NEW YORK TIMES COMPANY DEALS WITH 12.2% DECREASE IN PROFIT

The prestigious New York Times Company recently reported that their fourth-quarterly profit has declined by 12.2 percent. It is believed that the decline is partly due to the rising number of people who use digital advertising revenue instead of print advertising. The net income for the company was reported as being about $58.9 million, which would equal 39 cents per share. However, a year earlier, the net income was at $67.1 million, equaling 44 cents per share. The company reported a loss of $39.7 million for the overall year, which was equivalent to 27 cents per share. In the previous year of 2010, the company was graciously accepting a profit of $107.7 million, totaling 71 cents per share. Revenue that was earned during the fourth quarter had declined by 2.8 percent, totaling at about $643 million. These results prove how difficult it is for print advertising to survive in an industry that is advancing by the minute and is turning digital quicker than most expected. Companies that still use print advertising are typically struggling as the vast majority of consumers depend on digital advertising instead. Most marketers and readers are migrating from traditional newspapers to online sources. The companies advertising revenue had even declined by 7.1 percent throughout the fourth quarter. While these results were not necessarily the greatest, the company's News Media Group, which is combination of the New York Times, Boston Globe, and The International Herald Tribune, seemed to be doing exceptionally well, as revenue increased by 4.7 percent throughout the fourth quarter. This also shows that online subscriptions are growing as paper and print seem to be declining. And, even with good news, the company is still left dealing with the fact that advertising categories spent much less within the company and its newspapers during the fourth quarter than it did during the previous year. The Times Company announced on Thursday that it would be selling a part of its stake. And, during the month of July, the company had already sold over half of its stake to three different buyers, totaling $117 million. In the meantime, these results came at a time when the Times Company is looking for a new chief executive, after the former chief executive, Janet L. Robinson, left the company after working with them for seven years. After departing, the company had to fork over $4.5 million for retirement and an agreement that had been made, which was equal to 2 cents per share. During March, the company had introduced its new online service, a digital subscription to the NYTims.com website. Some saw it as a risky move but the company has to make an effort to compete with a competitive market that seems to be going completely digital.