2010, we had income from joint ventures of $19.0 million compared with $20.7 million in 2009. In 2010, we recorded a pre-tax gain of $12.7 million from the sale of an asset at one of the paper mills in which we have an investment. Our share of the pre-tax gain, after eliminating the noncontrolling interest portion, is $10.2 million. The $12.7 million gain is included within Income from joint ventures in the Consolidated Statements of Operations. Excluding this gain, income from joint ventures declined in 2010 compared with 2009 primarily due to lower paper selling prices at both paper mills in which we have investments.

In addition, in 2010, we sold 50 of our 750 units in Fenway Sports Group, resulting in a pre-tax gain of $9.1 million, which is included in the Consolidated Statements of Operations as Gain on sale of investment.

In 2009, we had income from joint ventures of $20.7 million compared with $17.1 million in 2008. The 2008 income in joint ventures included a $5.6 million non-cash impairment charge for our equity investment in Metro Boston.

Interest Expense, Net

Interest expense, net, was as follows:

(In thousands)	December 26, 2010	December 27, 2009	December 28, 2008

Interest expense, net			
Cash interest expense	**$ 79,349**	$ 78,606	$ 50,119
Non-cash amortization of discount on debt	**7,251**	6,084	711
Capitalized interest	**(299)**	(1,566)	(2,639)
Interest income	**(1,239)**	(1,423)	(401)
Total interest expense, net	**$ 85,062**	$ 81,701	$ 47,790

Table of Contents

Interest expense, net, increased in 2010 compared with 2009 as a result of higher interest rates on our debt, offset in part by lower average debt outstanding.

Interest expense, net, increased in 2009 compared with 2008, also due primarily to higher interest rates on our debt, offset in part by lower average debt outstanding.

Premium on Debt Redemption

In April 2009, we settled the redemption of all $250.0 million outstanding aggregate principal amount of our 4.5% notes due March 15, 2010, that had been called for redemption in March 2009. The redemption price of approximately $260 million included a $9.3 million premium and was computed under the terms of the notes as the present value of the scheduled payments of principal and unpaid interest, plus accrued interest to the redemption settlement date.

Income Taxes

We had income tax expense of $68.5 million on pre-tax income of $177.2 million in 2010. Our effective income tax rate was 38.7% in 2010. The effective tax rate for 2010 was favorably affected by approximately $22 million for the reversal of reserves for uncertain tax positions due to the closing of tax audits and the lapse of applicable statutes of limitations and unfavorably affected by an $11.4 million one-time tax charge as described below.

The Patient Protection and Affordable Care Act, which was enacted on March 23, 2010, and the Health Care and Education Reconciliation Act of 2010, which was enacted on March 30, 2010, eliminated the tax deductibility of certain retiree health care costs, beginning January 1, 2013, to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D. Because the future anticipated retiree health care liabilities and related subsidies are already reflected in our financial statements, this legislation required us to reduce the related deferred tax asset recognized in our financial statements. As a result, we recorded a one-time tax charge of $11.4 million in 2010 for the reduction in future tax benefits for retiree health benefits resulting from the federal health care legislation enacted in 2010.

We had $2.2 million of tax expense on pre-tax income of $3.8 million in 2009. Our effective income tax rate was 58.4% in 2009. The high tax rate was driven by the impact of certain items, including the reduction of deferred tax asset balances resulting from lower income tax rates, on near break-even results in 2009.

We had an income tax benefit of $6.0 million on a pre-tax loss of $71.9 million in 2008. Our effective income tax rate in 2008 was 8.3%. In 2008, the effective tax rate was low because the goodwill portion of the non-cash impairment charge at the New England Media Group and losses on investments in corporate-owned life insurance policies were non-deductible for tax purposes. In addition, a change in Massachusetts state tax law had an unfavorable effect.

Discontinued Operations

Discontinued operations are summarized in the following chart.

(In thousands)	**December 26, 2010**	December 27, 2009	December 28, 2008
Revenues	**$**	$ 5,062	$ 9,092
Total operating costs		7,082	8,537
Pre-tax (loss)/income		(2,020)	555
Income tax (benefit)/expense		(864)	253
(Loss)/income from discontinued operations, net of income taxes		(1,156)	302
Gain on sale, net of income taxes:			
Gain/(loss) on sale	**16**	34,914	(565)
Income tax expense/(benefit)	**3**	15,426	(8,865)
Gain on sale, net of income taxes	**13**	19,488	8,300

Income from discontinued operations, net of income taxes	**$**	**13**	$	18,332	$	8,602

Table of Contents

WQXR-FM

On October 8, 2009, we completed the sale of WQXR-FM, a New York City classical radio station, to subsidiaries of Univision Radio Inc. and WNYC Radio for a total of approximately $45 million. Univision Radio paid us $33.5 million to exchange the FCC 105.9 FM broadcast license and transmitting equipment for our license, equipment and stronger signal at 96.3 FM. At the same time, WNYC Radio purchased the FCC license for 105.9 FM, all related transmitting equipment and WQXR-FM s call letters and Web site from us for $11.5 million. We used the proceeds from the sale to pay outstanding debt. We recorded a pre-tax gain of approximately $35 million (approximately $19 million after tax) in 2009. In 2010, we recorded post-closing adjustments to the gain.

The results of operations for WQXR-FM are presented as discontinued operations in our Consolidated Financial Statements for all periods presented. WQXR-FM was previously consolidated in the results of The New York Times Media Group, which is part of the News Media Group.

Broadcast Media Group

On May 7, 2007, we sold our Broadcast Media Group, which consisted of nine network-affiliated television stations, their related Web sites and digital operating center, for approximately $575 million. In 2008, we recognized an $8.3 million adjustment to the gain on sale of the Broadcast Media Group, which was recorded in 2007, as a result of a reduction in income taxes and post-closing adjustments to the gain.

LIQUIDITY AND CAPITAL RESOURCES

Overview

The following table presents information about our financial position.

Financial Position Summary

(In thousands, except ratios)	December 26, 2010	December 27, 2009	% Change 10-09
Cash and cash equivalents	**$ 369,668**	$ 36,520	*
Short-term investments	**29,974**		N/A
Short-term debt(1)	**38**	41	(7.3)%
Long-term debt(1)	**996,405**	769,176	29.5%
Total New York Times Company stockholders equity	**659,927**	604,042	9.3%
Ratios:			
Total debt to total capitalization	**60%**	56%	7.1%
Current assets to current liabilities	**1.70**	1.00	70.0%

(1) Short-term debt includes the current portion of capital lease obligations. Long-term debt includes the long-term portion of capital lease obligations.
* Represents an increase in excess of 100%.

We meet our cash obligations with cash inflows from operations, in combination with other financing sources. Our primary sources of cash inflows from operations are advertising and circulation sales. Advertising provided 54% and circulation provided 39% of total revenues in 2010. The remaining cash inflows from operations are from other revenue sources such as news services/syndication, commercial printing, rental income and digital archives. Our primary source of cash outflows are for employee compensation, pension and other benefits, raw materials, services and supplies, interest and income taxes. Contributions to our qualified pension plans can have a significant impact on cash flows. See Pensions and Other Postretirement Benefits for additional information regarding our pension plans.

We have continued to manage our liquidity position and we remain focused on reducing our total debt. Our strong cash flows from operations in 2010 and the proceeds from the private debt offering completed in November 2010 improved our financial flexibility, and we ended 2010

Table of Contents

with cash, cash equivalents and short-term investments of approximately $400 million. As of December 26, 2010, we had total debt and capital lease obligations of approximately $996 million and total debt and capital lease obligations, net of cash, cash equivalents and short-term investments, of approximately $597 million, even after making contributions totaling approximately $176 million to certain qualified pension plans during 2010.

In 2011, we believe our cash balance and cash provided by operations, in combination with other financing sources, will be sufficient to meet our immediate financing needs.

Capital Resources

Sources and Uses of Cash

Cash flows provided by/(used in) by category were as follows:

	December 26,	December 27,	December 28,	% Change	
(In thousands)	**2010**	**2009**	**2008**	**10-09**	**09-08**
Operating activities	**$ 153,327**	$ 256,766	$ 246,438	(40.3)	4.2
Investing activities	**$ (40,520)**	$ 8,073	$ (160,509)	*	*
Financing activities	**$ 220,666**	$ (286,164)	$ (81,235)	*	*

* Represents an increase or decrease in excess of 100%.

Operating Activities

Operating cash inflows include cash receipts from advertising and circulation sales and other revenue transactions. Operating cash outflows include payments for employee compensation, pension and other benefits, raw materials, services and supplies, interest and income taxes.

Net cash provided by operating activities decreased in 2010 compared with 2009 primarily driven by contributions totaling approximately $176 million to certain qualified pension plans, offset in part by improved operating performance as a result of cost-saving initiatives in recent years.

While revenues declined in 2009, net cash provided by operating activities increased in 2009 compared with 2008. The revenue decline was more than offset by a reduction in operating costs and lower working capital requirements.

Investing Activities

Cash from investing activities generally includes proceeds from the sale of assets or a business. Cash used in investing activities generally includes payments for capital projects, acquisitions of new businesses and investments.

Net cash used in investing activities in 2010 was primarily for capital expenditures and the purchase of short-term investments, partially offset by loan repayments from a third-party circulation service provider, and proceeds from the sale of 50 of our 750 units in Fenway Sports Group.

Net cash provided by investing activities in 2009 was primarily due to the proceeds from the sale of WQXR-FM and other assets, offset in part by capital expenditures.

Net cash used in investing activities in 2008 was primarily due to capital expenditures related to the consolidation of our New York area printing operations into our facility in College Point, N.Y., and for the construction of our New York headquarters.

Capital expenditures (on an accrual basis) were $34.7 million in 2010, $45.4 million in 2009 and $127.2 million in 2008.

Financing Activities

Cash from financing activities generally includes borrowings under third-party financing arrangements, the issuance of long-term debt and funds from equity transactions. Cash used in financing activities generally includes the repayment of amounts outstanding under third-party financing arrangements and long-term debt.

Net cash provided by financing activities in 2010 consisted mainly of debt incurred under the issuance of 6.625% senior unsecured notes (see Third-Party Financing below).

Net cash used in financing activities in 2009 consisted mainly of repayments under our revolving credit agreements, repayments in connection with the redemption of our 4.5% notes due March 15, 2010 and the repurchase of medium-term notes, partially offset by debt incurred under the issuance of 14.053% senior unsecured notes and a sale-leaseback financing (see Third-Party Financing below).

Net cash used in financing activities in 2008 consisted mainly of repayments of commercial paper and payment of dividends partially offset by borrowings under our revolving credit agreements.

See our Consolidated Statements of Cash Flows for additional information on our sources and uses of cash.

Third-Party Financing

Our total debt and capital lease obligations consisted of the following:

(In thousands)	December 26, 2010	December 27, 2009
4.610% medium-term notes due in 2012, net of unamortized debt costs of $229 in 2010 and $354 in 2009	**$ 74,771**	$ 74,646
5.0% senior notes due in 2015, net of unamortized debt costs of $140 in 2010 and $169 in 2009	**249,860**	249,831
14.053% senior notes due in 2015, net of unamortized debt costs of $22,320 in 2010 and $25,851 in 2009	**227,680**	224,149
6.625% senior notes due in 2016, net of unamortized debt costs of $4,898 in 2010	**220,102**	
Option to repurchase ownership interest in headquarters building in 2019, net of unamortized debt costs of $32,694 in 2010 and $36,161 in 2009	**217,306**	213,839
Total debt	**989,719**	762,465
Capital lease obligations	**6,724**	6,752
Total debt and capital lease obligations	**$ 996,443**	$ 769,217

Based on borrowing rates currently available for debt with similar terms and average maturities, the fair value of our long-term debt was approximately $1.1 billion as of December 26, 2010 and approximately $907 million as of December 27, 2009. We were in compliance with our covenants under our third-party financing arrangements as of December 26, 2010.

4.610% Notes

We have $75.0 million aggregate principal amount of 4.610% medium-term notes due September 26, 2012, outstanding (the 4.610% Notes).

The 4.610% Notes may be redeemed, in whole or in part, at any time, at a price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest to the redemption date plus a make-whole premium. The 4.610% Notes are not otherwise callable.

The 4.610% Notes are subject to certain covenants that, among other things, limit (subject to customary exceptions) our ability and the ability of certain material subsidiaries to:

- create liens on certain assets to secure debt; and
- enter into certain sale-leaseback transactions.

5.0% Notes

We have $250.0 million aggregate principal amount of 5.0% senior unsecured notes due March 15, 2015, outstanding (the 5.0% Notes).

The 5.0% Notes may be redeemed, in whole or in part, at any time, at a price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest to the redemption date plus a make-whole premium. The 5.0% Notes are not otherwise callable.

The 5.0% Notes are subject to certain covenants that, among other things, limit (subject to customary exceptions) our ability and the ability of certain material subsidiaries to:

- create liens on certain assets to secure debt; and
- enter into certain sale-leaseback transactions.

Table of Contents

14.053% Notes

In January 2009, pursuant to a securities purchase agreement with Inmobiliaria Carso, S.A. de C.V. and Banco Inbursa S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa (each an Investor and collectively the Investors), we issued, for an aggregate purchase price of $250.0 million, (1) $250.0 million aggregate principal amount of 14.053% senior unsecured notes due January 15, 2015 (the 14.053% Notes), and (2) detachable warrants to purchase 15.9 million shares of our Class A Common Stock at a price of $6.3572 per share. The warrants are exercisable at the holder s option at any time and from time to time, in whole or in part, until January 15, 2015. Each Investor is an affiliate of Carlos Slim Helú, the beneficial owner of approximately 7% of our Class A Common Stock (excluding the warrants). Each Investor purchased an equal number of 14.053% Notes and warrants.

We received proceeds of approximately $242 million (purchase price of $250.0 million, net of a $4.5 million investor funding fee and transaction costs), of which approximately $221 million was allocated to the 14.053% Notes and included in Long-term debt and capital lease obligations and approximately $21 million was allocated to the warrants and included in Additional paid-in capital in our Consolidated Balance Sheet. The difference between the purchase price of $250.0 million and the $221 million allocated to the 14.053% Notes, or approximately $29 million, is being amortized over a six-year period through interest expense. The effective interest rate on this transaction was approximately 17%.

We have an option, at any time on or after January 15, 2012, to prepay all or any part of the 14.053% Notes at a premium of the outstanding principal amount, plus accrued interest. The prepayment premium is 105.0% from January 15, 2012 to January 14, 2013; 102.5% from January 15, 2013 to January 14, 2014; and 100.0% from January 15, 2014 to the maturity date. In addition, at any time prior to January 15, 2012, we may at our option prepay all or any part of the notes by paying a make-whole premium amount based on the present value of the remaining scheduled payments. Given the terms, we currently intend to repay or refinance the 14.053% Notes at the earliest practicable date after January 15, 2012, depending on available financing or other sources of cash at the time.

The 14.053% Notes contain certain covenants that, among other things, limit (subject to customary exceptions) our ability and the ability of our subsidiaries to:

- incur additional indebtedness;
- create liens with respect to any of our properties; and
- transfer or sell assets.

6.625% Notes

In November 2010, we completed an offering of $225.0 million aggregate principal amount of 6.625% senior unsecured notes due December 15, 2016 (6.625% Notes).

We received proceeds of approximately $220 million (purchase price of $225.0 million, net of approximately $5 million in transaction costs). The effective interest rate on this transaction was approximately 7%.

We have the option to redeem all or a portion of the 6.625% Notes, at any time, at a price equal to 100% of the principal amount of the notes redeemed plus accrued and unpaid interest to the redemption date plus a make-whole premium. The 6.625% Notes are not otherwise callable.

The 6.625% Notes are subject to certain covenants that, among other things, limit (subject to customary exceptions) our ability and the ability of our subsidiaries to:

- incur additional indebtedness and issue preferred stock;
- pay dividends or make other equity distributions;
- agree to any restrictions on the ability of our restricted subsidiaries to make payments to us;
- create liens on certain assets to secure debt;
- make certain investments;
- merge or consolidate with other companies or transfer all or substantially all of our assets; and
- engage in sale and leaseback transactions.

Sale-Leaseback Financing

In March 2009, an affiliate of our Company entered into an agreement to sell and simultaneously lease back the Condo Interest in our New York headquarters building. The sale price for the Condo Interest was $225.0 million. We have an option, exercisable during the 10th year of the lease term, to repurchase the Condo Interest for $250.0 million. The lease term is 15 years, and we have three renewal options that could extend the term for an additional 20 years.

The transaction is accounted for as a financing transaction. As such, we have continued to depreciate the Condo Interest and account for the rental payments as interest expense. The difference between the purchase option price of $250.0 million and the net sale proceeds of approximately $211 million, or approximately $39 million, will be amortized over a 10-year period through interest expense. The effective interest rate on this transaction was approximately 13%.

Revolving Credit Agreement

Our $400.0 million credit agreement expiring in June 2011 is used for general corporate purposes and provides a facility for the issuance of letters of credit. As of December 26, 2010, excluding letters of credit, there were no outstanding borrowings under the revolving credit agreement. We expect that the renewal or replacement of the revolving credit facility, if any, would be at a reduced level and would require additional restrictions and/or be on a secured basis.

Any borrowings under the revolving credit agreement bear interest at specified margins based on our credit rating, over various floating rates selected by us. The amount available under our revolving credit agreement is summarized in the following table.

(In thousands)		**December 26, 2010**
Revolving credit agreement	**$**	**400,000**
Less:		
Amount outstanding under revolving credit agreement		
Letters of credit		**62,129**
Amount available under revolving credit agreement	**$**	**337,871**

The revolving credit agreement contains a covenant that requires a specified level of stockholders equity, which, as defined by the agreement, does not include accumulated other comprehensive loss and excludes the impact of one-time non-cash charges. The required level of stockholders equity (as defined by the agreement) is the sum of $950.0 million plus an amount equal to 25% of net income for each fiscal year ending after December 28, 2003, when net income exists. As of December 26, 2010, the amount of stockholders equity in excess of the required level was approximately $756 million, which excludes the impact of non-cash impairment charges incurred in 2006, 2007 and 2008 that together aggregated approximately $878 million.

Table of Contents

Contractual Obligations

The information provided is based on management s best estimate and assumptions of our contractual obligations as of December 26, 2010. Actual payments in future periods may vary from those reflected in the table.

			Payment due in		
(In thousands)	**Total**	**2011**	**2012-2013**	**2014-2015**	**Later Years**
Long-term debt[1]	$ 1,560,923	$ 92,551	$ 254,777	$ 637,534	$ 576,061
Capital leases[2]	11,724	594	1,125	1,104	8,901
Operating leases[2]	74,272	18,122	25,577	16,615	13,958
Benefit plans[3]	1,526,392	129,089	262,632	288,557	846,114
Total	$ 3,173,311	$ 240,356&			