

GANNETT CO INC /DE/  
Form DEF 14A  
March 24, 2011  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

Filed by the Registrant  Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Gannett Co., Inc.**

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(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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No fee required.

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Craig A. Dubow

Chairman

Chief Executive Officer

March 24, 2011

Dear Shareholder:

On behalf of your Board of Directors and management, we cordially invite you to attend the Annual Meeting of Shareholders to be held on May 3, 2011, at 10:00 a.m. at the Company's headquarters located at 7950 Jones Branch Drive, McLean, Virginia 22107.

At this meeting, our shareholders will vote on matters set forth in the accompanying Notice of Annual Meeting and Proxy Statement. I also will provide a report on our Company and will entertain questions of general interest to shareholders.

Your vote is important. Your shares should be represented at the Annual Meeting whether or not you plan to attend. If you do not wish to vote in person or if you will not be attending the Annual Meeting, you may vote by proxy. You can vote by proxy over the Internet or by telephone by following the instructions provided in the Notice of Internet Availability of Proxy Materials that was previously mailed to you or, if you requested printed copies of the proxy materials, you can also vote by mail, by telephone or on the Internet as instructed on the proxy card that you received. You may revoke your proxy and vote in person if you decide to attend the meeting.

An admission ticket is required for attendance at the Annual Meeting. Please see page 1 of the Proxy Statement for instructions about obtaining tickets.

Thank you for your continued support.

Cordially,

Craig A. Dubow

7950 Jones Branch Drive, McLean, Virginia 22107 (703) 854-6000

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**To Be Held on May 3, 2011**

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To Our Shareholders:

The 2011 Annual Meeting of Shareholders of Gannett Co., Inc. will be held at the Company's headquarters, 7950 Jones Branch Drive, McLean, Virginia, at 10:00 a.m. on May 3, 2011 for the following purposes:

- (1) to consider and act upon a proposal to elect to the Company's Board of Directors nine persons nominated by the Board of Directors;
- (2) to consider and act upon a proposal to ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the 2011 fiscal year;
- (3) to consider and act upon, by a non-binding advisory vote, a resolution to approve the compensation of our named executive officers;
- (4) to conduct a non-binding advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers; and
- (5) to transact such other business, if any, as may properly come before the Annual Meeting.

The Board of Directors has set the close of business on March 4, 2011 as the record date to determine the shareholders entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement thereof.

*YOUR VOTE IS IMPORTANT. YOUR SHARES SHOULD BE REPRESENTED AT THE ANNUAL MEETING WHETHER OR NOT YOU PLAN TO ATTEND. IF YOU DO NOT WISH TO VOTE IN PERSON OR IF YOU WILL NOT BE ATTENDING THE ANNUAL MEETING, YOU MAY VOTE BY PROXY. YOU CAN VOTE BY PROXY OVER THE INTERNET OR BY TELEPHONE BY FOLLOWING THE INSTRUCTIONS PROVIDED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS THAT WAS PREVIOUSLY MAILED TO YOU OR, IF YOU REQUESTED PRINTED COPIES OF THE PROXY MATERIALS, YOU CAN ALSO VOTE BY MAIL, BY TELEPHONE OR ON THE INTERNET AS INSTRUCTED ON THE PROXY CARD THAT YOU RECEIVED. YOU MAY REVOKE YOUR PROXY AND VOTE IN PERSON IF YOU DECIDE TO ATTEND THE MEETING.*

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An admission ticket is required for attendance at the Annual Meeting. Please see page 1 of the Proxy Statement for instructions about obtaining tickets.

By Action of the Board of Directors,

Todd A. Mayman

Senior Vice President

General Counsel and Secretary

McLean, Virginia

March 24, 2011

This Notice of Annual Meeting and Proxy Statement are first being delivered to shareholders on or about March 24, 2011.

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**PROXY STATEMENT**

**2011 ANNUAL MEETING OF SHAREHOLDERS**

**May 3, 2011**

**GENERAL INFORMATION**

**Why am I receiving this Proxy Statement?**

This Proxy Statement is being furnished to you in connection with the solicitation of proxies by our Board of Directors for the 2011 Annual Meeting of Shareholders to be held on May 3, 2011 at 10:00 a.m. at the Company's headquarters located at 7950 Jones Branch Drive, McLean, Virginia. This Proxy Statement furnishes you with the information you need in order to vote, whether or not you attend the Annual Meeting.

**On what am I being asked to vote and how does the Board recommend that I vote?**

You are being asked to vote on the Proposals below, and the Board recommends that you vote as follows:

Proposal 1 FOR the election of nine nominees named by the Board of Directors;

Proposal 2 FOR the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2011;

Proposal 3 FOR a non-binding advisory resolution to approve the compensation of the Company's named executive officers as disclosed in the Compensation Discussion and Analysis section and accompanying compensation tables and related discussion contained in this Proxy Statement; and

Proposal 4 FOR a non-binding vote to advise the Board that the Company should hold future shareholder advisory votes to approve the compensation of our named executive officers EVERY YEAR (as opposed to every two years or every three years).

In addition, if you grant a proxy, your shares will be voted in the discretion of the proxy holder on any Proposal for which you do not register a vote and any other business that properly comes before the Annual Meeting or any adjournment or postponement thereof.

**Will there be any other items of business addressed at the Annual Meeting?**

As of the date of this Proxy Statement, we are not aware of any other matter to be presented at the Annual Meeting. If any other matters properly come before the Annual Meeting, it is intended that the holders of the proxies will act in accordance with their best judgment.

**What must I do if I want to attend the Annual Meeting in person?**

Admission to the Annual Meeting is by ticket only. We will provide each shareholder with one admission ticket upon request. Either you or your proxy may use your ticket. If you are a shareholder of

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record and plan to attend the Annual Meeting, please call the Company's shareholder services department at (703) 854-6960 to request a ticket. If you hold shares through an intermediary, such as a bank or broker, and you plan to attend the Annual Meeting, please send a written request for a ticket, along with proof of share ownership, such as a bank or brokerage firm account statement or a letter from the intermediary holding your shares, confirming ownership to: Secretary, Gannett Co., Inc., 7950 Jones Branch Drive, McLean, VA 22107. Requests for admission tickets will be processed in the order in which they are received and must be received no later than April 26, 2011. To obtain directions to attend the Annual Meeting, please call the Company's shareholder services department at (703) 854-6960.

### **Who may vote at the Annual Meeting?**

If you owned Company stock at the close of business on March 4, 2011 (the Record Date), then you may attend and vote at the meeting. At the close of business on the Record Date, we had approximately 240,238,830 shares of common stock outstanding and entitled to vote. Each share is entitled to one vote on each proposal.

### **What constitutes a quorum for the Annual Meeting?**

The presence, in person or by proxy, of the holders of a majority of the shares of common stock outstanding on the Record Date will constitute a quorum to conduct business. Shares held by an intermediary, such as a banker or a broker, that are voted by the intermediary on any or all matters will be treated as shares present for purposes of determining the presence of a quorum.

### **Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?**

Pursuant to Securities and Exchange Commission (the SEC) rules, we are permitted to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the Notice) to our shareholders of record and beneficial owners. All shareholders will have the ability to access the proxy materials on a website referred to in the Notice or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. In addition, shareholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis.

Choosing to receive your future proxy materials by email or viewing them on the Internet will save us the cost of printing and mailing documents to you and will reduce the effect of our annual shareholders' meetings on the environment. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

### **What is the difference between holding shares as a shareholder of record and as a beneficial owner of shares held in street name?**

**Shareholder of Record.** If your shares are registered directly in your name with our transfer agent, Wells Fargo Shareowner Services, you are considered the shareholder of record with respect to those shares, and the Notice was sent directly to you by the Company.

**Beneficial Owner of Shares Held in Street Name.** If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, then you are the beneficial owner of

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shares held in street name, and the Notice was forwarded to you by your bank, broker or other intermediary. The organization holding your account is considered the shareholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares held in your account.

### **If I am a shareholder of record of Company shares, how do I vote?**

If you are a shareholder of record, you may vote in person at the Annual Meeting. We will give you a ballot when you arrive.

If you do not wish to vote in person or if you will not be attending the Annual Meeting, you may vote by proxy. You can vote by proxy over the Internet or by telephone by following the instructions provided in the Notice or, if you request printed copies of the proxy materials by mail, you can also vote by mail, by telephone or on the Internet.

### **If I am a beneficial owner of shares held in street name, how do I vote?**

If you are a beneficial owner of shares held in street name and you wish to vote in person at the Annual Meeting, you must obtain a valid legal proxy from the organization that holds your shares.

If you do not wish to vote in person or you will not be attending the Annual Meeting, you may vote by proxy. Follow the instructions provided to you by your bank, broker or other intermediary.

### **What happens if I do not give specific voting instructions?**

**Shareholders of Record.** If you are a shareholder of record and you:

Indicate when voting on the Internet or by telephone that you wish to vote as recommended by our Board of Directors; or

Sign and return a proxy card without giving specific voting instructions;

then the proxy holders will vote your shares in the manner recommended by our Board on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the meeting.

**Beneficial Owners of Shares Held in Street Name.** If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, under the New York Stock Exchange ( NYSE ) rules, the organization that holds your shares may generally vote on routine matters (including Proposal 2 to ratify our appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2011) but cannot vote on non-routine matters (including the uncontested director election described in Proposal 1 and the non-binding advisory votes described in Proposals 3 and 4). If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization that holds your shares will inform our Inspector of Election that it does not have the authority to vote on this matter with respect to your shares and your shares will not be voted. This is generally referred to as a broker non-vote. When our Inspector of Election tabulates the votes for any particular matter, broker non-votes will be counted for purposes of determining whether a quorum is present, but will not otherwise be counted. We encourage you to provide voting instructions to the organization that holds your shares.

**Can I change or revoke my vote?**

Yes. If you deliver a proxy by mail, by telephone or via the Internet, you have the right to revoke your proxy in writing (by mailing another proxy bearing a later date), by phone (by another call at a later

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time), via the Internet (by voting online at a later time), by attending the Annual Meeting and voting in person, or by notifying the Company before the Annual Meeting that you want to revoke your proxy. Submitting your vote by mail, telephone or via the Internet will not affect your right to vote in person if you decide to attend the Annual Meeting.

### **How many votes are required for approval of each proposal?**

Proposal 1 Election of the director nominees named in Proposal 1 requires the affirmative vote of a majority of the votes cast. Votes may be cast for, or withheld from, the election of all of the director nominees, or any of them.

Proposal 2 Ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2011, as specified in Proposal 2, requires the affirmative vote of a majority of the votes cast. Votes may be cast for or against Proposal 2, and a shareholder also may abstain from voting on the proposal. Abstentions, if any, will have the same effect as votes against Proposal 2.

Proposal 3 The non-binding advisory vote to adopt the resolution to approve the Company's executive compensation program described in this Proxy Statement requires the affirmative vote of a majority of the votes cast. Votes may be cast for or against Proposal 3, and a shareholder also may abstain from voting on the proposal. Abstentions, if any, will have the same effect as votes against Proposal 3.

Proposal 4 The favorable vote of a majority of the votes cast by the holders of the shares of Common Stock voting in person or by proxy at the meeting will be required for the approval, on an advisory basis, of the frequency of holding the say on pay vote in the future. As an advisory vote, this proposal is not binding upon the Company. In addition, since shareholders have several voting choices, it is possible that no single choice will receive a majority of the votes cast. In light of the foregoing, the Board will consider the outcome of the vote when determining the frequency of holding the say on pay vote. While the Board is making a recommendation with respect to this proposal, shareholders are being asked to vote on the choices specified above, and not whether they agree or disagree with the Board's recommendation. Abstentions, if any, will have no effect on such vote.

### **How do I vote my shares in the Company's Dividend Reinvestment and 401(k) Plans?**

If you participate in the Company's Dividend Reinvestment or 401(k) Plans, your shares of stock in those plans can be voted in the same manner as shares held of record. If you do not give instructions, your shares held in the Dividend Reinvestment Plan will not be voted. All shares in the 401(k) Plan for which no instructions are received will be voted by the trustee of the 401(k) Plan in the same proportion as instructions provided to the trustee by other 401(k) Plan participants.

### **How do I submit a shareholder proposal or nominate a director for election at the 2012 Annual Meeting?**

To be eligible for inclusion in the proxy materials for the Company's 2012 Annual Meeting, a shareholder proposal or nomination must be submitted in writing to Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary and must be received by November 25, 2011. A shareholder who wishes to present a proposal or nomination at the Company's 2012 Annual Meeting, but who does not



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request that the Company solicit proxies for the proposal or nomination, must submit the proposal to the Company at the same address no earlier than January 4, 2012 and no later than January 24, 2012.

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### **Can shareholders and other interested parties communicate directly with our Board?**

Yes. The Company invites shareholders and other interested parties to communicate directly and confidentially with the full Board of Directors, the presiding director or the non-management directors as a group by writing to the Board of Directors, the Presiding Director or the Non-Management Directors, Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary. The Secretary will forward such communications to the intended recipient and will retain copies for the Company's records.

### **How can I obtain a shareholder list?**

A list of shareholders entitled to vote at the 2011 Annual Meeting will be open to examination by any shareholder, for any purpose germane to the 2011 Annual Meeting, during normal business hours for a period of ten days before the 2011 Annual Meeting and during the 2011 Annual Meeting at the Company's offices at 7950 Jones Branch Drive, McLean, Virginia 22107.

### **What is householding ?**

We have adopted a procedure approved by the SEC called householding. Under this procedure, shareholders of record who have the same address and last name who have elected to receive paper copies of our proxy materials will receive only one copy of our 2010 Annual Report and this Proxy Statement unless one or more of these shareholders notifies us that they wish to continue receiving multiple copies. This procedure will reduce our printing costs and postage fees. However, if any shareholder residing at such an address wishes to receive a separate copy of this Proxy Statement or the Company's 2010 Annual Report, he or she may contact the Company's Secretary at Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107 or by calling the Secretary at (703) 854-6000. Any such shareholder may also contact the Secretary using the above contact information if he or she would like to receive separate Proxy Statements and Annual Reports in the future. If you are receiving multiple copies of the Company's Annual Report and Proxy Statement, you may request householding in the future by contacting the Secretary.

### **How may I obtain a copy of the Company's 2010 Annual Report?**

A copy of our 2010 Annual Report, which includes the Company's Annual Report on Form 10-K for the fiscal year ended December 26, 2010, is being provided or made available to all shareholders of record on the Record Date. As permitted by the SEC, the Company is sending a Notice of Internet Availability of Proxy Materials to all shareholders.

If you hold your shares of record on the Record Date, you may request email or paper copies of our 2010 Annual Report over the Internet, at [www.ematerials.com/gci](http://www.ematerials.com/gci), by toll-free telephone call (in the U.S. and Canada) to 1-866-697-9377, or by email at [ep@ematerials.com](mailto:ep@ematerials.com). Please put "GCI Materials Request" in the subject line and include the 3-digit company number and 11-digit control number presented on the notice.

If you hold your shares on the Record Date in street name through a bank, broker or other intermediary, you may request email or paper copies of our 2010 Annual Report over the Internet, at [www.proxyvote.com](http://www.proxyvote.com), by toll-free telephone call (in the U.S. and Canada) to 1-800-579-1639, or

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by email to [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com). Please put "Paper Material" or "E-mail Material" in the subject line, followed by the 12-digit control number presented on the notice provided by your bank or broker. Requests, instructions and other inquiries will not be forwarded to your investment advisor.

You may also obtain a copy without charge by writing to: Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary. Our 2010 Annual Report and 2010 Form 10-K are also available through the Company's website at [www.gannett.com](http://www.gannett.com). The Company's Annual Report and Form 10-K are not proxy soliciting materials.

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**PROPOSAL 1 ELECTION OF DIRECTORS**

**YOUR BOARD OF DIRECTORS**

The Board of Directors is currently composed of eleven directors, whose biographies appear below. Following the 2011 Annual Meeting, the Company will have nine directors as one current director, Donna E. Shalala, has reached the Company's mandatory retirement age for non-management directors and will retire, and one current director, Karen Hastie Williams, has decided not to stand for re-election at the 2011 Annual Meeting in order to devote more time to personal and other professional interests.

The Board of Directors held eight meetings during 2010. Each director attended at least 75% of the total number of meetings of the Board and its committees on which he or she served that were held during the period for which he or she served as a director or committee member, as applicable, during 2010. All directors then serving on the Board attended the 2010 Annual Meeting in accordance with the Company's policy that all directors attend the Annual Meeting.

Nominees elected to our Board at the 2011 Annual Meeting will serve one-year terms.

The Board believes that the nominees will be available and able to serve as directors. If any nominee becomes unable or unwilling to serve, the Board may do one of three things: recommend a substitute nominee, reduce the number of directors to eliminate the vacancy, or fill the vacancy later. The shares represented by all valid proxies may be voted for the election of a substitute if one is nominated.

The Company's By-laws provide that director nominees are elected by the vote of a majority of the votes cast with respect to the director at the meeting, unless the number of nominees exceeds the number of directors to be elected, in which case directors shall be elected by the vote of a plurality of the shares present and entitled to vote at the meeting. At the 2011 Annual Meeting, the number of nominees equals the number of directors to be elected so the majority vote standard shall apply. If an incumbent nominee does not receive an affirmative majority of the votes cast, he or she is required to submit a letter of resignation to the Board's Nominating and Public Responsibility Committee, which would recommend to the Board the action to be taken with respect to the letter of resignation. The Board is required to act on the Committee's recommendation and publicly disclose its decision and its rationale within 90 days after the election results are certified.

**DIRECTOR INDEPENDENCE**

The Board of Directors has affirmatively determined that all of our current directors other than Craig A. Dubow are independent of the Company within the meaning of the rules governing NYSE-listed companies. For a director to be independent under the NYSE rules, the Board of Directors must affirmatively determine that the director has no material relationship with the Company, either directly or as a partner, shareholder, or officer of an organization that has a relationship with the Company. To assist it in making these determinations, the Board has determined that the following categories of relationships between a director and the Company are not material:

1.

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Employment of a director or a director's immediate family member by, a director's position as a director with, or direct or indirect ownership by a director or a director's immediate family member of a 10% or greater equity interest in, another company or organization that made payments to, or received payments from, the Company or any of its subsidiaries for property or services in an amount which, in each of the last three fiscal years, did not exceed the greater of \$1 million or 2% of such other company's consolidated gross revenues; and

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2. A relationship of a director or a director's immediate family member with a charitable organization, as an executive officer, board member, trustee or otherwise, to which the Company or any of its subsidiaries has made, in any of the last three fiscal years, charitable contributions of not more than the greater of \$100,000 or 2% of such charitable organization's consolidated gross revenues.

In making its independence determinations, our Board considered all relationships, direct and indirect, between each director and our Company that were identified on questionnaires provided by each Board member. The responses to those questionnaires indicated that there were no relationships between any director (other than Mr. Dubow) and the Company other than two types of relationships that the Board has determined not to be material in accordance with these objective standards:

Board member service at charitable organizations to which the Gannett Foundation made contributions within the permitted thresholds identified above; and

sales by the Company of advertising and purchases by the Company of property and services, on customary terms and conditions and in amounts within the permitted thresholds identified above, to and from other companies or organizations at which Board members or their immediate family members are employed, for which Board members serve as directors or in which Board members or their immediate family members directly or indirectly own a 10% or greater equity interest.

Consistent with the NYSE rules, the Company's Principles of Corporate Governance call for the Company's non-management directors to meet in regularly scheduled executive sessions without management as they deem appropriate. The Company's non-management directors held five executive sessions in 2010, and will meet in executive sessions as appropriate throughout 2011. The Board has established the role of a presiding director, elected by the independent directors. Karen Hastie Williams served as presiding director from 2004 until February 2011. Duncan M. McFarland was elected as the presiding director in February 2011 and will continue in that role for the remainder of 2011. The presiding director's responsibilities include:

presiding at all executive sessions of non-management directors and at meetings of the full Board if the Chairman is not present;

serving as liaison on Board-wide issues between the Chairman and CEO and the non-management directors, although Company policy also provides that all directors shall have direct and complete access to the Chairman and CEO at any time as they deem necessary or appropriate, and vice versa;

in consultation with the Chairman and CEO, reviewing and approving Board meeting agendas and materials;

in consultation with the Chairman and CEO, reviewing and approving meeting schedules to assure there is sufficient time for discussion of all agenda items;

calling meetings of the non-management directors, if desired; and

being available when appropriate for consultation and direct communication if requested by shareholders.

**BOARD LEADERSHIP STRUCTURE**

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The Company combines the positions of Chairman and CEO. The Company believes that this is the best leadership structure for the Company because the CEO is the person best suited to set the agendas, priorities and procedures of the Board and to lead discussions of the Company's strategy due to his in-depth knowledge of the Company's business. In addition, combining the positions of Chairman and CEO makes clear who is responsible for managing the Company's business, under the oversight and review of the Board.

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Combining the positions of Chairman and CEO has not compromised the Board's independent oversight of management. The Board's independent oversight continues to be substantial. As referenced above, all directors on the Board other than Mr. Dubow, our Chairman and CEO, are independent under the rules governing NYSE-listed companies. Further, each of the Board's Audit, Executive Compensation and Nominating and Public Responsibility Committees are composed entirely of independent directors and these independent committees of the Board are given the authority under their respective charters to hire independent advisors and consultants, at Company expense, to assist them in carrying out their duties.

In addition to the independence safeguards mentioned above, the Company has established effective principles of corporate governance which describe the Board's practices and methods of self-evaluation in detail in order to promote transparency with shareholders. As well, the Company has an independent, non-management presiding director who chairs regularly scheduled executive sessions of the Company's non-management directors. The presiding director's responsibilities are described above.

## **THE BOARD'S ROLE IN RISK OVERSIGHT**

The Board believes that evaluating how senior management identifies, assesses, manages and monitors the various risks confronting the Company is one of its most important areas of oversight. In carrying out this critical responsibility, the Board oversees the Company's risk management function through regular discussions with senior management.

While the Board has primary responsibility for overseeing the Company's risk management function, each committee of the Board also considers risk within its area of responsibility. For example, the Audit Committee is primarily responsible for reviewing risks relating to accounting and financial controls and the Executive Compensation Committee reviews risks related to compensation matters. The Board is apprised by the committee chairs of significant risks and management's response to those risks via periodic reports. While the Board and its committees oversee the Company's risk management function, management is responsible for implementing day-to-day risk management processes and reporting to the Board and its committees on such matters.

With respect to risk related to compensation matters, the Compensation Committee has reviewed the Company's executive compensation program and has concluded that the program does not create risks that are reasonably likely to have a material adverse effect on the Company. The Compensation Committee believes that the design of the Company's annual cash and long-term equity incentives provides an effective and appropriate mix of incentives to help ensure the Company's performance is focused on long term profitability and stockholder value creation and does not encourage unnecessary or excessive risk taking at the expense of long-term results.

## **DIRECTOR BIOGRAPHIES**

The principal occupation and business experience of the Board's nominees and of the directors who are not standing for re-election are described below.

### **Nominees**



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The following director nominees are currently serving on the Board and have been nominated to stand for re-election at the 2011 Annual Meeting for a one-year term. The Board of Directors unanimously recommends that the shareholders of the Company vote FOR the election of the nominees to serve as directors.

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**John E. Cody**

Mr. Cody, 64, served as Executive Vice President and Chief Operating Officer of Broadcast Music, Inc. from November 2006 until his retirement in November 2010. Previously, he served as BMI's Senior Vice President and Chief Financial Officer from 1999 to 2006. Before joining BMI, he served as Vice President/Controller of the Hearst Book Group and Vice President/Finance and Chief Financial Officer for the U.S. headquarters of LM Ericsson. Mr. Cody has broad business, music broadcast and publishing industry experience and financial expertise from the various senior management roles he held with BMI, Hearst and Ericsson. He is also Chairman of the Tennessee Performing Arts Center. He has been a Gannett director since February 2011.

**Craig A. Dubow**

Mr. Dubow, 56, is Chairman and Chief Executive Officer of Gannett. He became President and CEO and a director of Gannett in July 2005, and Chairman of Gannett in July 2006, and served as Chairman, President and CEO until February 1, 2010. He was President and CEO of the Gannett Broadcast Division from 2001 to July 2005, and was President of the Gannett Broadcast Division from 2000 to 2001. He has served the Company in various other executive capacities since 1981. Mr. Dubow is also a director of the Associated Press and Broadcast Music, Inc.

**Howard D. Elias**

Mr. Elias, age 53, is President and Chief Operating Officer, EMC Information Infrastructure and Cloud Services. Previously, he served as President, EMC Global Services and Resource Management Software Group, and Executive Vice President, EMC Corporation from September 2007 to September 2009 and as Executive Vice President, Global Marketing and Corporate Development, at EMC Corporation from October 2003 to September 2007. Mr. Elias has broad business experience and expertise in information technology issues as a result of the various positions he has held with EMC, Hewlett-Packard Company, Compaq, Digital, AST Research and Tandy Corporation. He has been a Gannett director since 2008.

**Arthur H. Harper**

Mr. Harper, 55, has served as Managing Partner of GenNx360 Capital Partners, a private equity firm focused on business to business companies, since January 2006. Previously, he served as President and CEO of General Electric's Equipment Services division from 2001 to 2005. Mr. Harper has broad business experience and financial expertise from the various senior management roles he held with General Electric. He is also a director of Monsanto Company. He has been a Gannett director since 2006.

**John Jeffrey Louis**

Mr. Louis, 48, was Co-Founder of Parson Capital Corporation, a Chicago-based private equity and venture capital firm, and served as its Chairman from 1992 to 2007. He is currently a director of S.C. Johnson and Son, Inc. and Johnson Financial Group, Inc., a trustee of Northwestern University and the Chicago Council on Global Affairs and a commissioner of the US-UK Fulbright Commission. Mr. Louis has

broad business experience, financial expertise and experience as an entrepreneur from his years of experience in the venture capital industry and having co-founded a number of companies. He has been a Gannett director since 2006.

**Marjorie Magner**

Ms. Magner, 61, is Managing Partner of Brysam Global Partners, a private equity firm investing in financial services firms with a focus on consumer opportunities in emerging markets founded in

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January 2007. She was Chairman and CEO of Citigroup's Global Consumer Group from 2003 to 2005. She served in various roles at Citigroup, and a predecessor company, CitiFinancial (previously Commercial Credit), since 1987. Ms. Magner currently serves as a director of Accenture Ltd. and Ally Financial Inc. and served as a director of The Charles Schwab Corporation from February 2006 to May 2008. Ms. Magner has broad business experience and financial expertise from the various senior management roles she held with Citigroup. She has been a Gannett director since 2006.

### **Scott K. McCune**

Mr. McCune, age 54, has served as Vice President and Director, Integrated Marketing at The Coca-Cola Company since January 2005. He was Vice President Worldwide Media, Vice President Worldwide Sports at The Coca-Cola Company between 2001 and 2004. Mr. McCune has broad business experience and expertise in consumer marketing strategies from the various senior management roles which he has held with The Coca-Cola Company. He has been a Gannett director since 2008.

### **Duncan M. McFarland**

Mr. McFarland, 67, was Chairman and CEO of Wellington Management Company, LLP from 1994 until his retirement in 2004. He served in various roles at Wellington Management Company since 1965. He is a director of NYSE Euronext, Inc., and The Asia Pacific Fund, Inc., a closed-end registered investment company traded on the NYSE. Mr. McFarland has broad business experience and financial expertise from the various senior management roles he held with Wellington Management Company. He has been a Gannett director since 2004.

### **Neal Shapiro**

Mr. Shapiro, 53, is President and CEO of WNET, the public television company which operates Thirteen/WNET and WLIW21, the largest and third largest public television stations in the country. Before joining WNET in February 2007, Shapiro served in various executive capacities with the National Broadcasting Company beginning in 1993 and was president of NBC News from May 2001 to September 2005. He also is on the board of trustees of American Public Television, the advisory board of Investigative Reporters and Editors (IRE), the Board of Trustees at Tufts University, and the alumni board of the Communications and Media Studies program at Tufts University. Mr. Shapiro has broad business experience and expertise in broadcasting, news reporting and First Amendment issues from the various senior management roles he has held with WNET and NBC. He has been a Gannett director since 2007.

### **Directors Not Standing for Reelection**

Donna E. Shalala will not be standing for re-election at the 2011 Annual Meeting because she has reached the Company's mandatory retirement age for non-management directors and will retire. Ms. Shalala, 70, has served as President of the University of Miami since 2001. She was Secretary of the United States Department of Health and Human Services from 1993 to 2001. Ms. Shalala currently serves as a director of Lennar Corporation and MEDNAX, Inc. and she served as a director of UnitedHealth Group from March 2001 to June 2007. Ms. Shalala has broad business and government experience and expertise in education and public health issues. She has served as a Gannett director since 2001 and we are grateful for her long-time dedication to Gannett and its shareholders.

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Karen Hastie Williams has decided not to stand for re-election at the 2011 Annual Meeting in order to devote more time to personal and other professional interests. Ms. Williams, 66, is a retired partner at the law firm of Crowell & Moring, Washington, DC. She is a director of the National Association of

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Corporate Directors and SunTrust Banks, Inc. Ms. Williams previously served as a director of The Chubb Corporation from December 2000 to November 2010, Continental Airlines, Inc. from May 1993 to September 2010 and WGL Holdings, Inc., the parent company of Washington Gas Light Company, from November 2000 to December 2010. She has broad business, government and public service experience and financial expertise from her service on the audit committees of a number of companies. Ms. Williams has served as a Gannett director since 1997 and we are grateful for her long-time dedication to Gannett and its shareholders.

**COMMITTEES OF THE BOARD OF DIRECTORS**

The Board of Directors conducts its business through meetings of the Board and its five committees: the Audit Committee, Digital Technology Committee, Executive Committee, Executive Compensation Committee, and Nominating and Public Responsibility Committee. The current members of each committee are:

	<b>Audit Committee</b>	<b>Digital Technology Committee</b>	<b>Executive Committee</b>	<b>Executive Compensation Committee</b>	<b>Nominating and Public Responsibility Committee</b>
Craig A. Dubow		x	Chair		
Howard D. Elias		x			
Arthur H. Harper				x	Chair
John Jeffry Louis	x	Chair			
Marjorie Magner	Chair		x	x	
Scott K. McCune		x			x
Duncan M. McFarland	x		x	Chair	
Donna E. Shalala		x			x
Neal Shapiro		x			x
Karen Hastie Williams	x			x	

John Cody, who joined the Board in February 2011, has not yet been appointed to any Board committees.

**AUDIT COMMITTEE**

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The Audit Committee assists the Board of Directors in its oversight of financial reporting practices and the quality and integrity of the financial reports of the Company. Each member of the Audit Committee meets the independence requirements of the SEC as well as those of the NYSE. In addition, the Board has determined that Duncan M. McFarland is an audit committee financial expert, as that term is defined under the SEC rules. This Committee met nine times in 2010.

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**DIGITAL TECHNOLOGY COMMITTEE**

The Digital Technology Committee assists the Board of Directors in its oversight of the Company's digital strategy and initiatives. The Committee's duties and responsibilities include reviewing and evaluating the Company's digital strategy, operational plans and initiatives. This Committee met four times in 2010.

**EXECUTIVE COMMITTEE**

The Executive Committee may exercise the authority of the Board between Board meetings, except as limited by Delaware law. This Committee did not meet in 2010.

**EXECUTIVE COMPENSATION COMMITTEE**

The Executive Compensation Committee has overall responsibility for approving and evaluating the compensation plans, principles and programs of the Company. The Committee's duties and responsibilities include reviewing and approving on an annual basis corporate goals and objectives relevant to compensation of the Company's Chairman and CEO, President and Chief Operating Officer (COO) and other senior executives, including members of the Gannett Management Committee, the Gannett U.S. Community Publishing Operating Committee, the Gannett Broadcast Operating Committee and other Company and divisional officers. This Committee met six times in 2010.

The Committee has primary responsibility for administering the Company's equity incentive plans and in that role is responsible for making grants of stock options (SOs) and restricted stock units (RSUs) to our senior executives. The Committee historically has delegated the authority for approving grants of SOs and RSUs to employees, other than our senior executives mentioned above, to the Chairman and CEO, within the parameters of a pool of shares approved by the Committee. This provides flexibility for equity grants to be made to employees below the senior management level who are less familiar to the Committee.

In November 2007, the Committee hired independent consultant Pearl Meyer & Partners ( PM&P ) to advise on executive compensation matters. Under the terms of the Committee's agreement with PM&P, the consultant is prohibited from doing any other business for the Company or its management, and the Committee may contact PM&P without any interaction from Company management. This ensures the independence of the Committee's compensation consultant.

The PM&P consultant participates in Committee meetings as requested by the chairman of the Committee and communicates directly with the chairman of the Committee outside of meetings. In 2010, the PM&P consultant specifically provided the following services:

Participated in Committee executive sessions without management present to discuss CEO compensation and other relevant matters, including the appropriate relationship between pay and performance;



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Provided advice to the Committee regarding other aspects of the Company's executive compensation program, including plan design, best practices and other matters as requested by or on behalf of the Committee; and

Reviewed the compensation, discussion and analysis section of this Proxy Statement.

Beginning in early 2010, management retained Meridian Compensation Partners, LLC as its executive compensation consultant to assist it in analyzing total rewards practices and trends.

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**NOMINATING AND PUBLIC RESPONSIBILITY COMMITTEE**

The Nominating and Public Responsibility Committee is charged with identifying individuals qualified to become Board members, recommending to the Board candidates for election or re-election to the Board, and considering from time to time the Board committee structure and makeup. The Committee also monitors the Company's human resources practices, including its performance in diversity and equal employment opportunity, monitors the Company's performance in meeting its obligations of fairness in internal and external matters, and takes a leadership role with respect to the Company's corporate governance practices. This Committee met three times in 2010.

The Nominating and Public Responsibility Committee charter sets forth certain criteria for the Committee to consider in evaluating potential director nominees. In addition to evaluating a potential director's independence, the Committee considers whether director candidates have relevant experience in business and industry, government, education and other areas, and monitors the mix of skills and experience of directors in order to assure that the Board has the necessary breadth and depth to perform its oversight function effectively. The charter also encourages the Committee to work to maintain a board that reflects the diversity of the communities we serve. The Committee evaluates potential candidates against these requirements and objectives. For those director candidates who appear upon first consideration to meet the Committee's criteria, the Committee will engage in further research to evaluate their candidacy. The members of the Nominating and Public Responsibility Committee and Board of Directors complete an annual questionnaire assessing the effectiveness of the Committee's performance, including the Committee's process for identifying nominees who are qualified to become Board members in light of various factors set forth in the Committee's charter, and then discuss the results of the questionnaire and their views of the Committee's performance.

The Nominating and Public Responsibility Committee historically has relied primarily on recommendations from management and members of the Board to identify director nominee candidates. However, the Committee will consider timely written suggestions from shareholders. Shareholders wishing to suggest a candidate for director nomination for the 2012 Annual Meeting should mail their suggestions to Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary. Suggestions must be received by the Secretary of the Company no later than January 24, 2012. The manner in which the Committee evaluates director nominee candidates suggested by shareholders will not differ from the manner in which the Committee evaluates candidates recommended by other sources.

In addition to the criteria described above, the Company's Principles of Corporate Governance require each director to own, directly, beneficially, or through the Company's Deferred Compensation Plan, at least 1,000 shares of Company stock upon joining the Board of Directors, and to increase their ownership to at least 10,000 shares within five years after joining the Board. Each director meets or exceeds the applicable share ownership requirement. The By-laws of the Company establish mandatory retirement ages of 70 for directors who have not been executives of the Company and 65 for directors who have served as executives, except that the Board of Directors may extend the retirement age beyond 65 for directors who are or have been the CEO of the Company. The Company's Principles of Corporate Governance also provide that a director who retires from, or has a material change in responsibility or position with, the primary entity by which that director was employed at the time of his or her election to the Board of Directors shall offer to submit a letter of resignation to the Nominating and Public Responsibility Committee for its consideration. The Committee will make a recommendation to the Board of Directors on whether to accept or reject the resignation, or whether other action should be taken.

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**COMMITTEE CHARTERS**

The written charters governing the Audit Committee, the Digital Technology Committee, the Executive Compensation Committee and the Nominating and Public Responsibility Committee, as well as the Company's Principles of Corporate Governance, are posted on the Corporate Governance page of the Company's website at [www.gannett.com](http://www.gannett.com). You may also obtain a copy of any of these documents without charge by writing to: Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary.

**ETHICS POLICY**

The Company has long maintained a code of conduct and ethics (the Ethics Policy) that sets forth the Company's policies and expectations. The Ethics Policy, which applies to every Company director, officer and employee, addresses a number of topics, including conflicts of interest, relationships with others, corporate payments, disclosure policy, compliance with laws, corporate opportunities and the protection and proper use of the Company's assets. The Ethics Policy meets the NYSE's requirements for a code of business conduct and ethics as well as the SEC's definition of a code of ethics applicable to the Company's senior officers. Neither the Board of Directors nor any Board committee has ever granted a waiver of the Ethics Policy.

The Ethics Policy is available on the Corporate Governance page of the Company's website at [www.gannett.com](http://www.gannett.com). You may also obtain a copy of the Ethics Policy without charge by writing to: Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary. Any additions or amendments to the Ethics Policy, and any waivers of the Ethics Policy for executive officers or directors, will be posted on the Corporate Governance page of the Company's website and similarly provided to you without charge upon written request to this address.

The Company has a telephone hotline for employees and others to submit their concerns regarding violations or suspected violations of law and for reporting any concerns regarding accounting or auditing matters on a confidential anonymous basis. Employees and others can report concerns by calling 1-800-234-4206 or by emailing or writing to the addresses provided on the Corporate Governance page of the Company's website. Any concerns regarding accounting or auditing matters so reported will be communicated to the Company's Audit Committee.

**REPORT OF THE AUDIT COMMITTEE**

The Audit Committee assists the Board of Directors in its oversight of financial reporting practices and the quality and integrity of the financial reports of the Company, including compliance with legal and regulatory requirements, the independent registered public accounting firm's qualifications and independence, and the performance of the Company's internal audit function. The Audit Committee appoints the Company's independent registered public accounting firm. The Committee also provides oversight of the Company's internal audit function including the review of proposed audit plans and the coordination of such plans with the Company's independent registered public accounting firm. The Audit Committee oversees the adequacy and effectiveness of the Company's accounting and financial controls and the guidelines and policies that govern the process by which the Company undertakes risk assessment and risk management. The Audit Committee also is responsible for reviewing compliance with the Company's Ethics Policy and assuring appropriate disclosure of any waiver of or change in the Ethics Policy for executive officers, and for reviewing the Ethics Policy on a regular basis and proposing or adopting additions or amendments to the Ethics Policy as appropriate. In connection with the Ethics Policy, the Audit Committee has established procedures for the receipt, retention and

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treatment of complaints received by the Company regarding accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of any accounting or auditing concerns. The Audit Committee operates under a formal written charter that has been adopted by the Board of Directors.

The Audit Committee members are not professional accountants or auditors, and their role is not intended to duplicate or certify the activities of management and the independent registered public accounting firm, nor can the Committee certify that the independent registered public accounting firm is independent under applicable rules. The Committee serves a board-level oversight role, in which it provides advice, counsel and direction to management and the independent registered public accounting firm on the basis of the information it receives, discussions with management and the independent registered public accounting firm, and the experience of the Committee's members in business, financial and accounting matters.

During fiscal years 2009 and 2010, the Company's independent registered public accounting firm for each of those years, Ernst & Young LLP (E&Y), billed the Company the following fees and expenses:

	<u>2009</u>	<u>2010</u>
<i>Audit Fees(2)</i>	\$ 3,858,000	\$ 3,280,000
<i>Audited-Related Fees(3)</i>	\$ 99,000	\$ 209,000
<i>Tax Fees(4)</i>	\$ 969,000	\$ 648,000
<i>All Other Fees(5)</i>	\$ 0	\$ 0
<i>Total(1)</i>	<u>\$ 4,926,000</u>	<u>\$ 4,137,000</u>

- (1) The total fees reflected above for 2009 and 2010 include amounts for CareerBuilder, LLC, in which the Company acquired a 50.8% controlling interest in September 2008. These fees total \$573,000 and \$440,000 for 2009 and 2010, respectively, and represent 100% of the amounts billed by E&Y related to services provided to CareerBuilder, LLC, although the Company's actual share is 50.8% of the total CareerBuilder, LLC fees.
- (2) Audit Fees principally relate to professional services rendered in connection with the annual integrated audit of the consolidated financial statements and internal control over financial reporting, the review of quarterly reports on Form 10-Q, and statutory audits required internationally. Fees for CareerBuilder, LLC for audit services in 2009 and 2010 were \$544,000 and \$440,000, respectively.
- (3) Audit-Related Fees principally relate to professional services rendered in connection with the audits of employee benefit plans. All of these services were pre-approved by the Audit Committee as described below.
- (4) Tax Fees principally relate to tax planning services and advice in the U.S. and the U.K. CareerBuilder, LLC fees for these tax services in 2009 were \$29,000. All of these services were pre-approved by the Audit Committee as described below.
- (5) No services were rendered during either 2009 or 2010 that would cause E&Y to bill the Company amounts constituting All Other Fees.

The Audit Committee has adopted a policy for the pre-approval of services provided by the Company's independent registered public accounting firm. Under the policy, particular services or categories of services have been pre-approved, subject to a specific budget. Periodically, but at least annually, the Audit Committee reviews and approves the list of pre-approved services and the maximum threshold cost of performance of each. The Audit Committee is provided with a status update on all E&Y services periodically throughout the year and discusses such services with



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management and E&Y. Pursuant to its pre-approval policy, the Audit Committee has delegated pre-approval authority for services provided by E&Y to its Chair, Marjorie Magner. Ms. Magner may pre-approve up to \$100,000 in services provided by E&Y, in the aggregate at any one time, without consultation with the full Audit Committee, provided she reports such approved items to the Audit Committee at its next scheduled meeting. In determining whether a service may be provided pursuant to the pre-approval policy, consideration is given to whether the proposed service would impair the independence of the independent registered public accounting firm.

In connection with its review of the Company's 2010 audited financial statements, the Audit Committee received from E&Y written disclosures regarding E&Y's independence in accordance with applicable requirements of the Public Company Accounting Oversight Board, including a detailed statement of any relationships between E&Y and the Company that might bear on E&Y's independence, and has discussed with E&Y its independence. The Audit Committee considered whether the provision of non-audit services by E&Y is compatible with maintaining E&Y's independence. E&Y stated that it believes it is in full compliance with all of the independence standards established by the various regulatory bodies. The Audit Committee also discussed with E&Y various matters required to be discussed by Statements on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1, AU Section 380), as adopted by the PCAOB in Rule 3200T, including, but not limited to, the selection of and changes in the Company's significant accounting policies, the basis for management's accounting estimates, E&Y's conclusions regarding the reasonableness of those estimates, and the disclosures included in the financial statements.

The Audit Committee met with management, the Company's internal auditors and representatives of E&Y to review and discuss the Company's audited financial statements for the fiscal year ended December 26, 2010. Based on such review and discussion, and based on the Audit Committee's reviews and discussions with E&Y regarding the various matters mentioned in the preceding paragraph, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Form 10-K covering the 2010 fiscal year, and the Board has approved that recommendation.

Audit Committee

Marjorie Magner, Chair

John Jeffrey Louis

Duncan M. McFarland

Karen Hastie Williams

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**PROPOSAL 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC**

**ACCOUNTING FIRM**

The Audit Committee of the Board of Directors has appointed Ernst & Young LLP as the Company's independent registered public accounting firm for our fiscal year ending December 25, 2011. E&Y also served as the Company's independent registered public accounting firm for our 2010 fiscal year. The Board of Directors is submitting the appointment of E&Y as the Company's independent registered public accounting firm for shareholder ratification at the 2011 Annual Meeting. The Board of Directors unanimously recommends that the shareholders of the Company vote FOR the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the current year.

A representative of E&Y is expected to be present at the 2011 Annual Meeting. The E&Y representative will have an opportunity to make a statement if he or she desires to do so and will be available to respond to appropriate questions from shareholders.

Our By-laws do not require that the shareholders ratify the appointment of E&Y as our independent registered public accounting firm. We are seeking ratification because we believe it is a good corporate governance practice. If the shareholders do not ratify the appointment, the Audit Committee will reconsider whether to retain E&Y, but may retain E&Y as the Company's independent registered public accounting firm. Even if the appointment is ratified, the Audit Committee in its discretion may change the appointment at any time during the year if it determines that a change would be in the best interests of the Company and its shareholders.

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### EXECUTIVE COMPENSATION

#### COMPENSATION DISCUSSION AND ANALYSIS

In this Compensation Discussion and Analysis section, references to the Committee are to the Executive Compensation Committee of the Board of Directors. References to NEOs are to our Named Executive Officers, which for the 2010 fiscal year consisted of: Craig A. Dubow (Chairman and CEO); Gracia C. Martore (President and COO); Paul N. Saleh (Senior Vice President and CFO); Robert J. Dickey (President/U.S. Community Publishing); David L. Hunke (President and Publisher/USA TODAY); and David T. Lougee (President/Broadcasting).

#### Guiding Principles

In making compensation decisions, the Committee is guided by the following principles:

**Fairness** We believe that compensation should be fair to both executives and shareholders, externally competitive, and designed to align closely the interests of our executives with those of our shareholders.

**Pay for performance** We believe that compensation should place a heavy emphasis on pay for performance and that substantial portions of total compensation should be at risk.

**Attract, retain and motivate** We are committed to attracting and retaining superior management talent by offering a compensation structure that motivates key employees to ensure our overall success and long-term strength.

**Promote stock ownership** We are committed to fostering a compensation structure that aligns our executives' interests with those of our shareholders. We expect our NEOs to increase their stock ownership until they reach a minimum guideline amount of five times their pay grade base salary range midpoint (shares acquired are valued at the market price of the stock on the date they were acquired, except that shares acquired before November 2008 are valued at the average market price of the stock between October 2000 and October 2008). We expect other key senior executives to increase their stock ownership until they reach a minimum guideline amount of two times their pay grade base salary range midpoint.

**Pay competitively** We are committed, as a leader in our industry, to awarding compensation that both reflects our position in the market and is in line with that paid to executives holding similar positions at peer and comparable companies.

#### Recent Executive Compensation Policy Changes

In connection with a review of its executive compensation practices, on April 15, 2010, the Committee adopted a policy that (i) the Company will no longer include in new or materially amended agreements entered into by the Company with its executive officers (a) excise tax gross-ups with respect to payments contingent upon a change in control or (b) a modified single trigger for payments contingent upon a change in control, and (ii) any new participant in the Gannett Transitional Compensation Plan (TCP) on or after April 15, 2010, including Mr. Saleh, will not be entitled to the benefit of the TCP's excise tax gross-up or modified single trigger provisions. However, participants in the TCP and executive



officers who entered into agreements with the Company prior to April 15, 2010, including Mr. Dubow, Ms. Martore, Mr. Dickey, Mr. Hunke and Mr. Lougee, will be grandfathered and will continue to be entitled to the benefit of the excise tax gross-up and modified single trigger provisions in the TCP and such agreements.

**Table of Contents****Overview of Executive Compensation Program**

The Company has designed an executive compensation program comprised of several components, as illustrated in the following table, and as more fully discussed in the pages that follow.

<b>Program</b>	<b>Component</b>	<b>Description</b>	<b>Objective</b>
<b>Cash Compensation</b>	Base	Pay for service in executive role.	Retention. Base salary adjustments also allow the Committee to reflect an individual's performance or changed responsibilities.
	Salary		
	Annual	Annual cash bonus based on the Committee's assessment of each NEO's contributions to Company-wide performance and achievement of key performance indicators.	Retention. To reward performance in attainment of individual and Company qualitative and quantitative performance goals.
	Bonus		
<b>Long-Term Incentives</b>	Stock Options (SOs)	Long-term program consisting of SO grants with a four-year vesting period and an eight-year SO term.	To reward for increases in shareholder value and help align ownership interests of management with shareholders.
	Restricted Stock Units (RSUs)	Long-term program providing for delivery of shares of common stock upon continued employment for a full four-year vesting period.	To retain and motivate executives in a challenging business environment and to reward for increases in shareholder value
<b>Benefits and Perquisites</b>		Executives participate in employee benefit plans available to most Company employees, including medical, life insurance, disability plans and receive certain other perquisites.	Employee benefit plans provide insurance protection for our executives and their families. Perquisites help minimize distractions from important initiatives, complement other compensation components, and enable the Company to attract and retain the best management talent.

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<b>Program</b>	<b>Component</b>	<b>Description</b>	<b>Objective</b>
<b>Post-Termination Pay</b>	Gannett Supplemental Retirement Plan (SERP)	Retirement plan that allows certain executives to receive total retirement benefits in excess of those permitted under IRS limits. For most participants, SERP benefits were frozen in August 2008. Executives whose SERP benefits were not frozen accrue benefits at a rate that is one-third less than their pre-August 2008 accrual rate and do not receive the benefit enhancements made to the 401(k) Plan or the DCP.	To provide for executive retirement benefits that cannot be provided under a tax-qualified retirement plan.
	Gannett Deferred Compensation Plan (DCP)	Retirement plan that allows certain executives the opportunity to defer to future years all or part of their base salary and incentive bonus and, beginning in August 2008, to provide benefits in relation to pay while employed comparable to those available to other Company employees.	To allow certain executives to save towards retirement by deferring their own compensation and, beginning in August 2008, to provide for benefits that cannot be provided under the tax-qualified Gannett 401(k) Savings Plan (401(k) Plan) due to applicable IRS limits.
	Gannett Transitional Compensation Plan (TCP)	Severance pay arrangement that provides payment in the event of an involuntary termination without cause, a voluntary termination for good reason or, in the case of executives participating in the TCP before April 15, 2010 (but not those who first participate in the TCP on or after that date), a voluntary termination within 30 days after the first anniversary of a change in control (the right to receive change in control severance benefits upon an executive's voluntary election to terminate employment without good reason and within a specified window period following a change in control is referred to as a modified single trigger provision).	To provide assurance that the Company would retain top talent and have the continued dedication of, and the availability of objective advice and counsel from, our NEOs and other key executives notwithstanding the possibility, threat or occurrence of a change in control and to promote retention and continuity of our NEOs and certain key executives for at least one year after a change in control.

**Table of Contents****Market Competitiveness: Peer Group and Comparable Group Analysis**

Under the direction of our Chairman and CEO, President and COO, Senior VP/Human Resources and Vice President/Total Rewards, the Company collects market data of certain corporations annually to compare NEO compensation at our Company to that of our peer group of publishing and broadcasting companies (Peer Group), and to that of companies with revenues and ratios of profit to revenue comparable to ours (Comparable Group). These members of senior management use this and similar information to provide context for their compensation recommendations to the Committee.

***2010 Peer Group***

A. H. Belo Corporation  
Journal Communications, Inc.  
Lee Enterprises, Inc.  
The McClatchy Company

Media General, Inc.  
The New York Times Company  
The E.W. Scripps Company

***2010 Comparable Group***

Advance Auto Parts Inc.  
AGCO Corporation  
AGL Resources Inc.  
Alliance Data Systems Corporation  
Argo Group International Holdings, Ltd.  
BB&T Corporation  
Cablevision Systems Corporation  
Calpine Corporation  
Campbell Soup Company  
CBS Corporation  
The Clorox Company  
CMS Energy Corporation  
Comcast Corporation  
Cooper Industries plc  
DaVita Inc.  
The DirecTV Group, Inc.  
Discovery Communications, Inc.  
DISH Network Corporation  
Dover Corporation  
Dr Pepper Snapple Group, Inc.  
EMCOR Group, Inc.  
Enbridge Energy Partners, L.P.  
Fidelity National Financial, Inc.

First American Financial Corporation  
Flowserve Corporation  
F.N.B. Corporation  
Fortune Brands, Inc.  
Gap Inc.  
Genzyme Corporation  
Goodrich Corporation  
Hasbro, Inc.  
The Hershey Company  
Hormel Foods Corporation  
Mattel, Inc.  
McCormick & Company, Incorporated  
McDermott International, Inc.  
The McGraw-Hill Companies, Inc.  
MeadWestvaco Corporation  
Mediacom Communications Corporation  
Meredith Corporation  
News Corporation  
Nexen Inc.  
NII Holdings, Inc.  
NiSource Inc.  
NSTAR

OGE Energy Corp.  
Pactiv Corporation  
Peabody Energy Corporation  
Pitney Bowes Inc.  
Quest Diagnostics Incorporated  
Regal Entertainment Group  
Royal Caribbean Cruises Ltd.  
R.R. Donnelley & Sons Company  
Scholastic Corporation  
Southern Union Company  
SuperMedia Inc.  
Symantec Corporation  
Time Warner Cable Inc.  
Time Warner Inc.  
V. F. Corporation  
Viacom Inc.  
The Walt Disney Company  
The Washington Post Company  
Watson Pharmaceuticals, Inc.  
Wiley John & Sons, Inc.  
Wisconsin Energy Corporation  
W.W. Grainger, Inc.  
Wyndham Worldwide Corporation

**How Amounts and Types of Compensation are Determined**

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In determining NEO compensation, the Committee relies on its collective judgment of each NEO's performance in light of the challenges confronting our core businesses and our progress toward achieving our strategic plan, which is focused on competing successfully in digital businesses.

*Key performance indicators:* The Committee makes its determinations regarding NEO compensation by measuring each NEO's progress against their key performance indicators (KPIs). KPIs consist of individually designed qualitative and quantitative goals organized around individual,

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operating unit and/or Company performance in the areas of profit, product and people. Qualitative KPIs include, where appropriate, measures of leadership, innovation, collaboration, new products and programs in support of the Company's strategic plan, diversity initiatives, First Amendment activities, and other significant qualitative objectives. Quantitative KPIs include, where appropriate, revenue and operating income goals for the Company and the respective divisions and functions over which each NEO has operational or overall responsibility. In addition, the Committee weighs subjective and objective information regarding our NEOs, including the complexity and responsibilities of the position, term of service, competitive alternatives in the marketplace, and internal pay equity. The CEO's KPIs are heavily weighted toward the Company's financial performance, long-term shareholder return, and the execution of a strategic plan that positions the Company for the future.

### ***Base Salary***

The Committee annually reviews the base salary of each NEO using a variety of factors, including:

the nature and responsibility of the NEO's position, as reflected by the salary grade assigned to each NEO;

a comparison of NEO base salaries to ensure internal pay equity;

the competitiveness of the market for each NEO;

in the case of NEOs other than the CEO and COO, our CEO's and COO's recommendations based on their assessment of the achievement of each NEO's KPIs during the prior year and expected future performance;

in the case of the COO, our CEO's recommendation based on his assessment of the COO's achievement of her KPIs during the prior year and expected future performance; and

in the case of the CEO, market data analyzed and organized into summary sheets comparing the elements and amounts of compensation paid by us to the median and averages among Peer Group and Comparable Group companies to provide context for CEO compensation decisions and the Committee's assessment of the CEO's achievement of his KPIs during the prior year and expected future performance.

Mr. Dubow's minimum annual base salary under his employment contract is \$1.2 million; however, Mr. Dubow voluntarily reduced his salary to \$1 million in 2009, 2010 and 2011. Mr. Dubow has not received a base salary increase since January 2006. In connection with her February 1, 2010 promotion to President and COO, Ms. Martore's annual base salary was increased to \$950,000; however, Ms. Martore voluntarily reduced her salary to \$900,000 in 2010 and 2011. If their employment terminates, Mr. Dubow's and Ms. Martore's benefits under their employment contracts, the SERP and certain other plans will be calculated assuming they did not voluntarily reduce their salaries. Mr. Lougee took a 6% voluntary permanent reduction in base salary in 2009. The Committee also accepted Mr. Dubow's recommendation that the division presidents would not receive base salary increases in 2009, 2010 or 2011. The Committee agreed with management that these salary actions were appropriate in light of the challenges facing the Company's businesses, including the uneven economic recoveries in the U.S. and the U.K., and their impact on advertising demand.

Based on these factors, the Committee set 2011 base salaries for our NEOs as follows:

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Mr. Dubow	\$ 1,000,000
Ms. Martore	\$ 900,000
Mr. Saleh	\$ 600,000
Mr. Dickey	\$ 625,000
Mr. Hunke	\$ 525,000
Mr. Lougee	\$ 517,000

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In January 2011, the Company announced an employee furlough program for its U.S Community Publishing division during the first quarter of 2011. Certain domestic employees including Mr. Dickey will be furloughed the equivalent of one work week during the quarter. During the furlough period, employees will not be paid and will not be permitted to work. Their benefits will not be interrupted. In addition, Mr. Dubow and Ms. Martore will take a reduction in base salary equivalent to a week's furlough during the quarter. As a result of the salary reductions and furloughs, the base salaries for Mr. Dubow, Ms. Martore and Mr. Dickey reported in the table above will be reduced accordingly.

***Executive Incentive Bonuses***

All NEOs participate in our annual Executive Incentive Compensation Program (EICP), which offers incentive opportunity linked to attainment of the Company's annual financial and qualitative performance goals and each executive's KPIs set at the beginning of the year. Awards under the EICP are determined at the sole discretion of the Committee. The Committee does not rely on any one particular objective, formula or financial metric in determining appropriate short-term incentives, but rather on what we consider to be value-added quantitative and qualitative goals in furtherance of our compensation principles. No NEO is guaranteed an award and, if performance is unsatisfactory, no bonus is paid under the EICP.

The Committee determined the amount of the EICP bonus pool at the end of the fiscal year based primarily on the Company's financial performance during the year. The financial performance measures considered by the Committee include total revenues, operating income, net income attributable to Gannett Co., Inc., income from continuing operations, earnings per share, return on equity, operating cash flow, free cash flow, net income attributable to Gannett Co., Inc. as a percent of sales, dividends per share, dividend payout ratio, weighted average cost of capital, debt outstanding, debt to earnings before interest, taxes, depreciation and amortization, stock price and market value, although no one measure is given greater weight than the others. The Committee selected these financial measures because it considers them to be broad enough to capture the most significant financial aspects of an organization as large as ours yet also focused enough to represent the financial measures that we believe drive our financial success. The Committee also evaluated the Company's progress toward the goals of its strategic plan, as well as the achievement of qualitative goals including leadership in defending the First Amendment, promoting an ethical Company work environment and diverse workforce, and maintaining its reputation as a good corporate citizen of the local, national and international communities in which it does business. The Committee also considered bonus guidelines for our NEOs developed by senior management. These guideline amounts are generally determined by salary grade level and take into account, for each salary grade, the nature and responsibility of the positions at that grade, internal equity among salary grades, the guideline amounts for the preceding year, the funds available for bonuses, and the financial performance measures described above.

The Committee considered the following accomplishments by the Company and its management team in 2010 in reaching its NEO bonus decisions:

*Earnings from continuing operations per share (diluted):* \$2.44 (excluding the net unfavorable impact of \$0.09 per share for non-cash facility consolidation/asset impairment charges and workforce restructuring costs), up 32% from 2009.

*Operating cash flow:* \$1.3 billion (representing operating income increased by depreciation, intangible asset amortization, non-cash facility consolidation and asset impairment charges and workforce restructuring costs included in operations), an increase of 19% from 2009.

*Free cash flow:* \$816 million (representing net cash flow from operating activities decreased by property, plant and equipment purchases and payments for investments and increased by voluntary pension contributions, net of tax benefit, and proceeds from investments).





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*Operating cash flow margin:* 23.6% (determined by dividing operating cash flow as described above by total revenues), up from 19.6% last year.

*Return on equity:* 30.1% [calculated by dividing the sum of income from continuing operations attributable to Gannett Co., Inc. plus earnings from discontinued operations (but excluding gains in 2010 on the disposals of discontinued operations) by average shareholders' equity], up from 26.7% in 2009.

These financial results were among the best in our industry despite a very difficult economy.

We grew Company-wide digital revenues to approximately \$1 billion, representing more than 18% of the Company's total operating revenues for the year.

We issued \$500 million of new bonds with maturities in 2015 and 2018 to repay borrowings outstanding under our revolving credit facilities and term loan and we amended and extended the maturity date of our revolving credit facilities in order to provide increased financial flexibility going forward and improve our already strong balance sheet.

We reduced our debt by \$710 million in 2010 to \$2.35 billion by year-end and reduced our senior leverage ratio to 1.97x, well below the 3.5x maximum senior leverage ratio permitted under our credit facilities.

We made significant voluntary cash contributions to the Gannett Retirement Plan totaling \$130 million which, combined with the strong investment return on the plan's assets in 2010, greatly improved the funded status of the plan at year-end.

The Company achieved substantial expense reductions through a variety of efforts, including continued centralization and consolidation efforts and salary freezes, positioning the Company for growth as economic conditions improve.

Based on the foregoing, the Committee awarded annual bonuses to our NEOs based on 2010 performance as follows.

Mr. Dubow	\$ 1,750,000
Ms. Martore	\$ 1,250,000
Mr. Saleh	\$ 75,000
Mr. Dickey	\$ 600,000
Mr. Hunke	\$ 375,000
Mr. Lougee	\$ 450,000

The Committee determined that these bonus amounts, which may vary from each NEO's bonus guideline amount, were appropriate given their individual performance, which generally met or exceeded their KPIs, the performance of the Company, divisions and operations for which they are responsible, the Company's financial performance, the Company's progress toward its strategic goals, and the qualitative and other achievements noted in the discussion above, notwithstanding the challenges facing the Company's businesses, including the uneven economic recoveries in the U.S. and the U.K. and their impact on advertising demand. In setting bonuses for NEOs other than Mr. Dubow and Ms. Martore, the Committee considered Mr. Dubow's and Ms. Martore's recommendations but exercised its own discretion in making final determinations. In setting Ms. Martore's bonus, the Committee considered Mr. Dubow's recommendation but exercised its own discretion in making its final determination. In setting Mr. Dubow's bonus, the Committee made its own findings and determinations based on similar criteria described above used for our other NEOs. The bonus amount for Mr. Saleh was prorated based on his November 15, 2010 start date.

*Long-Term Incentives*

Our long-term incentives consist of stock options and restricted stock units. We use these awards to recognize the performance of certain executives who drive the development and execution of our

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business strategies and goals. The primary purposes of these awards are to align further the executive's interests with the Company's longer-term objectives, to drive shareholder return, to foster stock ownership and to promote retention.

### *SO and RSU Grants*

The Company grants SOs because it believes SOs reward for increases in shareholder value, thus aligning our NEOs' interests with those of our shareholders. Because a financial gain from SOs is only possible if the price of our stock increases over time, the Company believes SO grants encourage executives to focus on behaviors and initiatives intended to lead to an increase in the price of the Company's stock over the eight-year term of the SOs, which benefits all shareholders. The Company grants RSUs because RSUs foster stock ownership and serve to retain our executives in a challenging business environment since they generally only vest based on continued employment with the Company over a full four-year vesting period. The four-year vesting period is longer than the three-year vesting period often used by companies for RSU grants. The Committee believes that imposing a longer vesting period for RSUs more closely aligns the interests of our executive officers with those of our shareholders because the value of the grant increases and decreases in line with the Company's stock price for a longer time period.

### *Timing of Awards*

RSU grants to NEOs are generally approved at the last Committee meeting of each year in December. The Committee generally makes its determinations with respect to SO grants to NEOs in February, allowing the Committee to factor into the SO awards our final operating results and to reward performance for the prior full fiscal year and provide appropriate long-term incentives for future years. In the case of each type of grant, the Company's practice has been for the Committee to select a grant date to occur after the Committee meeting date if management is scheduled to make an analyst presentation shortly thereafter. This practice permits the market to absorb any material information that may be presented at an analyst conference before the applicable grant date. The aggregate grant date fair value of the SO grants to NEOs made in February 2011 is reflected in the Supplemental Compensation Table on page 31 and will be reported in the Summary Compensation Table of future Proxy Statements.

### *Key Terms of Awards*

The exercise price of SO grants is set at fair market value on the grant date. The Company does not discount, backdate or spring-load SOs, grant SOs with a so-called "reload" feature, nor does it loan funds to employees to enable them to exercise SOs. SOs generally vest in four equal annual installments beginning on the first anniversary of the grant date and have eight-year terms. Vesting and exercise rights generally cease upon termination of employment except in the case of retirement (defined as at least 55 years of age with at least five years of service), disability or death. After retirement, disability or death, SOs continue to vest and generally will remain exercisable for the shorter of a three-year period or the original expiration date. RSUs generally vest on the fourth anniversary of the grant date based on continued employment with the Company through the vesting date. Executives are generally entitled to receive a prorated portion of their RSU grants upon retirement, disability or death. See "Additional Information Regarding the Summary Compensation Table and the Grants of Plan-Based Awards Table" for special rules that apply to RSUs and SOs awarded to Mr. Dubow, Ms. Martore and Mr. Saleh.

### *Long-Term Equity Award Targets*