

Dallas Morning News

September 26, 2024



Current Location

Public Domain



- Located in Plano Texas
- 29 acres zoned light industrial
- 629,000 sq feet
- 140 employees
- Five presses, over 200K copies per hour throughput
- Production costs over \$15 million annually

Decision to “right-size” operations



Cost of Operating in Plano

- High overhead costs (property taxes, utilities, maintenance)

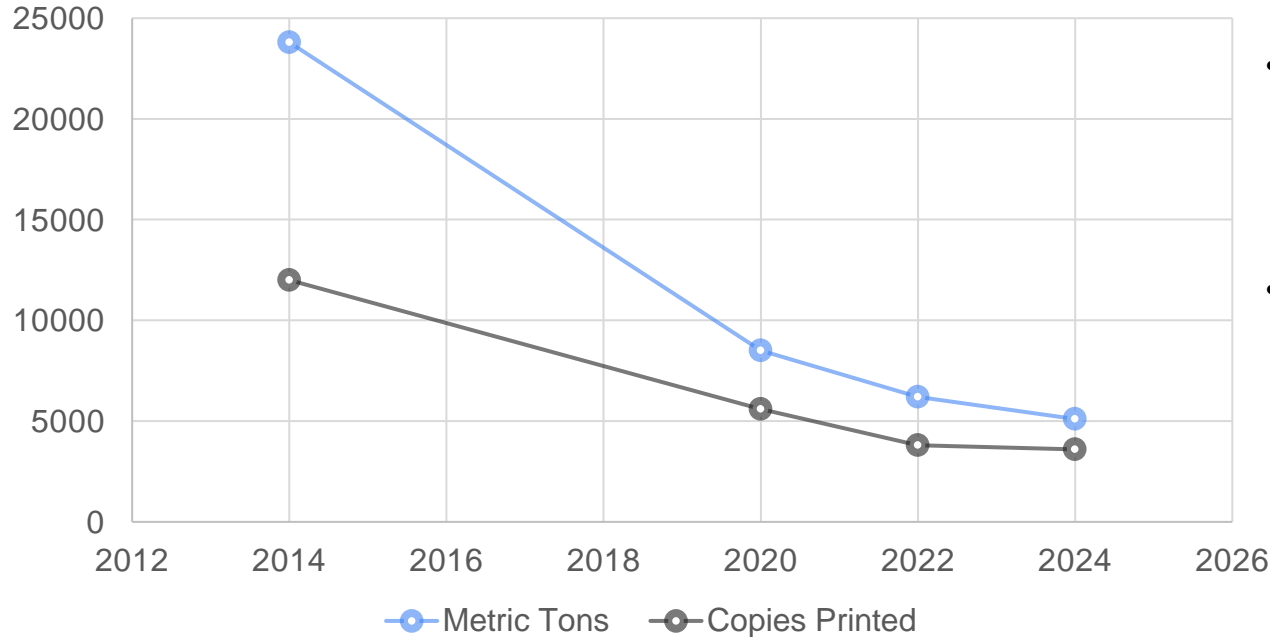
Excess unused space

- All press and insert runs are down to one machine

Employee age and skillset

- 60 employees over the age of 60
- technicians and skill positions difficult to replace

Decline in Metric Tons/Copies Printed



- Declines of 80% since 2014
- 2022, Starting to flatten, mainly due to maintaining higher page counts
- Two presses were decommissioned in 2019

Timeline of Events

- October 27th, 2023 at 12:51 pm - notified of decision to outsource printing
- November – meetings continue with possible printer
- December – exploratory meetings with local print location
- January 5 – 11, printers notified of our intent to stand alone print operations. NDA with Impressions Worldwide in place.
- Feb – April, discussions with commercial partners take place. Impressions provides options based on needs of TDMN. Press option is selected.
- May 9, Dallas News Corporation board approves decision to lease building and purchase press with \$8.5 million in total capital.

Dallas News Corp. Public Announcement

DALLAS, May 14, 2024 (GLOBE NEWSWIRE) -- DallasNews Corporation (Nasdaq: DALN) (the “Company”), the parent company of *The Dallas Morning News*, announced today a plan to relocate and optimize its print operations currently located in Plano, Texas. The Company will streamline its printing operations into a smaller, leased facility in Carrollton, Texas, and make capital investments in more efficient technology. **This transition will allow *The News* to keep its operations in North Texas and continue to produce a seven-day print edition for the foreseeable future.** The new facility is expected to be operational in early 2025, and until then, all print operations will remain in the current facility.

The new facility is expected to be operational in early 2025. The transition will include a 60% staff cut and the use of more efficient technology.

Planning for the move

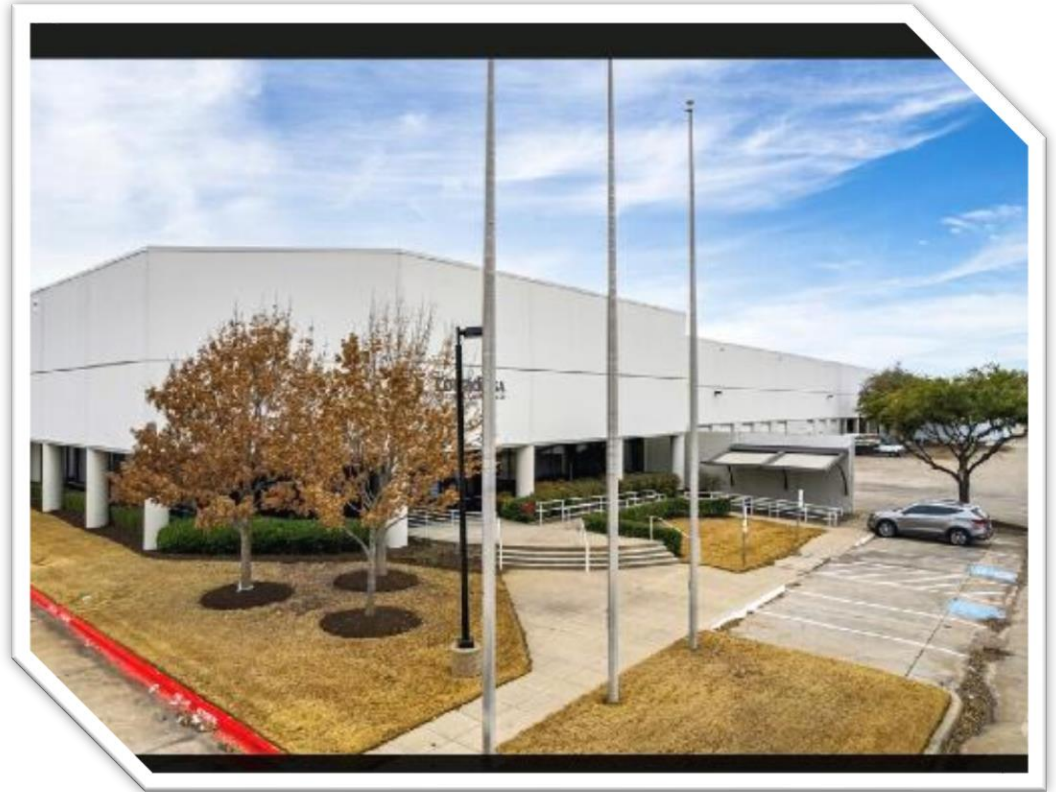
Building search with > 50k sq foot, 27 foot high ceilings and ~3000 amps 3 phase power

Visited the plants in North Charleston, SC and Valley Newspaper in Phoenix. Special thanks to **Rob Giarraputo, Jamie Drolet, Tom Harmon, and Jim Krassow.**

- Talks with city to verify permits for printing
- Electrical engineering plan, architect, contractor for any buildout
- Soils samples for press pad, Geotechnical Engineer
- New transformer, switch gears, and panels (electricity was the second highest cost)
- Concrete for press pad and roll track
- Buildout for Platemaking, locker rooms, machine room
- Ink, plumbing, air compression

New Location

- Located in Carrollton Texas
- 67,000 sq feet
- 60 - 65 employees
- Two presses, ~50K cph throughput
- Over \$5 million in annual savings



Equipment for new location

Press

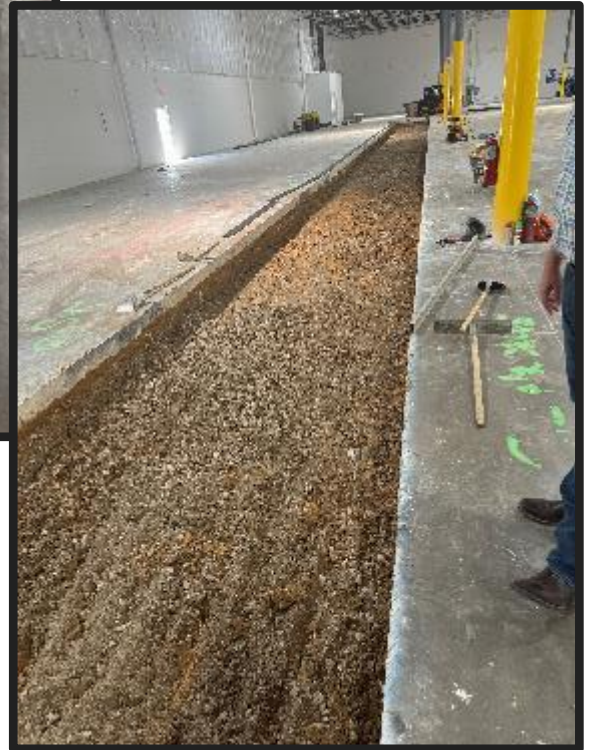
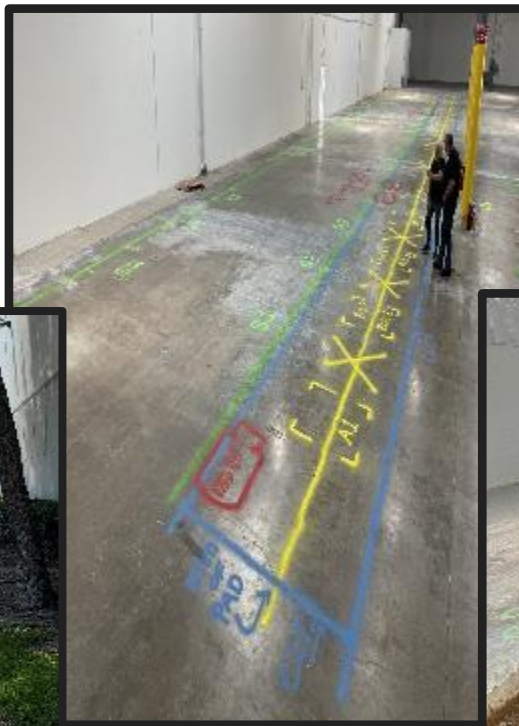
- Ten (10) Four High Print Towers, Four (2) Two Highs for Black webs, Two N40 Folders with Upper Formers, Eighteen (18) Zero Speed Splicers, with Drives & Motors, DCOS Quality Automation

Inserting

- Split existing SLS300 into two insert machines

Platemaking

- Moving two Kodak Gen news ctp lines, processless plates, two new Nela benders





Remaining Timeline

October 7 – SLS3000 moved from Plano to Carrollton

October 14th power to switch gears will be complete

Late October Press “A” install to begin

Buildout finished by December

January - Press “B” installation, parallel production with Plano plant



Thank you!

September 26, 2024



BUILD THE NEWS
THE ROCK OF
AND RIGHTEOUSNESS
CONDUCT IT ALWAYS
UPON THE LINES OF
FAIRNESS AND INTEGRITY
ACKNOWLEDGE THE RIGHT
OF THE PEOPLE TO GET
NEWSPAPER