

LEE ENTERPRISES, INC
Form 8-K
June 19, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 18, 2007

LEE ENTERPRISES, INCORPORATED

(Exact name of Registrant as specified in its charter)

Commission File Number 1-6227

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Delaware

42-0823980

(State of Incorporation)

(I.R.S. Employer Identification No.)

201 N. Harrison Street, Davenport, Iowa 52801

(Address of Principal Executive Offices)

(563) 383-2100

Registrant's telephone number, including area code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure.

On June 18, 2007, Lee Enterprises, Incorporated reported its revenue for the month of May 2007. A copy of the revenue release is furnished as Exhibit 99.1 to this Form 8-K.

Item 9.01 Financial Statements and Exhibits.

- (c) *Exhibits*
 - 99.1 Monthly Revenue Release - May 2007

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LEE ENTERPRISES, INCORPORATED

Date: June 18, 2007

By: /s/Carl G. Schmidt
Carl G. Schmidt
Vice President, Chief Financial Officer,
and Treasurer

INDEX TO EXHIBITS

| Exhibit No. | Description |
|--------------------|------------------------------------|
| 99.1 | Monthly Revenue Release - May 2007 |

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Exhibit 99.1

201 N. Harrison St.
Davenport, IA 52801

www.lee.net

NEWS RELEASE

Lee Enterprises reports revenue statistics and outlook

DAVENPORT, Iowa (June 18, 2007) Lee Enterprises, Incorporated (NYSE: LEE), reported today that same property⁽¹⁾ advertising revenue in May decreased 1.7 percent compared with a year ago. Same property online advertising revenue increased 60.2 percent.

On a same property basis, which excludes the impact of acquisitions and divestitures made in the current or prior year, combined print and online retail advertising in May decreased 2.3 percent compared with a year ago. Combined print and online classified advertising revenue decreased 0.3 percent, with employment up 7.4 percent, automotive down 7.6 percent, and real estate down 6.0 percent.

Print-only retail advertising revenue decreased 4.0 percent, and print-only classified revenue decreased 5.6 percent, with employment down 12.4 percent, automotive down 10.5 percent, real estate down 9.9 percent, other daily newspaper classified categories up 5.1 percent, and classified in non-daily publications up 10.8 percent. National advertising revenue decreased 7.4 percent. Circulation revenue decreased 4.0 percent.

Total same property operating revenue in May declined 2.0 percent compared with a year ago. Including the effect of acquisitions and divestitures, total operating revenue declined 2.2 percent.

In St. Louis, advertising revenue decreased 4.0 percent for the May statistical period. At the other former Pulitzer newspapers, advertising revenue declined 6.7 percent.

At Lee's 50 percent subsidiary in Madison, Wis., advertising revenue in May decreased 6.4 percent. In Lee's 50 percent partnership in Tucson, Ariz., advertising revenue for the May statistical period decreased 10.8 percent. Madison and Tucson are reported using the equity method of accounting and are not included in same property revenue.

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Revenue in June is expected to be similar to the declines from prior year posted in April and May. As a result, the Company expects earnings from continuing operations for the three months ending June 30, 2007, to be in the range of 48 to 50 cents per diluted common share.

Lee Enterprises is a premier provider of local news, information and advertising in primarily midsize markets, with 51 daily newspapers and a joint interest in five others, rapidly growing online sites and more than 300 weekly newspapers and specialty publications in 23 states. Lee's newspapers have circulation of 1.7 million daily and 1.9 million Sunday, reaching more than four million readers daily.

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Lee's online sites attract more than 11 million visits monthly, and Lee's weekly publications are distributed to more than 4.5 million households. Lee's 55 newspaper markets include St. Louis, Mo.; Lincoln, Neb.; Madison, Wis.; Davenport, Iowa; Billings, Mont.; Bloomington, Ill.; Tucson, Ariz.; and Napa, Calif. Lee stock is traded on the New York Stock Exchange under the symbol LEE. For more information about Lee, please visit www.lee.net.

LEE ENTERPRISES, INCORPORATED
Revenue and Statistical Summary
(Unaudited)

OPERATING REVENUE

| (Thousands) | May | | | Year to Date | | |
|-----------------------------|-----------|-----------|---------|--------------|------------|---------|
| | 2007 | 2006 | % | 2007 | 2006 | % |
| Advertising revenue: | | | | | | |
| Retail | \$ 38,669 | \$ 40,291 | (4.0) % | \$ 311,703 | \$ 316,887 | (1.6) % |
| National | 3,816 | 4,119 | (7.4) | 39,192 | 41,264 | (5.0) |
| Classified: | | | | | | |
| Daily Newspapers: | | | | | | |
| Employment | 6,805 | 7,765 | (12.4) | 54,551 | 59,331 | (8.1) |
| Automotive | 4,452 | 4,973 | (10.5) | 36,691 | 39,487 | (7.1) |
| Real estate | 4,740 | 5,263 | (9.9) | 38,764 | 41,500 | (6.6) |
| All others | 3,750 | 3,569 | 5.1 | 25,286 | 25,573 | (1.1) |
| Other publications | 4,208 | 3,797 | 10.8 | 31,540 | 29,482 | 7.0 |
| Total classified revenue | 23,955 | 25,367 | (5.6) | 186,832 | 195,373 | (4.4) |
| Online | 5,350 | 3,339 | 60.2 | 34,504 | 22,100 | 56.1 |
| Niche publications | 1,573 | 1,513 | 4.0 | 10,856 | 10,827 | 0.3 |
| Total advertising revenue | 73,363 | 74,629 | (1.7) | 583,087 | 586,451 | (0.6) |
| Circulation | 16,063 | 16,725 | (4.0) | 136,525 | 137,888 | (1.0) |
| Commercial printing | 1,462 | 1,569 | (6.8) | 11,182 | 11,456 | (2.4) |
| Online services and other | 2,694 | 2,559 | 5.3 | 21,947 | 19,759 | 11.1 |
| Total same property revenue | 93,582 | 95,482 | (2.0) | 752,741 | 755,554 | (0.4) |
| Acquisitions & divestitures | 308 | 508 | NM | 2,634 | 1,469 | NM |
| | | | | \$ | | |
| Total operating revenue | \$ 93,890 | \$ 95,990 | (2.2) % | \$ 755,375 | 757,023 | (0.2) % |

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SELECTED COMBINED PRINT AND ONLINE ADVERTISING REVENUE

| (Thousands, Same Property) | May | | | Year to Date | | |
|----------------------------|-----------|-----------|---------|--------------|------------|---------|
| | 2007 | 2006 | % | 2007 | 2006 | % |
| Retail | \$ 38,841 | \$ 39,764 | (2.3) % | \$ 311,742 | \$ 312,163 | (0.1) % |
| National | 3,816 | 4,119 | (7.4) | 39,192 | 41,264 | (5.0) |
| Classified: | | | | | | |
| Employment | \$ 10,370 | \$ 9,656 | 7.4 % | \$ 75,703 | \$ 71,189 | 6.3 % |
| Automotive | 5,941 | 6,432 | (7.6) | 48,030 | 50,333 | (4.6) |
| Real estate | 6,237 | 6,635 | (6.0) | 49,959 | 52,685 | (5.2) |
| Other | 6,586 | 6,509 | 1.2 | 47,605 | 47,990 | (0.8) |
| Total classified revenue | \$ 29,134 | \$ 29,232 | (0.3) % | \$ 221,297 | \$ 222,197 | (0.4) % |

SAME PROPERTY REVENUE BY REGION

| (Thousands) | May | | | Year to Date | | |
|----------------------|-----------|-----------|---------|--------------|------------|---------|
| | 2007 | 2006 | % | 2007 | 2006 | % |
| Midwest | \$ 56,369 | \$ 58,260 | (3.2) % | \$ 462,997 | \$ 468,828 | (1.2) % |
| Mountain West | 17,853 | 17,304 | 3.2 | 133,860 | 130,073 | 2.9 |
| West | 12,366 | 13,262 | (6.8) | 98,960 | 101,320 | (2.3) |
| East/other | 6,994 | 6,656 | 5.1 | 56,924 | 55,333 | 2.9 |
| Total, same property | \$ 93,582 | \$ 95,482 | (2.0) % | \$ 752,741 | \$ 755,554 | (0.4) % |

DAILY NEWSPAPER ADVERTISING VOLUME

| (Thousands) | May | | | Year to Date | | |
|----------------------|-------|-------|---------|--------------|--------|---------|
| | 2007 | 2006 | % | 2007 | 2006 | % |
| Retail | 1,139 | 1,209 | (5.8) % | 9,011 | 9,179 | (1.8) % |
| National | 56 | 65 | (13.8) | 477 | 557 | (14.4) |
| Classified | 1,382 | 1,447 | (4.5) | 10,415 | 10,813 | (3.7) |
| Total, same property | 2,577 | 2,721 | (5.3) % | 19,903 | 20,549 | (3.1) % |

NOTES:

- (1) Same property comparisons exclude acquisitions and divestitures made in the current and prior year. Same property revenue also excludes Lee's 50% ownership in Madison and Tucson, which are reported using the equity method of accounting.
- (2) The month had one more Thursday and one fewer Monday than the prior period. The year to date had one more Thursday and one fewer Saturday than the prior period. The former Pulitzer properties use period accounting and are not affected by day

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exchanges.

- (3) Certain amounts as previously reported have been reclassified to conform with the current period presentation. The prior period has been restated for comparative purposes, and the reclassifications have no impact on earnings.
- (4) The Company's fiscal year ends Sept. 30.
- (5) The Company disclaims responsibility for updating information beyond the release date.

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. This release contains information that may be deemed forward-looking and that is based largely on the Company's current expectations and is subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those anticipated. Among such risks, trends and other uncertainties are changes in advertising demand, newsprint prices, energy costs, interest rates, labor costs, legislative and regulatory rulings and other results of operations or financial conditions, difficulties in integration of acquired businesses or maintaining employee and customer relationships, increased capital and other costs and other risks detailed from time to time in the Company's publicly filed documents, including the Company Annual Report on Form 10-K for the year ended

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September 30, 2006. The words may, will, would, could, believes, expects, anticipates, intends, plans, projects, considers and similar expressions identify forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements, which are made as of the date of this release. The Company does not publicly undertake to update or revise its forward-looking statements.

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