THOMSON REUTERS STREETEVENTS

EDITED TRANSCRIPT

AHC - Q4 2016 A. H. Belo Corp Earnings Call

EVENT DATE/TIME: MARCH 03, 2017 / 3:00PM GMT

CORPORATE PARTICIPANTS

Katy Murray *A. H. Belo Corporation - SVP, CFO*

Jim Moroney *A. H. Belo Corporation - Chairman, President and CEO*

Grant Moise *A. H. Belo Corporation - EVP, General Manager of The Dallas Morning News*

CONFERENCE CALL PARTICIPANTS

Barry Lucas *Gabelli & Co. - Analyst*

Chris Mooney *Wedbush Securities - Analyst*

Stephen Johnson *Windmill Properties - Analyst*

PRESENTATION

Operator

Ladies and gentlemen, thank you for standing by, and welcome to the Q4 and full-year 2016 financial results conference call. (Operator Instructions). Also as a reminder, today's teleconference is being recorded.

And at this time, I will turn the conference call over to your host, Senior Vice President and Chief Financial Officer of A. H. Belo Corporation, Ms. Katy Murray. Please go ahead.

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

Thank you, Tony. Good morning, everyone. This is Katy Murray, Chief Financial Officer of A. H. Belo. Welcome to our full-year 2016 conference call. I'm joined by Jim Moroney, our Chief Executive Officer, who will assist me in leading today's call. Grant Moise, Executive Vice President of A. H. Belo Corporation, and General Manager of The Dallas Morning News, is also available for Q&A.

Before the market opened this morning, we issued a press release announcing our fourth-quarter and full-year 2016 results. We have posted this release on our website under the Investor Relations section. Unless otherwise specified, comparisons used on today's call measure full-year 2016 performance from continuing operations against full-year 2015 performance from continuing operations.

Our discussion today will include forward-looking statements. Forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those statements. The Company assumes no obligation to update the information in this communication, except as otherwise required by law. Additional information about these factors is detailed in the Company's press releases and publicly available filings with the SEC.

Finally, today's discussion will include non-GAAP financial measures. We believe that the non-GAAP financial measures provide useful, supplemental information to assist investors in determining performance comparisons to our peers. Reconciliations to the most directly comparable financial measures presented in accordance with GAAP are provided on our website under the Investor Relations section.

Before I start with our full-year results, I want to say how pleased we are with our performance for the year. And notwithstanding a challenging fourth quarter that saw accelerated print advertising revenue declines, 2016 performed extremely well.

For the full year, we are reporting adjusted operating income of $11.6 million, down $800,000 or 6.4% versus the $12.4 million reported for the 12 months ending December 31, 2015. These results reflect the importance of our revenue diversification strategy and prudent expense management to mitigate the secular decline experienced by the print industry.

Now some specific financial highlights for the year. For the year, we reported GAAP net loss attributable to A. H. Belo Corporation of $19.3 million or $0.90 per share, a decrease of $0.06 per share compared to 2015. This loss was the result of a non-cash goodwill impairment charge of $22.7 million that we reported in the fourth quarter of 2016. Excluding this impairment, we would have reported GAAP net income of $2.3 million or $0.10 per fully diluted share, an increase of $0.94 per share compared to 2015.

Turning to revenue highlights, for the full year, total net revenue was $260 million, a decrease of $12.1 million or 4.5% when compared to the $272.1 million reported in 2015. After excluding the revenue relating to the business lines that were discontinued in January of 2016, total 2016 net revenue of $259.7 million reported reflects a decline of $7.9 million or 2.9% when compared to the prior year.

Advertising and marketing services revenue of $150.3 million reported this year is down $6.5 million or 4.1% when compared to the $156.8 million reported in 2015. After excluding the revenue relating to business lines that were discontinued in January of 2016, total 2016 advertising and marketing services revenue of $150.1 million reflects a decline of $2.2 million or 1.5% when compared to the prior year.

Turning to circulation revenue, for the full year we reported $79.6 million, representing a $4 million or 4.7% decline when compared to 2015. Specifically, home delivery declined by $2.5 million or 3.4% from 2015, and single copy declined by $1.5 million or 12.8% from 2015.

Lower home delivery and single-copy volumes were offset by an increase in home delivery subscription rates. In addition, the daily single-copy rate for the newspaper was raised from $1.50 to $2 on November 14, 2016, which only had a small impact on the Company's full-year circulation revenue.

Regarding other revenue for 2016, we reported $30.1 million of other revenue, which reflects a $1.7 million decrease or 5.3% when compared to $31.7 million reported in 2015. This revenue decrease is primarily related to CrowdSource events that occurred in 2015, which the Company did not host in 2016.

Total consolidated operating expense for 2016 was $283.7 million, a decrease of $6.7 million or 2.3% compared to the prior year. Excluding severance expense, depreciation, and amortization expense, a non-cash pension settlement charge in 2015 and a goodwill impairment charge in 2016, adjusted operating expenses for the year were $248.4 million, a decrease of $11.3 million or 4.4% compared to $259.7 million of adjusted operating expenses reported in 2015.

The significant year-over-year reduction in adjusted operating expenses is a result of our cost reduction initiatives, which were initiated in the second half of 2015 and at the beginning of 2016.

For the year, we recognized a tax benefit of $2.3 million, primarily due to deductions associated with capital losses on the sale of certain investments, which will be carried back to 2014 for federal income tax purposes. For 2017, we will continue to prepare our income tax provision each quarter using the discrete approach. However, for modeling purposes, you can use an effective rate of 35%.

As of December 31, we had headcount of 1,221, which reflects an increase of 77 or 6.7% from the 1,144 we had at December 31, 2015. Excluding a year-over-year increase of 26 headcount related to DMV, the primary headcount driver was a conversion of 75 production headcount from temporary to full-time employees. Excluding the DMV increase and the production conversion, headcount decreased by 24 or 3% when compared to 2015.

Turning to the balance sheet, as of December 31, we had approximately $80 million of cash and no debt. As of February 28, we had $78 million in cash and cash equivalents. For 2016, our capital expenditures were approximately $7.8 million. Approximately $2.2 million was to upgrade our equipment in our production facility to drive operating efficiencies and savings. For 2017, we expect run and maintain CapEx to be approximately $6 million, and then another $7 million in capital expenditures for our new headquarters.

In regards to our pension liability, we ended the year with an unfunded pension liability of $54.8 million. This reflects an improvement of $2.6 million from December 31, 2015. We currently do not have any required pension contributions until 2019.

As I have mentioned before, a 0.25 point rise in interest rates, with underlying investment returns holding constant, would reduce the unfunded liability by close to $10 million.

During the fourth quarter, we completed two real estate transactions. First, we sold our 806 Jackson Street property in downtown Dallas. And second, we sold the three remaining parcel lots in Providence, Rhode Island. In addition to our headquarters and our printing facility, we currently own three lots in downtown Dallas: two parking lots and WFAA Plaza. The value of these lots is approximately $15 million to $20 million. In aggregate, the Dallas parking lots are cash flow positive.

In summary, I'm very pleased with where we are financially and from a balance sheet perspective, and I look forward to a very successful 2017.

I will now turn the call over to Jim.

Jim Moroney *- A. H. Belo Corporation - Chairman, President and CEO*

Thank you, Katy, and good morning, everyone. As Katy has already discussed, we had a solid financial year in 2016, and I feel really good about our performance. There are many things that stand out about last year. And I'd like to highlight just a few of them as we continue to execute on our strategy to diversify our sources of revenue and to become less dependent on revenues that are related to the print product.

First, we continued our investment in our marketing services capabilities. This investment started in 2012, when we founded Speakeasy, our content marketing agency. And we accelerated our investments when we acquired DMV in January of 2015. These investments are making a material difference in our financial performance.

Our digital and advertising marketing services results this year reflect the ongoing organic growth of marketing services revenue from DMV and Speakeasy.

Compared to the prior-year revenue of $9 million, DMV revenue grew $7.8 million or 86.6%; and Speakeasy revenue grew $2.1 million or 44.1% over the $4.7 million that Speakeasy reported in 2015. The Dallas Morning News sales team generated 1,224 sales to DMV and Speakeasy in 2016, and this compares to 833 sales generated in 2015. These results continue to validate our assertion that we can leverage our customer relationships to help drive growth in the companies that we build and that we buy.

Second, we continued our focus on growing our paid digital subscriptions. As you recall, we launched our meter on May 17 on dallasnews.com and sportsdaydfw.com last year. As of the end of 2016, we had 17,001 digital subscribers, an increase of 5,881 or 53% from the end of the second quarter of last year.

We are encouraged by the growth in digital subscriptions we have had thus far, and we continue to experiment with the best practices that we have learned from the other major metros that have shown the most success in signing up paid digital subscriptions, metros like the Boston Globe and the Minneapolis Star Tribune. We believe that digital-only subscriptions can become a meaningful part of our revenue and our profitability going forward.

Overall, the growth at our total digital and marketing services advertising revenue continues to be a more meaningful part of our revenue. For the year, total digital advertising and marketing services revenue was $51 million, an increase of $8.5 million or 20% over the $42.5 million that we reported in 2015. In addition, the $51 million represents 33.9% of our 2016 full-year advertising and marketing services revenue compared to 27.1% in 2015, a 680-basis-point improvement. And we will see more important growth from this segment of our revenue in 2017.

Also I wanted to mention our continued and relentless pursuit of quality in the journalism we publish. And there's no better example of the caliber of our journalism than the coverage we provided of the tragic events that happened in Dallas on July 7; and the reporting on this story that we did in the days, weeks and months that followed. Our reporters provided in-depth coverage, not only for the residents of Dallas, but also for our nation.

Our transformation to a digital-first news organization was put to the test during this time, and we responded with coverage that led to over 3.8 million page views on the next day, an increase of 2.9 million page views over an average Friday. I'm proud of the journalism we publish every day, and it's why I'm confident we can build an important base of digital subscribers going forward.

Last month we announced the promotion of Grant Moise to Executive Vice President of A. H. Belo and General Manager of The Dallas Morning News. In this role, Grant will be responsible for all operational aspects of the business, and he and I will jointly share responsibility for the newsroom. This organizational change will allow us to put more focus and leadership around our day-to-day operations and help to make certain we can pivot our strategy quickly when circumstances warrant.

Just recently, we have purchased the remaining 30% equity in Speakeasy and the remaining 20% equity in DMV. The acquisition of the remaining equity simplifies the ongoing operations of these companies as a part of our larger organization. I also want to mention that the leaders of both these organizations, Tim Storer of DMV; and Mike Orren of Speakeasy, will not only continue with our Company but have increasingly larger roles going forward.

As we indicated at this time last year, we are going to spend 2016 focused on the successful integration of DMV into our Company and be certain that we were capturing all of the upside possible. The 2016 financial results for DMV of 86.6% revenue growth and 82.3% EBITDA growth speak for themselves.

So we are now poised to restart looking for acquisitions that will complement our portfolio of digital marketing services companies, and give us more ways to help our customers grow the sales of their products and services. We will be patient and prudent as we look for these investments. And I would expect that they will fall somewhere in the same range as the acquisition of DMV that we made in January of 2015.

Turning to our previously announced move, we are very excited that we will be moving our corporate headquarters to The Statler Library starting late Q2 of this year or early Q3. While we certainly will miss our home right here on Young Street that we have occupied for the past six decades, The Statler Library provides a more flexible space to build a contemporary and digitally focused media company. As we are planning our move, we are also starting to consider options regarding the current corporate headquarters and property that we own.

While it is very early in the process, we estimate that this property, downtown property of our headquarters, could be worth $25 million to $30 million or possibly more. We have no specific plans at this moment for our existing headquarters. However, we are contemplating a range of options, from an outright sale to a co-development.

Finally, notwithstanding the challenging fourth quarter that we had, first-quarter 2017 revenue trends compare favorably with the revenue trends we saw in the first nine months of 2016.

As we think about 2017 and beyond, we know that to be successful, we must continue to deliver the excellent journalism that our subscribers are accustomed to; we must continue to grow our digital subscriber base; and we must deliver marketing service solutions that our customers want.

Tony, we are now ready for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions). Barry Lucas, Gabelli & Company.

Barry Lucas - *Gabelli & Co. - Analyst*

Katy, I was hoping you could provide a little bit of more detail on the individual sales of the properties in the fourth quarter.

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

Barry, from a financial perspective, we are not disclosing the proceeds on either of those sales. However, I will say that both from a book and a tax basis, those were capital gains; and, so, pleased with the transaction that happened. And again, they were both consummated really right at the end of the month of December. This really does complete our exit out of Rhode Island, which we are excited about. And from a property perspective in downtown Dallas, this was just an opportunistic opportunity that we had.

Barry Lucas - *Gabelli & Co. - Analyst*

Okay. But those sales were consummated, and proceeds are in the year-end cash number.

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

They are in our year-end cash number. And so when we file our 10-K, you will see the cash flow statements.

Barry Lucas - *Gabelli & Co. - Analyst*

Great. Okay. Jim, maybe you could talk a little bit more in detail on the trends in the fourth quarter, and particularly the acceleration to the downside on the print business. You certainly disclosed the -- or talked about the positives on the digital business. But what took the business down further?

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

I'm going to let Grant give you the details, but let me just put it in perspective for a moment. It was a quarter that was unlike any of the previous three quarters of the year, as far as our marketing and advertising services revenue. And it frankly took us, therefore, really by surprise. It wasn't so much October; but it was even, probably more particularly, November and December. And it was mostly in the print categories.

And I'll have Grant give you a little more detail. I think what's important is that oftentimes trends like that continue right into the next quarter, regardless of whether you are turning the page over for a new year or not. And that has not happened thus far in the first two months of this year, which we are very pleased about. And we've put, I think, that in both our press release, and you heard me mention it here.

So while we would have rather had, of course, a much better fourth quarter, the good news is that it seems to have been isolated to a couple of months. And we are back really to a pattern that we saw during the January through August period.

But Grant, you want to just give a little detail (multiple speakers)?

Grant Moise - *A. H. Belo Corporation - EVP, General Manager of The Dallas Morning News*

Sure, yes. Barry, to give you a sense, the retail line between the first three quarters of the year, especially in ROP, versus the fourth quarter had about a 17-point swing that was worse than the first three quarters of the year into Q4. We also saw a similar type swing between the general or national advertising in print, which experienced a 19-point swing to the worse between what happened in the fourth quarter versus what had happened in the previous three quarters.

When I get down a little bit deeper, a lot of it had to do with department stores. In terms of the department store category as a related to retail, department stores were down 56% for us in the quarter. And then also kind of in the national line, we saw specific pressure was coming out of the financial category from our banks, as well as the telecommunications category with our wireless carriers.

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

And, Barry, this is probably more speculation than it can be verified, but you were reading during the fourth quarter that the department stores were concerned about the Christmas season, that things maybe weren't going to be as good as they had hoped them to be. And so it's our -- at least, we are trying to deduce from that that maybe they just decided to pull back what was more typically a heavier print advertising time, that Christmas season into November and December. Because now here it is, out of all things, first quarter of a new year, and we've seen, for instance, the general category come back very, very strongly, maybe more strongly than it was in the first nine months of last year.

So it seems to be a little bit of an anomaly, and it's the only explanation that we can come up with is they were just very worried and decided to pull in, and we got hit pretty hard with it.

Barry Lucas - *Gabelli & Co. - Analyst*

Thanks for that, Jim. Maybe you could extend that, since you talked a little bit about first-quarter revenues or trends -- in light of the, let's say, volatility between revenues in particular periods, how do you view the expense categories? And given the good job you did in 2015 and 2016, how much more opportunity do you have to tighten expenses even further?

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

Barry, I think I say this each time, and it's a fair question each time. We have continued to be able to match up the total declines in revenue that we continue to experience, even if they are in the low-single-digit category, with comparable expense reductions. And we haven't yet not been able to do that.

Certainly, it gets more difficult with every successive quarter or year, because those cuts come harder. They get closer to taking -- if you use the analogy, get it into the muscle, or down into the bone. But I'm still confident that we can do what we need to do, barring some catastrophic downturn in print revenues like we experienced at the end of 2008 and, say, going into 2009.

But with what we are dealing with today, I'm still confident that if we have to tighten up expenses in order to maintain the level of profitability that we've continued to have over the past several years, that we can do it. And I give my team all the credit for that because they've continued to manage to do it in a very strategic way, so that we continue to have not only a very robust news report that we put out every day; but we've been able to continue to fund and not pull back the resources on our growth engines, like DMV and Speakeasy and Connect.

So I'm confident that we can continue to do what we've shown we've been able to do over the past seven or eight years.

Barry Lucas - *Gabelli & Co. - Analyst*

Okay. Last area for me, Jim, is on M&A, since it sounds like you are back in the game a little bit. What are the types of businesses that you will be looking for? What do you need, in essence? And maybe you could size the investment or limit the size.

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

I'm going to let Grant take this one, because he led the whole effort when we acquired DMV. And he will be involved again, probably along with Tim Storer, who knows the space very well; since he was one of the two founders of DMV who is, as I said, still going to be with us, even though we acquired the remaining part of the equity that he and his founding partner had.

But let me have Grant give you some specifics.

Grant Moise - *A. H. Belo Corporation - EVP, General Manager of The Dallas Morning News*

Yes, Barry, I think the easiest way to frame it is we are right now just in the assessment phase of what our gaps are in our marketing services right now. We've got surveys that we are putting out to our salesforce. Also we've got a client advisory board who we have advise us on where they feel the gaps are of where they want to be spending their dollars in the future.

So in that assessment phase, we are either going to find gaps that we have that are not only needed today but are going to even be needed more in the future. Or we may -- we are also looking at the competitive landscape to understand who are the competitors in the market and the region where we are losing market share. And we are going to assess whether or not an acquisition of one of those may be beneficial to us as well.

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

And Barry, when things were in probably in that sort of $15 million to $20 million range, which was comparable to what we did when we made the acquisition of DMV. And we will really continue to be focused on marketing service that actually can be -- that provide an attributable ROI that the company that's using our services can say, I know that the dollars I invested with you in this particular channel drove these particular leads. Because we believe that's rapidly where marketing is going and it -- under that old analogy of skating to the puck, that's where we want to go.

So we're going to be, as they say, more bottom-of-the-funnel focused than top-of-the-funnel awareness, focused on the kinds of companies that we might acquire.

Barry Lucas - *Gabelli & Co. - Analyst*

Great. Thanks for the color, Jim. Appreciate it.

Operator

Chris Mooney, Wedbush Securities.

Chris Mooney - *Wedbush Securities - Analyst*

So you said, I think the timing was recently on the acquisition of the balance of DMV. Can you frame that a little more?

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

We actually closed on the equity of both Speakeasy and DMV in the first quarter. At this time, we are not disclosing the actual enterprise value or the cash that was paid for that; but wanted to let everybody know that we have acquired the remaining interest and equity of that. At this time, we do not have any other majority-owned companies within our organization. Everything now is 100% owned.

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

Just as a reminder, Chris, which I think you know, we owned 70% of Speakeasy and 80% of DMV. So we got those comparable pieces is what we acquired.

Chris Mooney - *Wedbush Securities - Analyst*

And remind us how much you paid for the original portions that you got.

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

Oh, for DMV when we originally paid, we paid $14 million for 80%. And just as a frame, I want to make sure everybody is aware, we did have control of both of those entities and owned the majority. So from financial statement perspective, they were already being consolidated at 100% on both revenue and expense. So there is no specific financial impact on that, with the exception of the minority interest line that's on the balance sheet for DMV.

Chris Mooney - *Wedbush Securities - Analyst*

Okay. Will there be any other further disclosure in SEC filings on the acquisition?

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

No, not at this time. The next update on those acquisitions will be in the 10-Q which will be filed after the first quarter.

Chris Mooney - *Wedbush Securities - Analyst*

Okay. Yes, that's what I mean. Can you just give us a little color around the impairment charge?

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

Sure. We impaired $22.7 million of goodwill. This was in our publishing segment. You will see that when we file our 10-K. It was mathematical. When you have the publishing segment, and we've talked about the revenue declines that we've seen, it becomes really a mathematical accounting exercise about whether the carrying value can support the goodwill. And at this time, it did not. It was 100% impairment.

The goodwill that is assigned to the MEMO segment, which is predominantly led by the DMV company, had no impairment; nor do we think that there is any likelihood of impairment in the near term or in the future. So this was really mathematical. And again, when you have publishing revenue declines, you are just not going to avoid it, at some point.

Chris Mooney - *Wedbush Securities - Analyst*

Got it. I just wanted to make sure that that's where it was coming from, and not DMV.

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

It's not DMV at all.

Chris Mooney - *Wedbush Securities - Analyst*

The $15 million to $20 million that you stated related to real estate was for the downtown lots. Is that correct? Did I (multiple speakers)?

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

It is. It's for the three lots that are downtown. Two are active parking lots, and one is WFAA Plaza.

Chris Mooney - *Wedbush Securities - Analyst*

Parking lots are disappearing in downtown Dallas.

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

They are.

Chris Mooney - *Wedbush Securities - Analyst*

Okay. Well, I like that. So we can trade three lots for an acquisition to add to the digital. (laughter)

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

Well, you know, that's a thought.

Chris Mooney - *Wedbush Securities - Analyst*

That would seem a good trade.

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

There you go.

Chris Mooney - *Wedbush Securities - Analyst*

Work on that. Jim, do you really think you are going to go into the real estate business on the old headquarters (multiple speakers) a joint venture?

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

I know the Board has asked us to just explore the possibility in terms of where perhaps the greater shareholder value might reside, whether that would be the outright sale or some kind of co-development, or anything in between. So we are exploring it. And we have that luxury at the moment of not having to get out of this building quickly; nor do we have to do something with it rapidly, though I want to say we have carrying cost with the building, once we are out of it. And we don't want those to be just hanging around for a very long time, because they are certainly not productive for our overall operation.

So I think, Chris, that we will move very diligently and posthaste to come to a decision about what we are going to do. And when we do, we will let you know.

Chris Mooney - *Wedbush Securities - Analyst*

Okay. think I'm finished. Thank you.

Operator

(Operator Instructions) [Stephen] Johnson, Windmill Properties.

Stephen Johnson - *Windmill Properties - Analyst*

I just wanted to know if you all are considering a special dividend, as you've done in the past.

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

Stephen, again, I usually get a question like this on most of the calls. We are always looking at what our capital allocation choices are, and always looking at it in terms of where shareholder value can be created. We don't have any near-term plans. But again, we discuss it at every Board meeting with our Board as part of, I think, just good corporate governance. And at this time, we are continuing to operate the Company with the capital structure that we have.

Stephen Johnson - *Windmill Properties - Analyst*

And it appears that you still hover right around the $80 million in cash every quarter. Is that the approximate thing you can continue to do?

Katy Murray - *A. H. Belo Corporation - SVP, CFO*

So we did report that we had $80 million of cash at the end of the year; earlier, at the end of February, about $78 million. However, that number does not reflect the acquisitions of the remaining equity interests of DMV.

And also, as a reminder, we do have, from a capital expenditure perspective this year, an additional $7 million on top of normal run and maintain that we are going to be investing in our new headquarters. So that should be taken into consideration as well. But from a cash flow from operations perspective, both businesses, publishing and MEMO, are generating cash.

Stephen Johnson - *Windmill Properties - Analyst*

Excellent, thank you.

Operator

Thank you very much. At this time, there are no additional questions in queue. Please continue.

Jim Moroney - *A. H. Belo Corporation - Chairman, President and CEO*

Okay. If there are no additional questions, Tony, thank you for all your help. And everybody on the call, thank you for being on this call. And we look forward to having a good remaining year. Thank you very much.

Operator

Thank you. Ladies and gentlemen, this conference will be available for replay after 11 AM Central Time today, running through March 10 at midnight. You may access the AT&T executive playback service at any time by dialing 800-475-6701 and using the access code of 417885. International participants may dial 320-365-3844. Once again, those phone numbers are 800-475-6701 and 320-365-3844, using the access code of 417885.

That does conclude our conference call for today. We do thank you for your participation, and for using AT&T's executive teleconference. You may now disconnect.