SCRIPPS E W CO /DE (SSP)

10−Q

Quarterly report pursuant to sections 13 or 15(d)
Filed on 11/2/2010
Filed Period 9/30/2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10−Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2010

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission File Number 0−16914

THE E. W. SCRIPPS COMPANY

(Exact name of registrant as specified in its charter)

Ohio	**31−1223339**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
312 Walnut Street **Cincinnati, Ohio**	**45202**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (513) 977−3000

Not Applicable

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S−T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non−accelerated filer or smaller reporting company. See definitions of "large accelerated filer", "accelerated filer", or "small reporting company" in Rule 12b−2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☑ Non−accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b−2 of the Exchange Act). Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of October 28, 2010 there were 45,993,507 of the Registrant's Class A Common shares outstanding and 11,932,735 of the Registrant's Common Voting shares outstanding.

INDEX TO THE E. W. SCRIPPS COMPANY
REPORT ON FORM 10−Q FOR THE QUARTER ENDED September 30, 2010

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PART I

As used in this Quarterly Report on Form 10−Q, the terms "we," "our," "us" or "Scripps" may, depending on the context, refer to The E. W. Scripps Company, to one or more of its consolidated subsidiary companies or to all of them taken as a whole.

ITEM 1. FINANCIAL STATEMENTS

The information required by this item is filed as part of this Form 10−Q. See Index to Financial Information at page F−1 of this Form 10−Q.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this item is filed as part of this Form 10−Q. See Index to Financial Information at page F−1 of this Form 10−Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required by this item is filed as part of this Form 10−Q. See Index to Financial Information at page F−1 of this Form 10−Q.

ITEM 4. CONTROLS AND PROCEDURES

The information required by this item is filed as part of this Form 10−Q. See Index to Financial Information at page F−1 of this Form 10−Q.

PART II

ITEM 1. LEGAL PROCEEDINGS

We are involved in legal proceedings arising in the ordinary course of business, such as defamation actions, employment actions and various governmental and administrative proceedings, none of which is expected to result in material loss.

ITEM 1A. RISK FACTORS

There have been no material changes to the factors disclosed in Item 1A. Risk Factors in our Annual Report on Form 10−K for the year ended December 31, 2009.

ITEM 2. UNREGISTERED SALES OF EQUITY AND USE OF PROCEEDS

There were no sales of unregistered equity securities during the quarter for which this report is filed.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

There were no defaults upon senior securities during the quarter for which this report is filed.

ITEM 4. (REMOVED AND RESERVED)

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

The information required by this item is filed as part of this Form 10−Q. See Index to Exhibits at page E−1 of this Form 10−Q.

SIGNATURES

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

THE E. W. SCRIPPS COMPANY

Dated: November 2, 2010

By: /s/ Douglas F. Lyons
Douglas F. Lyons
Vice President and Controller
(Principal Accounting Officer)

THE E. W. SCRIPPS COMPANY
Index to Financial Information

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands)	September 30, 2010	December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	$ 169,488	$ 7,681
Short−term investments	24,599	12,180
Accounts and notes receivable (less allowances — $3,724 and $4,246)	99,122	115,245
Inventory	7,707	6,989
Deferred income taxes	16,614	16,614
Income taxes receivable	17,120	62,559
Assets of discontinued operations	—	24,948
Miscellaneous	11,726	11,959
Total current assets	346,376	258,175
Investments	10,469	10,660
Property, plant and equipment	392,132	417,745
Intangible assets	23,444	23,635
Deferred income taxes	33,391	57,132
Miscellaneous	12,544	13,176
Assets of discontinued operations — noncurrent	—	5,825
TOTAL ASSETS	$ 818,356	$ 786,348

See notes to condensed consolidated financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands, except share data)	September 30, 2010	December 31, 2009
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 30,500	$ 25,172
Customer deposits and unearned revenue	30,720	26,773
Accrued liabilities:		
Employee compensation and benefits	40,787	29,124
Income taxes payable	11,114	—
Miscellaneous	21,181	21,763
Liabilities of discontinued operations	—	24,362
Other current liabilities	15,248	8,066
Total current liabilities	149,550	135,260
Long−term debt	893	35,916
Liabilities of discontinued operations — noncurrent	—	369
Other liabilities (less current portion)	114,586	181,552
Equity:		
Preferred stock, $.01 par — authorized: 25,000,000 shares; none outstanding	—	—
Common stock, $.01 par:		
Class A — authorized: 240,000,000 shares; issued and outstanding: 45,913,742 and 42,742,190 shares	459	427
Voting — authorized: 60,000,000 shares; issued and outstanding: 11,932,735 and 11,932,735 shares	119	119
Total	578	546
Additional paid−in capital	550,940	531,754
Retained earnings (accumulated deficit)	86,816	(10,946)
Accumulated other comprehensive income (loss), net of income taxes:		
Pension liability adjustments	(87,740)	(92,049)
Foreign currency translation adjustment	—	590
Total The E.W. Scripps Company shareholders’ equity	550,594	429,895
Noncontrolling interest	2,733	3,356
Total equity	553,327	433,251
TOTAL LIABILITIES AND EQUITY	$ 818,356	$ 786,348

See notes to condensed consolidated financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(in thousands, except per share data)	Three months ended September 30, 2010	Three months ended September 30, 2009	Nine months ended September 30, 2010	Nine months ended September 30, 2009
Operating Revenues:				
Advertising	$ 142,783	$ 130,410	$ 425,357	$ 411,228
Circulation	28,780	27,309	90,622	86,511
Other	12,024	11,354	40,673	38,180
Total operating revenues	183,587	169,073	556,652	535,919
Costs and Expenses:				
Employee compensation and benefits	88,609	86,992	261,062	276,635
Programs and program licenses	15,274	13,228	44,847	39,104
Newsprint and press supplies	11,795	10,219	35,111	42,081
Other costs and expenses	52,786	53,278	167,512	166,734
Restructuring costs	3,206	1,221	10,269	4,155
Total costs and expenses	171,670	164,938	518,801	528,709
Depreciation, Amortization, and (Gains) Losses:				
Depreciation	10,385	10,362	32,881	31,445
Amortization of intangible assets	339	382	1,039	1,485
Impairment of goodwill and indefinite−lived assets	—	—	—	216,413
(Gains) losses, net on disposal of property, plant and equipment	525	(130)	1,260	227
Net depreciation, amortization and losses	11,249	10,614	35,180	249,570
Operating income (loss)	668	(6,479)	2,671	(242,360)
Interest expense	(741)	(1,149)	(2,434)	(1,558)
Miscellaneous, net	39	702	950	(319)
Income (loss) from continuing operations before income taxes	(34)	(6,926)	1,187	(244,237)
Provision (benefit) for income taxes	(5,459)	(1,235)	(4,021)	(32,942)
Income (loss) from continuing operations, net of tax	5,425	(5,691)	5,208	(211,295)
Income (loss) from discontinued operations, net of tax	820	2,430	99,664	(10,560)
Net income (loss)	6,245	(3,261)	104,872	(221,855)
Net income (loss) attributable to noncontrolling interests	—	—	—	(147)
Net income (loss) attributable to the shareholders of The E.W. Scripps Company	$ 6,245	$ (3,261)	$ 104,872	$ (221,708)
Net income (loss) per basic share of common stock attributable to the shareholders of The E.W. Scripps Company:				
Income (loss) from continuing operations	$ .08	$ (.11)	$ .08	$ (3.93)
Income (loss) from discontinued operations	.01	.05	1.56	(.20)
Net income (loss) per basic share of common stock	$ .10	$ (.06)	$ 1.64	$ (4.13)
Net income (loss) per diluted share of common stock attributable to the shareholders of The E.W. Scripps Company:				
Income (loss) from continuing operations	$ .08	$ (.11)	$ .08	$ (3.93)
Income (loss) from discontinued operations	.01	.05	1.55	(.20)
Net income (loss) per diluted share of common stock	$ .10	$ (.06)	$ 1.64	$ (4.13)

See notes to condensed consolidated financial statements.
Net income (loss) per share amounts may not foot since each is calculated independently.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(in thousands)	Nine months ended September 30, 2010	2009
Cash Flows from Operating Activities:		
Net income (loss)	$ 104,872	$ (221,855)
(Income) loss from discontinued operations	(99,664)	10,560
Income (loss) from continuing operations	5,208	(211,295)
Adjustments to reconcile income (loss) from continuing operations to net cash flows from operating activities:		
Depreciation and amortization	33,920	32,930
Impairment of goodwill and indefinite−lived assets	—	216,413
Losses on sale of property, plant and equipment	1,260	227
Deferred income taxes	18,816	19,141
Excess tax benefits of share−based compensation plans	(10,346)	—
Stock and deferred compensation plans	7,518	6,204
Pension expense, net of payments	(62,561)	20,323
Other changes in certain working capital accounts, net	51,531	16,401
Miscellaneous, net	(2,377)	(960)
Net cash provided by continuing operating activities	42,969	99,384
Net cash provided by (used in) discontinued operating activities	6,509	(13,843)
Net operating activities	49,478	85,541
Cash Flows from Investing Activities:		
Proceeds from sale of property, plant and equipment	480	72
Additions to property, plant and equipment	(11,778)	(35,389)
Increase in short−term investments	(12,419)	(124)
Increase (decrease) in investments	193	(3,376)
Purchase of intangible assets	(850)	—
Miscellaneous, net	—	76
Net cash used in continuing investing activities	(24,374)	(38,741)
Net cash provided by (used in) discontinued investing activities	162,675	(150)
Net investing activities	138,301	(38,891)
Cash Flows from Financing Activities:		
Net payments on variable rate credit facility	(34,900)	(31,711)
Payments of financing costs	—	(3,062)
Dividends paid to noncontrolling interest	(623)	—
Proceeds from exercise of stock options	5,275	1,820
Tax payments related to shares withheld for vested stock and RSUs	(11,881)	—
Excess tax benefits from share−based compensation plans	10,346	—
Miscellaneous, net	582	(8,665)
Net cash used in continuing financing activities	(31,201)	(41,618)
Change in cash — discontinued operations	5,229	(272)
Increase in cash and cash equivalents	161,807	4,760
Cash and cash equivalents:		
Beginning of period	7,681	3,869
End of period	$ 169,488	$ 8,629
Supplemental Cash Flow Disclosures		
Income taxes paid	30,779	3,258

See notes to condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (UNAUDITED)

(in thousands, except share data)	Common Stock	Additional Paid−in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total Equity
As of December 31, 2008	$ 538	$ 523,859	$ 200,827	$ (133,655)	$ 3,398	$ 594,967
Net loss			(221,708)		(147)	(221,855)
Spin−off of SNI (Note 14)			7,749	1,536		9,285
Changes in defined pension plans				43,398		43,398
Currency translation adjustment				(30)		(30)
Compensation plans: 718,142 net shares issued	7	9,518				9,525
As of September 30, 2009	$ 545	$ 533,377	$ (13,132)	$ (88,751)	$ 3,251	$ 435,290
As of December 31, 2009	$ 546	$ 531,754	$ (10,946)	$ (91,459)	$ 3,356	$ 433,251
Net income			104,872			104,872
Spin−off of SNI (Note 14)			(7,115)			(7,115)
Dividends paid to noncontrolling interests					(623)	(623)
Changes in defined pension plans				4,309		4,309
Currency translation adjustment				(590)		(590)
Excess tax benefits of compensation plans		16,653				16,653
Compensation plans: 3,171,652 net shares issued*	32	2,533	5			2,570
As of September 30, 2010	$ 578	$ 550,940	$ 86,816	$ (87,740)	$ 2,733	$ 553,327

* *Net of $11,881 of tax payments related to shares withheld for vested stock and RSUs.*

See notes to condensed consolidated financial statements.

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As used in the Notes to Consolidated Financial Statements, the terms “we,” “our,” “us” or “Scripps” may, depending on the context, refer to The E. W. Scripps Company, to one or more of its consolidated subsidiary companies or to all of them taken as a whole.

Basis of Presentation — The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10−Q and Rule 10−01 of Regulation S−X. The interim financial statements should be read in conjunction with the audited consolidated financial statements, including the notes thereto included in our 2009 Annual Report on Form 10−K. In management’s opinion all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the interim periods have been made. Certain amounts in prior periods have been reclassified to conform to the current period’s presentation.

Results of operations are not necessarily indicative of the results that may be expected for future interim periods or for the full year.

Nature of Operations — We are a diverse media concern with interests in newspaper publishing and broadcast television. All of our media businesses provide content and advertising services via the Internet. Our media businesses are organized into the following reportable business segments: Newspapers, Television, and Syndication and other. Additional information for our business segments is presented in Note 12.

Use of Estimates — The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires us to make a variety of decisions that affect the reported amounts and the related disclosures. Such decisions include the selection of accounting principles that reflect the economic substance of the underlying transactions and the assumptions on which to base accounting estimates. In reaching such decisions, we apply judgment based on our understanding and analysis of the relevant circumstances, including our historical experience, actuarial studies and other assumptions.

Our financial statements include estimates and assumptions used in accounting for our defined benefit pension plans; the recognition of certain revenues; rebates due to customers; the periods over which long−lived assets are depreciated or amortized; the fair value of long−lived assets and goodwill; income taxes payable and deferred income taxes; estimates for uncollectible accounts receivable; and self−insured risks.

While we re−evaluate our estimates and assumptions on an ongoing basis, actual results could differ from those estimated at the time of preparation of the financial statements.

Revenue Recognition — We recognize revenue when persuasive evidence of a sales arrangement exists, delivery occurs or services are rendered, the sales price is fixed or determinable and collectability is reasonably assured. When a sales arrangement contains multiple elements, such as the sale of advertising and other services, we allocate revenue to each element based upon its relative fair value. Revenue recognition may be ceased on delinquent accounts depending upon a number of factors, including the customer’s credit history, number of days past due, and the terms of any agreements with the customer. Revenue recognition on such accounts resumes when the customer has taken actions to remove their accounts from delinquent status, at which time we recognize any associated deferred revenues. We report revenue net of sales and other taxes collected from our customers.

Our primary sources of revenue are from the sale of print, broadcast, and Internet advertising and the sale of newspapers.

The revenue recognition policies for each source of revenue are described in our annual report on Form 10−K for the year ended December 31, 2009.

Share−Based Compensation — On May 13, 2010, we adopted The E.W. Scripps Company 2010 Long−Term Incentive Plan (the "Plan"). The Plan replaces The E.W. Scripps 1997 Long−Term Incentive Plan, as amended (the "1997 Plan"). The Plan permits the granting of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units and Other Stock−Based Awards. We have reserved 3 million Class A Common Shares for issuance under the Plan. In addition, 1.5 million Class A Common Shares remain available under the 1997 Plan, and any shares previously granted under the 1997 Plan that are subsequently forfeited, terminated, settled in cash or used to satisfy tax withholding obligations become available for issuance under the 2010 Plan. The Plan terminates on February 15, 2020.

Share−based compensation costs for continuing operations totaled $3.4 million for the third quarter of 2010 and $2.0 million for the third quarter of 2009. Year−to−date share−based compensation costs for continuing operations totaled $9.0 million and $7.0 million in 2010 and 2009, respectively.

Earnings Per Share ("EPS") — Unvested awards of share−based payments with rights to receive dividends or dividend equivalents, such as our restricted stock and restricted stock units (RSUs), are considered participating securities for purposes of calculating EPS. Under the two−class method, we allocate a portion of net income to these participating securities and therefore exclude that income from the calculation of EPS allocated to common stock. We do not allocate losses to the participating securities.

	Three months ended September 30,		Nine months ended September 30,	
(in thousands)	2010	2009	2010	2009
Numerator (for basic earnings per share)				
Net income (loss) attributable to the shareholders of The E. W. Scripps Company	$ 6,245	$ (3,261)	$ 104,872	$ (221,708)
Less income allocated to unvested restricted stock and RSUs	(649)	—	(12,261)	—
Numerator for basic earnings per share	$ 5,596	$ (3,261)	$ 92,611	$ (221,708)
Denominator				
Basic weighted−average shares outstanding	57,435	53,986	56,512	53,734
Effect of dilutive securities:				
Stock options held by employees and directors	67	—	129	—
Diluted weighted−average shares outstanding	57,502	53,986	56,641	53,734
Anti−dilutive securities [1]	10,292	21,328	10,292	21,328

[1] Amount outstanding at Balance Sheet date, before application of the treasury stock method and not weighted for period outstanding.

For the 2009 periods we incurred a net loss from continuing operations and the inclusion of unvested stock, RSU's and stock options held by employees and directors would have been anti−dilutive and accordingly the diluted EPS calculation for the period excludes those common share equivalents.

2. ACCOUNTING CHANGES AND RECENTLY ISSUED ACCOUNTING STANDARDS

Accounting Changes — In June 2009, the FASB issued new accounting guidance which amended the consolidation guidance applicable to variable interest entities which was effective for us on January 1, 2010. The adoption of this new guidance did not have an impact on our financial condition or results of operations.

New Accounting Pronouncements — In October 2009, the FASB issued amendments to the accounting and disclosure for revenue recognition. These amendments, effective for fiscal years beginning on or after June 15, 2010 (early adoption is permitted), modify the criteria for recognizing revenue in multiple element arrangements and the scope of what constitutes a non−software deliverable. The Company is currently assessing the impact on its consolidated financial position and results of operations.

3. DISCONTINUED OPERATIONS

Sale of Licensing

On June 3, 2010, the Company and its wholly owned subsidiary, United Feature Syndicate, Inc. ("UFS") completed the sale of its character licensing business ("UML") to Iconix Brand Group. The sale also included certain intellectual property including the rights to syndicate the Peanuts and Dilbert comic strips. The aggregate cash sale price was $175 million resulting in a pre−tax gain of $162 million. The results of operations of UML and the gain on sale are presented as discontinued operations in our financial statements for all periods.

In connection with the sale, Iconix assumed UFS's real estate lease, which expires in February 2016. We were not released from our obligations as guarantor of that lease by the lessor. Total remaining lease payments at September 30, 2010 are approximately $8.7 million. We believe that the likelihood of incurring future costs for this guarantee to be remote, and therefore we have not recorded a related liability.

Closure of Rocky Mountain News

After an unsuccessful search for a buyer, we closed the Rocky Mountain News after it published its final edition on February 27, 2009.

Our Rocky Mountain News and Media News Group, Inc.'s (MNG) Denver Post were partners in The Denver Newspaper Agency (the "Denver JOA"), a limited liability partnership, which operated the sales, production and business operations of the Rocky Mountain News prior to its closure. Each newspaper owned 50% of the Denver JOA and received a 50% share of the profits. Each newspaper provided the Denver JOA with the independent editorial content published in its newspaper.

Under the terms of an agreement with MNG, we transferred our interests in the Denver JOA to MNG in the third quarter of 2009.

The results of the operations of the Rocky Mountain News and the earnings from our interest in the Denver JOA are presented as discontinued operations in our financial statements for all periods.

Operating results of our discontinued operations were as follows:

(in thousands)	Three months ended September 30, 2010	Three months ended September 30, 2009	Nine months ended September 30, 2010	Nine months ended September 30, 2009
Operating revenues:				
UML	$ —	$ 17,328	$ 27,979	$ 49,008
Rocky Mountain News	—	13	—	50
Total operating revenues	$ —	$ 17,341	$ 27,979	$ 49,058
Income (loss) from discontinued operations:				
Gain on sale of Licensing, before tax	$ (311)	$ —	$ 161,690	$ —
Income (loss) from discontinued operations, before tax:				
UML	(324)	3,678	3,676	9,172
Rocky Mountain News	2,560	430	2,560	(21,587)
Income tax (expense) benefit	(1,105)	(1,678)	(68,262)	1,855
Income (loss) from discontinued operations, net of tax	$ 820	$ 2,430	$ 99,664	$ (10,560)

4. OTHER CHARGES AND CREDITS

2010 — Restructuring costs include the costs to restructure our newspaper and television operations. These costs before taxes were $3.2 million in the third quarter and $10.3 million year−to−date.

2009 — Restructuring costs include the costs to separate and install separate information systems as well as other costs related to our separation from Scripps Networks Interactive, Inc. (“SNI”). These costs before taxes were $1.2 million in the third quarter and $4.2 million year−to−date.

In the first quarter we recorded a $215 million, non−cash charge to reduce the carrying value of our goodwill for our Television division. See Note 6. We also recorded a $1 million non−cash charge to reduce the carrying value of the FCC license for our Lawrence, Kansas television station.

5. INCOME TAXES

We file a consolidated federal income tax return, unitary tax returns in certain states, and other separate state income tax returns for certain of our subsidiary companies.

The income tax provision for interim periods is determined based upon the expected effective income tax rate for the full year and the tax rate applicable to certain discrete transactions in the interim period. To determine the annual effective income tax rate, we must estimate both the total income (loss) before income tax for the full year and the jurisdictions in which that income (loss) is subject to tax. The actual effective income tax rate for the full year may differ from these estimates if income (loss) before income tax is greater or less than what was estimated or if the allocation of income (loss) to jurisdictions in which it is taxed is different from the estimated allocations. We review and adjust our estimated effective income tax rate for the full year each quarter based upon our most recent estimates of income (loss) before income tax for the full year and the jurisdictions in which we expect that income (loss) will be taxed.

The effective income tax rate for continuing operations was 339% for the nine months ended September 30, 2010. The primary difference between this rate and the U.S. Federal statutory rate of 35% is the impact of state taxes, the change in our reserve for uncertain tax positions and non−deductible expenses.

The effective income tax rate for continuing operations was 13.4% for the nine months ended September 30, 2009. The primary difference between this rate and the U.S. Federal statutory rate of 35% is that approximately $150 million of the goodwill impairment recorded is not deductible for income tax purposes.

At September 30, 2010, we had net deferred tax assets of $50 million. We assess the realizability of our deferred tax assets as of each balance sheet date and record a valuation allowance when it is more likely than not that a portion, or all, of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the timing of the reversal of temporary differences giving rise to the deferred tax assets, the generation of taxable income in the periods in which the temporary differences reverse, or, if taxable income is not expected in those periods, the ability to use the resulting tax losses to recover taxes paid in prior periods. Management believes that it is more likely than not that we will realize the benefits of our Federal deferred tax assets and therefore has not recorded a valuation allowance for our deferred tax assets. Our current estimates of future taxable income could change based on economic conditions or our operating performance, which could require a valuation allowance to be recorded in future reporting periods.

State carryforwards are recognized as deferred tax assets, subject to valuation allowances. At each balance sheet date, we estimate the amount of carryforwards that are not expected to be used prior to expiration of the carryforward period. The tax effect of the carryforwards that are not expected to be used prior to their expiration is included in the valuation allowance.

Our liability for uncertain tax positions increased by $4.2 million for the nine months ended September 30, 2010. There was an increase of $8.0 million primarily due to accruals for tax issues related to unitary vs. separate state filing positions which was offset by a release of $3.8 million related to the effective settlement of certain of our state filing positions.

Under the Tax Allocation Agreement between Scripps and SNI, SNI is responsible for its own pre−spin−off tax obligations. However due to regulations governing the U.S. federal consolidated tax return and certain combined state tax returns, we remain severally liable for SNI's pre−spin−off federal taxes as well as certain state taxes. The September 30, 2010, liability for uncertain tax positions includes approximately $10 million of state taxes which, if paid by us, would be reimbursed by SNI.

6. GOODWILL AND OTHER INTANGIBLE ASSETS

Intangible assets consisted of the following:

(in thousands)	As of September 30, 2010	As of December 31, 2009
Intangible assets:		
Amortizable intangible assets:		
Carrying amount:		
Television network affiliation relationships	$ 5,641	$ 5,641
Customer lists	12,469	12,469
Other	6,942	6,092
Total carrying amount	25,052	24,202
Accumulated amortization:		
Television network affiliation relationships	(1,848)	(1,617)
Customer lists	(8,449)	(7,831)
Other	(4,506)	(4,314)
Total accumulated amortization	(14,803)	(13,762)
Net amortizable intangible assets	10,249	10,440
Indefinite−lived intangible assets — FCC licenses	13,195	13,195
Total intangible assets	$ 23,444	$ 23,635

Activity related to goodwill by business segment was as follows:

(in thousands)	Television	Syndication and Other	Total
Goodwill:			
Balance as of December 31, 2008	$ 215,414	$ 18	$ 215,432
Impairment of goodwill	(215,414)	—	(215,414)
Other adjustments	—	(18)	(18)
Balance as of September 30, 2009	$ —	$ —	$ —

Estimated amortization expense of intangible assets for each of the next five years is expected to be $0.3 million for the remainder of 2010, $1.3 million in 2011, $1.0 million in 2012, $0.9 million in 2013, $0.7 million in 2014, $0.7 million in 2015 and $5.3 million in later years.
Due primarily to increases in the cost of capital for local media businesses and declines in our stock price and that of other publicly traded television companies during the first quarter of 2009, we determined that indications of impairment existed for our Television goodwill as of March 31, 2009. We concluded the fair value of our television reporting unit did not exceed the carrying value of our television net assets as of March 31, 2009, and we recorded a $215 million, non−cash charge in the first quarter of 2009 to reduce the carrying value of goodwill. We also recorded a $1 million non−cash charge in the first quarter of 2009 to reduce the carrying value of the FCC license for our Lawrence, Kansas, television station to its estimated fair value.

7. LONG−TERM DEBT

Long−term debt consisted of the following:

(in thousands)	As of September 30, 2010	As of December 31, 2009
Variable rate credit facility	$ —	$ 34,900
Other notes	893	1,016
Total long−term debt	$ 893	$ 35,916
Fair value of long−term debt*	$ 893	$ 35,916

* Fair value was estimated based on current rates available to the Company for debt of the same remaining maturity.

On October 20, 2010, we amended our Amended and Restated Revolving Credit Agreement (Agreement), which expires June 30, 2013. Under the amended agreement, the maximum amount of availability under the facility is $100 million. Borrowings under the Agreement are limited to a borrowing base, as follows:

a) 100% of cash maintained in a blocked account (up to $20 million),

b) 85% of eligible accounts receivable,

c) 40% of eligible newsprint inventory, and

d) 50% of the fair market value of eligible real property (limited to $25 million).

At September 30, 2010, prior to the amendment, we had borrowing capacity of $111 million under our credit facility.

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Under the terms of the Agreement we granted the lenders mortgages on certain of our real property, pledges of our equity interests in our subsidiaries and security interests in substantially all other personal property, including cash, accounts receivables, inventories and equipment. If at any time, the amount of excess availability (defined as the amount by which the borrowing base exceeds the aggregate borrowings and letters of credit under the Agreement) is equal to or less than $30 million, we must then maintain a fixed charge coverage ratio (as defined therein) of at least 1.1 to 1.0.

The 2010 Amendment will allow us to make acquisitions or return capital of up to $150 million, respectively, over the remaining term of the Credit Facility, up to a maximum aggregate of $200 million.

Borrowings under the Agreement bear interest at variable interest rates based on either LIBOR or a base rate, in either case plus an applicable margin that varies depending upon average excess availability. The margin for LIBOR based loans ranges from 2.75% to 3.25% per annum. The margin for base rate loans ranges from 1.75% to 2.25% per annum. The weighted−average interest rate on borrowings under the credit facility was 3.0% at September 30, 2010 and December 31, 2009.

Commitment fees of 0.50% per annum of the total unused commitment are payable under the credit facility.

As of September 30, 2010, and December 31, 2009, we had outstanding letters of credit totaling $10.4 million and $9.7 million, respectively.

In October 2008, we entered into a 2−year $30 million notional interest rate swap expiring in October 2010. Under this agreement we receive payments based on the 3−month LIBOR and make payments based on a fixed rate of 3.2%. This swap has not been designated as a hedge in accordance with generally accepted accounting principles and changes in fair value are recorded in miscellaneous−net with a corresponding adjustment to other long−term liabilities. The fair value at September 30, 2010, and December 31, 2009, was $0.2 million liability and $0.8 million liability, respectively. For the nine−months ended September 30, 2010, a $0.6 million gain was recorded in miscellaneous, net while a $0.2 million loss was recorded for the nine−months ended September 30, 2009.

8. OTHER LIABILITIES

Other liabilities consisted of the following:

(in thousands)	As of September 30, 2010	As of December 31, 2009
Employee compensation and benefits	$ 16,197	$ 17,805
Liability for pension benefits	54,039	124,412
Liabilities for uncertain tax positions	29,666	25,490
Other	14,684	13,845
Other liabilities (less current portion)	$ 114,586	$ 181,552

9. FAIR VALUE MEASUREMENT

We measure certain financial assets at fair value on a recurring basis, including short−term investments and derivatives. The fair value of these financial assets was determined based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value which are the following:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Inputs, other than quoted market prices in active markets, that are observable either directly or indirectly.
- Level 3 — Unobservable inputs based on our own assumptions.

The following tables set forth our assets and liabilities that are measured at fair value on a recurring basis at September 30, 2010 and December 31, 2009:

	September 30, 2010			
(in thousands)	Total	Level 1	Level 2	Level 3
Assets:				
Short−term investments	$ 24,599	$ 24,599	$ —	$ —
Liabilities:				
Interest rate swap	$ 204	$ —	$ 204	$ —

	December 31, 2009			
(in thousands)	Total	Level 1	Level 2	Level 3
Assets:				
Short−term investments	$ 12,180	$ 12,180	$ —	$ —
Liabilities:				
Interest rate swap	$ 844	$ —	$ 844	$ —

10. NONCONTROLLING INTERESTS

There are noncontrolling interests of approximately 4% in the capital stock of the subsidiary company that publishes our Memphis newspaper and approximately 6% in the capital stock of the subsidiary company that publishes our Evansville newspaper. The terms of the stock of these companies does not provide for or require the redemption of the noncontrolling interests by us.

A summary of the components of net income (loss) attributable to The E.W. Scripps Company shareholders is as follows:

	Three months ended September 30,		Nine months ended September 30,	
(in thousands)	2010	2009	2010	2009
Net income (loss) attributable to The E. W. Scripps Company shareholders:				
Income (loss) from continuing operations, net of tax	$ 5,425	$ (5,691)	$ 5,208	$ (211,148)
Income (loss) from discontinued operations, net of tax	820	2,430	99,664	(10,560)
Net income (loss)	$ 6,245	$ (3,261)	$ 104,872	$ (221,708)

11. EMPLOYEE BENEFIT PLANS

We sponsor defined benefit pension plans that cover substantially all non−union and certain union−represented employees. Benefits are generally based upon the employee’s compensation and years of service.

We also have a non−qualified Supplemental Executive Retirement Plan (“SERP”). The SERP, which is unfunded, provides defined pension benefits in addition to the defined benefit pension plan to eligible participants based on average earnings, years of service and age at retirement.

Effective June 30, 2009, we froze the accrual of benefits under defined benefit pension plans that cover a majority of our employees, including our SERP. The freeze resulted in the recognition of a curtailment loss of $4.2 million in the first quarter of 2009 and a gain of $1.1 million in the second quarter of 2009. In addition we recognized a curtailment loss of $0.9 million in 2009 related to the closure of our Denver newspaper.

We sponsor a defined contribution plan covering substantially all non−union and certain union employees. We match a portion of employees’ voluntary contributions to this plan. We suspended our matching contributions in the second quarter of 2009. Our matching contributions were reinstated effective July 2010.

Other union−represented employees are covered by union−sponsored multi−employer plans.

The components of the benefit plans expense consisted of the following:

	Three months ended September 30,		Nine months ended September 30,	
(in thousands)	2010	2009	2010	2009
Service cost	$ 130	$ 759	$ 436	$ 5,282
Interest cost	6,199	6,634	18,935	19,969
Expected return on plan assets, net of expenses	(6,055)	(4,974)	(18,133)	(15,376)
Amortization of prior service cost	4	43	14	334
Amortization of actuarial loss	954	1,270	3,068	7,701
Curtailment loss	8	—	58	5,111
Total for defined benefit plans	1,240	3,732	4,378	23,021
Multi−employer plans	112	260	451	579
SERP	350	349	909	242
Defined contribution plans	887	—	887	1,316
Net periodic benefit cost	2,589	4,341	6,625	25,158
Allocated to discontinued operations	—	(201)	(103)	(2,145)
Net periodic benefit cost — continuing operations	$ 2,589	$ 4,140	$ 6,522	$ 23,013

We contributed $2.0 million to fund current benefit payments for our SERP during the first three quarters of 2010. We anticipate contributing an additional $2.9 million to fund the SERP’s benefit payments during the remainder of 2010. We contributed $66.4 million to our defined benefit plans during the nine months ended September 30, 2010.

In the quarter ended March 31, 2009, we completed the actuarial valuation of our defined benefit pension plan obligations, including final demographic information and updated assumptions related to future salaries as a result of pay and bonus decreases implemented in the first quarter. In addition the split of plan assets with SNI was completed in the first quarter of 2009. The changes in actuarial assumptions and plan assets reduced our pension liability and accumulated comprehensive loss by $23.4 million.

We remeasured our plan assets and liabilities in the second quarter of 2009, reflecting the freezing of benefit accruals under the plans. The actuarial assumptions used to remeasure the plan assets and liabilities were substantially the same as those used in the December 31, 2008, measurement, except for an increase in the discount rate to 7%. The remeasurement reduced our pension liabilities and accumulated comprehensive loss by $36 million.

12. SEGMENT INFORMATION

We determine our business segments based upon our management and internal reporting structure. Our reportable segments are strategic businesses that offer different products and services.

Our newspaper business segment includes daily and community newspapers in 13 markets in the U.S. Newspapers earn revenue primarily from the sale of advertising to local and national advertisers and from the sale of newspapers to readers.

Our television business segment includes six ABC−affiliated stations, three NBC−affiliated stations and one independent station. Our television stations reach approximately 10% of the nation's households. Television stations earn revenue primarily from the sale of advertising to local and national advertisers.

We allocate a portion of certain corporate costs and expenses, including information technology, pensions and other employee benefits, and other shared services, to our business segments. The allocations are generally amounts agreed upon by management, which may differ from an arms−length amount. Corporate assets are primarily cash, cash equivalents and other short−term investments, property and equipment primarily used for corporate purposes, and deferred income taxes.

Our chief operating decision maker evaluates the operating performance of our business segments and makes decisions about the allocation of resources to our business segments using a measure called segment profit. Segment profit excludes interest, income taxes, depreciation and amortization, divested operating units, restructuring activities, investment results and certain other items that are included in net income (loss) determined in accordance with accounting principles generally accepted in the United States of America.

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Information regarding our business segments is as follows:

(in thousands)	Three months ended September 30, 2010	Three months ended September 30, 2009	Nine months ended September 30, 2010	Nine months ended September 30, 2009
Segment operating revenues:				
Newspapers	$ 100,416	$ 104,397	$ 321,016	$ 338,031
Television	78,515	59,782	220,164	181,286
Syndication and other	4,656	4,894	15,472	16,602
Total operating revenues	$ 183,587	$ 169,073	$ 556,652	$ 535,919
Segment profit (loss):				
Newspapers	$ 6,645	$ 10,875	$ 37,775	$ 29,252
JOAs and newspaper partnerships	—	—	—	(211)
Television	17,658	3,057	37,611	5,493
Syndication and other	(1,072)	(537)	(2,371)	(1,355)
Corporate and shared services	(8,108)	(8,039)	(24,895)	(22,025)
Depreciation and amortization	(10,724)	(10,744)	(33,920)	(32,930)
Impairment of goodwill and indefinite−lived assets	—	—	—	(216,413)
Gains (losses), net on disposal of property, plant and equipment	(525)	130	(1,260)	(227)
Interest expense	(741)	(1,149)	(2,434)	(1,558)
Restructuring costs	(3,206)	(1,221)	(10,269)	(4,155)
Miscellaneous, net	39	702	950	(108)
Income (loss) from continuing operations before income taxes	$ (34)	$ (6,926)	$ 1,187	$ (244,237)
Depreciation:				
Newspapers	$ 6,099	$ 5,715	$ 19,251	$ 17,026
Television	4,083	4,305	12,790	13,399
Syndication and other	86	149	371	464
Corporate and shared services	117	193	469	556
Total depreciation	$ 10,385	$ 10,362	$ 32,881	$ 31,445
Amortization of intangibles:				
Newspapers	$ 243	$ 297	$ 756	$ 1,234
Television	96	85	283	251
Total amortization of intangibles	$ 339	$ 382	$ 1,039	$ 1,485
Additions to property, plant and equipment:				
Newspapers	$ 16	$ 11,804	$ 680	$ 34,069
JOAs and newspaper partnerships	—	17	—	17
Television	4,320	3,677	7,440	5,156
Syndication and other	65	23	186	177
Corporate and shared services	101	43	391	138
Total additions to property, plant and equipment	$ 4,502	$ 15,564	$ 8,697	$ 39,557

No single customer provides more than 10% of our revenue.

13. COMPREHENSIVE INCOME (LOSS)

Comprehensive income (loss) consists of the following:

(in thousands)	Three months ended September 30, 2010	Three months ended September 30, 2009	Nine months ended September 30, 2010	Nine months ended September 30, 2009
Net income (loss) attributable to the shareholders of The E. W. Scripps Company	$ 6,245	$ (3,261)	$ 104,872	$ (221,708)
Changes in defined pension plans, net of tax of $(1,661) and $(2,463)	2,872	1,542	4,309	43,398
Currency translation adjustment, net of tax of $0 and $0	—	71	43	(30)
Total comprehensive income (loss)	$ 9,117	$ (1,648)	$ 109,224	$ (178,340)

There were no material items of other comprehensive income (loss) for the noncontrolling interest.

14. SPIN−OFF OF SCRIPPS NETWORKS INTERACTIVE, INC.

On July 1, 2008, we distributed all of the shares of Scripps Networks Interactive, Inc. (“SNI”). SNI owned and operated our national lifestyle cable television networks and interactive media businesses.

In connection with the spin−off, the following agreements between Scripps and SNI became effective:

- Separation and Distribution Agreement
- Transition Services Agreement
- Employee Matters Agreement
- Tax Allocation Agreement

These agreements are described in detail in our 2009 Annual Report on Form 10−K.

For the three−and−nine−month periods ended September 30, 2009, we charged SNI $0.1 million and $2.9 million, respectively for services rendered under the terms of these agreements. We paid SNI $0.5 million for the nine−months ended September 30, 2009 for services rendered under the terms of these agreements. In 2010 and 2009, SNI reimbursed us $6 million and $16 million, respectively for its share of estimated taxes prior to the Spin−off under the Tax Allocation Agreement.

In the second quarter of 2010 we agreed to settle the audit of certain municipal tax returns for $700,000. Under the Tax Allocation agreement, SNI reimbursed us for this amount, since it related to operations of SNI prior to the spin−off. SNI has also agreed to pay $3.7 million to settle state audits, since it related to operations of SNI prior to the spin−off.

During 2010 we filed a carryback claim for $9.3 million of capital losses incurred by SNI subsequent to the spin−off. Under the terms of the Tax Allocation Agreement, these capital losses were carried back to our consolidated federal income tax returns for periods prior to the spin−off. We paid SNI for the loss carryback when the refund claim was received from the IRS.

In 2010, a $7.1 million adjustment was recorded to the net assets distributed to the shareholders of SNI for the finalization of deferred tax assets related to the prior operations of SNI.

15. SUBSEQUENT EVENT

In October 2010, concurrent with amending our credit agreement, the board of directors has authorized the repurchase of up to $75 million of our Class A Common Shares. The shares may be repurchased from time to time at management’s discretion, either in the open market, through pre−arranged trading plans or in privately negotiated block transactions. The authorization expires December 31, 2012.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion and analysis of financial condition and results of operations is based upon the condensed consolidated financial statements and the condensed notes to the consolidated financial statements. You should read this discussion in conjunction with those financial statements.

Forward−Looking Statements

Certain forward−looking statements related to our businesses are included in this discussion. Those forward−looking statements reflect our current expectations. Forward−looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from the expectations expressed in the forward−looking statements. Such risks, trends and uncertainties, which in most instances are beyond our control, include changes in advertising demand and other economic conditions; consumers' tastes; newsprint prices; program costs; labor relations; technological developments; competitive pressures; interest rates; regulatory rulings; and reliance on third−party vendors for various products and services. The words "believe," "expect," "anticipate," "estimate," "intend" and similar expressions identify forward−looking statements. You should evaluate our forward−looking statements, which are as of the date of this filing, with the understanding of their inherent uncertainty. We undertake no obligation to update any forward−looking statements to reflect events or circumstances after the date the statement is made.

Executive Overview

The E. W. Scripps Company ("Scripps") is a diverse media company with interests in newspaper publishing and television stations. The company's portfolio of media properties includes: daily and community newspapers in 13 markets and 10 television stations, including six ABC−affiliated stations, three NBC affiliates and one independent station.

On October 20, 2010, we amended our secured revolving credit agreement to provide us with the flexibility to return capital to shareholders and/or invest in acquisitions up to a combined total of $200 million through June 2013. The amendment lowered the amount of the facility from $150 million to $100 million and reduced commitment fees.

At the same time, the board of directors in October authorized the repurchase of up to $75 million of the company's Class A Common Shares by the end of 2012.

We closed the sale of United Feature Syndicate, Inc. ("UFS") character licensing business ("UML") in the second quarter of 2010 for $175 million in cash. The operations of the character licensing business and the $162 million pre−tax gain on sale are classified as discontinued operations for all periods presented. In June 2010, we used $65 million of the proceeds from the sale of UML to make a contribution to our defined benefit pension plans.

We are optimistic about the improving business climate in which our local television stations operate as the economy recovers from the recession. We have seen an improvement in the flow of advertising in all of our television markets, and key television revenue categories have shown year−over−year growth. Revenues in our television division were also bolstered by the increased political spending in the third quarter of 2010. The rate of decline in newspaper advertising revenues continued to moderate in the third quarter although at a slower rate than earlier in the year.

In 2009, we began a reorganization of the operations of our newspaper division. Where we had previously operated each of our newspapers as independent businesses within their markets, we are now managing our newspaper business vertically by function. These efforts are focusing local management in each market on news coverage and revenue−producing activities. One of the primary benefits of this reorganization is to be able to implement successful products and revenue−producing strategies across all markets with greater speed and efficiency. The new structure also enables us to standardize and centralize functions that do not require a physical presence in the markets, producing significant cost efficiencies. Implementing the reorganization plan, known as "Scripps 3.0," is a major focus of the newspaper division. Our Scripps 3.0 initiative may result in additional reductions in−force and the deployment of new software systems.

In our television division, we have centralized functions that do not require a presence in the local markets at company−owned hubs, enabling each of our stations to increase resources devoted to creation of content and revenue−producing activities. As consumers increasingly turn to portable devices for news, our television stations have aggressively transitioned their infrastructure to support content distribution on multiple platforms. We devote substantial energy and resources to integrating such media into our business.

We believe the business trends reported in the third quarter of 2010 will continue into the final three months of the year. In the fourth quarter, the year−over−year growth in television ad revenues is expected to be 35% to 40%, including $28 million in political advertising. The newspaper division is expected to continue experiencing a slight moderation in the decline of ad revenues.

During the fourth quarter, total newspaper expenses are expected to increase at a percentage rate in the low single digits, driven mostly by increases in the price of newsprint. Total television expenses are expected to increase at a percentage rate in the high single digits compared with the fourth quarter of 2009.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP") requires us to make a variety of decisions which affect reported amounts and related disclosures, including the selection of appropriate accounting principles and the assumptions on which to base accounting estimates. In reaching such decisions, we apply judgment based on our understanding and analysis of the relevant circumstances, including our historical experience, actuarial studies and other assumptions. We are committed to incorporating accounting principles, assumptions and estimates that promote the representational faithfulness, verifiability, neutrality and transparency of the accounting information included in the financial statements.

Note 1 to the Consolidated Financial Statements included in our Annual Report on Form 10−K describes the significant accounting policies we have selected for use in the preparation of our financial statements and related disclosures. An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used or changes in estimates that are likely to occur could materially change the financial statements. We believe the accounting for Other Indefinite−Lived Intangible Assets, Income Taxes and Pension Plans to be our most critical accounting policies and estimates. A detailed description of these accounting policies is included in the Critical Accounting Policies section of Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10−K for the year ended December 31, 2009.

There have been no significant changes in those accounting policies or other significant accounting policies.

RESULTS OF OPERATIONS
The trends and underlying economic conditions affecting the operating performance and future prospects differ for each of our business segments. Accordingly, we believe the following discussion of our consolidated results of operations should be read in conjunction with the discussion of the operating performance of our business segments.
Consolidated Results of Operations
Consolidated results of operations were as follows:

	Quarter Period			Year−to−date		
(in thousands, except per share data)	2010	Change	2009	2010	Change	2009
Operating revenues	$ 183,587	8.6%	$ 169,073	$ 556,652	3.9%	$ 535,919
Costs and expenses less restructuring costs	(168,464)	2.9%	(163,717)	(508,532)	(3.1)%	(524,554)
Restructuring costs	(3,206)		(1,221)	(10,269)		(4,155)
Depreciation and amortization	(10,724)	(0.2)%	(10,744)	(33,920)	3.0%	(32,930)
Impairment of goodwill and indefinite−lived assets	—		—	—		(216,413)
Gains (losses), net on disposal of property, plant and equipment	(525)		130	(1,260)		(227)
Operating income (loss)	668		(6,479)	2,671		(242,360)
Interest expense	(741)		(1,149)	(2,434)		(1,558)
Miscellaneous, net	39		702	950		(319)
Income (loss) from continuing operations before income taxes	(34)		(6,926)	1,187		(244,237)
Benefit (provision) for income taxes	5,459		1,235	4,021		32,942
Income (loss) from continuing operations	5,425		(5,691)	5,208		(211,295)
Income (loss) from discontinued operations, net of tax	820		2,430	99,664		(10,560)
Net income (loss)	6,245		(3,261)	104,872		(221,855)
Net income (loss) attributable to noncontrolling interests	—		—	—		(147)
Net income (loss) attributable to the shareholders of The E.W. Scripps Company	$ 6,245		$ (3,261)	$ 104,872		$ (221,708)
Net income (loss) per basic share of common stock attributable to the shareholders of The E.W. Scripps Company:						
Income (loss) from continuing operations	$ .08		$ (.11)	$ .08		$ (3.93)
Income (loss) from discontinued operations	.01		.05	1.56		(.20)
Net income (loss) per basic share of common stock	$ .10		$ (.06)	$ 1.64		$ (4.13)

Net income (loss) per share amounts may not foot since each is calculated independently.
Continuing Operations
Operating results include a number of items that affect the comparisons of 2010 to 2009. The most significant of these items are as follows:

- In the first quarter of 2009, we recorded $216 million in impairment charges to write−down the value of our Television goodwill and one of our FCC licenses.
- In the 2009 year−to−date period we recorded a $3.1 million curtailment loss related to the decision to freeze the accrual of benefits in our defined benefit pension plans covering a majority of employees.
- Restructuring charges were $3.2 million in the third quarter ($10.3 million year−to−date) of 2010 and $1.2 million in the third quarter of ($4.2 million year−to−date) 2009. The charges relate to the reorganization of our newspaper and television operations.

In the first nine months of 2010, we have experienced an improving business climate as the economy recovers from the recession. We have seen a moderation in the rate of decline of our newspaper advertising revenues and higher rates in all of our television markets. Revenues in our television division were also bolstered by the increased political spending in the third quarter of 2010. Our local media businesses derive much of their advertising from the retail, real estate, employment and automotive categories, sectors that have been particularly weak during the recession.

Excluding $3.1 million in costs associated with freezing the accrual of pension benefits recorded in the first nine months of 2009, and the restructuring costs for 2010 and 2009, costs and expenses declined by $12.9 million for the nine months of 2010 compared with the first nine months of 2009. We have reduced the number of employees in our newspaper and television divisions by approximately 8% in the first nine months of this year compared to the first nine months of last year. Late in the first quarter of 2009, we took actions to reduce employee pay and benefits. The combined effects of the reduction in the number of employees and reductions in pay and benefits led to a $15.6 million decrease in employee compensation and benefits for the first nine months of 2010 compared with the first nine months of 2009. Year−to−date newsprint costs declined by $6.3 million in 2010 as compared to 2009 due to a 14% decrease in consumption and a 6% decrease in newsprint prices. Programs and program licenses increased in the year−to−date period primarily due to the accrual of estimated network affiliation fees we expect to pay upon the execution of a new affiliation agreement with ABC and the restoration of marketing and promotional spending in most of our television markets.

During the third quarter we have cycled against most of the cost reductions from 2009 resulting in an increase in costs and expenses of 4% for the third quarter of 2010 compared to the third quarter of 2009. Excluding restructuring costs for 2010 and 2009, costs and expenses increased by $4.7 million for the third quarter of 2010 compared to the third quarter of 2009. The third quarter of 2010 includes the accrual of bonuses while there was no accrual for bonuses in the third quarter of 2009 due to the suspension of the bonus program. Certain compensation programs that were eliminated late in the first and early in the second quarter of 2009 were restored by the second quarter of 2010. Costs and expenses in the third quarter of 2010 also increased due to the accrual of network affiliation fees we expect to pay ABC and marketing and promotional spending in the third quarter of 2010. Newsprint costs increased by $1.2 million in the third quarter of 2010 compared to the third quarter of 2009 due to a 30% increase in newsprint prices which were partially offset by a 9% decrease in consumption.

Interest expense decreased in the third quarter of 2010 compared to the third quarter of 2009 due to lower borrowing levels in 2010. Interest expense in the 2010 year−to−date period increased compared to the 2009 year−to−date period since we are no longer capitalizing interest for the construction of our new production facility in Naples.

The effective income tax rate for continuing operations was 339% and 13.4% for the nine months ended 2010 and 2009, respectively. The income tax provision for interim periods is determined by applying the expected effective income tax rate for the full year to year−to−date income before income tax. Tax provisions are separately provided for certain discrete transactions in interim periods. To determine the annual effective income tax rate for the full−year period, we must estimate both the total income before income tax for the full year and the jurisdictions in which that income is subject to tax. The primary difference between the effective rate of 339% for 2010 and the U.S. Federal statutory rate of 35% is the impact of state taxes, the accrual of taxes and interest for uncertain tax positions and non−deductible expenses. The primary difference in the effective rate of 13.4% for 2009 and the U.S. Federal statutory rate was the write−down to the carrying value of Television goodwill in 2009 which included $150 million of goodwill that was not deductible for income taxes.

Discontinued Operations — Discontinued operations includes the results of the Rocky Mountain News, which ceased publication in February 2009 and the operating results and after−tax gain on sale of our licensing business, which was sold during the second quarter of 2010.

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Business Segment Results

Information regarding the operating performance of our business segments and a reconciliation of such information to the consolidated financial statements is as follows:

(in thousands)	Quarter Period 2010	Quarter Period Change	Quarter Period 2009	Year-to-date 2010	Year-to-date Change	Year-to-date 2009
Segment operating revenues:						
Newspapers	$ 100,416	(3.8)%	$ 104,397	$ 321,016	(5.0)%	$ 338,031
Television	78,515	31.3%	59,782	220,164	21.4%	181,286
Syndication and other	4,656	(4.9)%	4,894	15,472	(6.8)%	16,602
Total operating revenues	$ 183,587	8.6%	$ 169,073	$ 556,652	3.9%	$ 535,919
Segment profit (loss):						
Newspapers	$ 6,645	(38.9)%	$ 10,875	$ 37,775	29.1%	$ 29,252
JOAs and newspaper partnerships	—		—	—		(211)
Television	17,658		3,057	37,611		5,493
Syndication and other	(1,072)		(537)	(2,371)		(1,355)
Corporate amd shared services	(8,108)	0.9%	(8,039)	(24,895)	13.0%	(22,025)
Depreciation and amortization	(10,724)		(10,744)	(33,920)		(32,930)
Impairment of goodwill and indefinite-lived assets	—		—	—		(216,413)
Gains (losses), net on disposal of property, plant and equipment	(525)		130	(1,260)		(227)
Interest expense	(741)		(1,149)	(2,434)		(1,558)
Restructuring costs	(3,206)		(1,221)	(10,269)		(4,155)
Miscellaneous, net	39		702	950		(108)
Income (loss) from continuing operations before income taxes	$ (34)		$ (6,926)	$ 1,187		$ (244,237)

Newspapers

We operate daily and community newspapers in 13 markets in the U.S. Our newspapers earn revenue primarily from the sale of advertising to local and national advertisers and from the sale of newspapers to readers. Our newspapers operate in mid−size markets, focusing on news coverage within their local markets. Advertising and circulation revenues provide substantially all of each newspaper's operating revenues, and employee, distribution and newsprint costs are the primary expenses at each newspaper. The operating performance of our newspapers is most affected by national and local economic conditions, particularly within the retail, labor, housing and auto markets, as well as newsprint prices.

Operating results for our newspaper business were as follows:

	Quarter Period			Year−to−date		
(in thousands)	2010	Change	2009	2010	Change	2009
Segment operating revenues:						
Local	$ 19,254	(10.4)%	$ 21,490	$ 64,718	(9.7)%	$ 71,656
Classified	20,836	(6.6)%	22,312	64,743	(11.4)%	73,096
National	4,414	(10.6)%	4,937	13,976	(12.4)%	15,953
Online	6,970	(4.2)%	7,278	20,623	(6.0)%	21,928
Preprint and other	16,799	(2.7)%	17,263	52,688	(5.6)%	55,810
Newspaper advertising	68,273	(6.8)%	73,280	216,748	(9.1)%	238,443
Circulation	28,780	5.4%	27,309	90,622	4.8%	86,511
Other	3,363	(11.7)%	3,808	13,646	4.4%	13,077
Total operating revenues	100,416	(3.8)%	104,397	321,016	(5.0)%	338,031
Segment costs and expenses:						
Employee compensation and benefits	47,636	(4.0)%	49,608	141,575	(11.7)%	160,322
Newsprint and press supplies	11,289	10.5%	10,219	34,605	(17.8)%	42,081
Distribution services	11,369	14.8%	9,901	34,927	14.0%	30,643
Other costs and expenses	23,477	(1.3)%	23,794	72,134	(4.8)%	75,733
Total costs and expenses	93,771	0.3%	93,522	283,241	(8.3)%	308,779
Segment profit	$ 6,645	(38.9)%	$ 10,875	$ 37,775	29.1%	$ 29,252

Revenues

We continued to see moderation in the rate of decline in newspaper advertising revenues as the economy begins to recover from the recession. Advertising revenues decreased 7% year−over−year in the third quarter, 8% year−over−year in the second quarter and 12% year−over−year in the first quarter of 2010. Newspaper advertising revenues declined 20% and 27% year−over−year in the fourth quarter and the third quarter of 2009, respectively. Our newspaper business derives much of its advertising revenues from the retail, real estate, employment and automotive categories, sectors that have been particularly weak during this recession. The decline in online ad revenue is attributable to the weakness in print classified advertising, to which some of the online advertising is tied. Pure play online advertising revenue (advertising which is not tied to print advertising) makes up approximately 60% of total online advertising revenue for both the 2010 quarter−to−date and year−to−date periods. Pure play online advertising revenue rose 7% in the quarter to $4.2 million and rose 14% to $12.4 million year−to−date due to new initiatives put in place during 2010.

We have made changes to the business model which we operate with our newspaper distributors in certain markets. We have transitioned to a model in which we pay most independent distributors on a per−unit basis. Under this model, we recognize revenue at higher retail rates and record the per−unit cost as a charge to distribution expense. The change in the business model increased reported circulation revenue by $1.8 million in the third quarter of 2010 and $5.7 million year−to−date. Adjusting for the change in the business model, circulation revenue decreased by 1.0% for the third quarter and by 1.8% year−to−date.

Other operating revenues represent revenue earned on ancillary services offered by our newspapers, including commercial printing and distribution services.

Costs and expenses

Changes in pension costs affect year−over−year comparisons of employee compensation and benefits. Pension costs decreased by $1.3 million in the third quarter and by $10.0 million year−to−date due to freezing the accrual of service credits in plans covering a majority of our newspaper employees effective July 1, 2009. Pension costs in the first nine months of 2009 also include $2.4 million in curtailment charges related to the service credit freeze. Excluding pension costs, employee compensation and benefits in the third quarter of 2010 decreased 2% compared with the third quarter of 2009. Employee costs and benefits decreased 6% year−over−year for the year−to−date period. The number of employees decreased approximately 10% in the year−to−date period. In addition, during 2009 we eliminated bonuses (partially reinstated in the second quarter of 2010) and reduced employee pay.

Newsprint and press supplies increased by $1.1 million in the third quarter primarily due to a $1.2 million increase in newsprint cost. The increase in newsprint cost was due to a 30% increase in newsprint prices which were partially offset by a 9% decrease in consumption. Newsprint and press supplies decreased by $7.5 million in the year−to−date period primarily due to a $6.3 million decline in newsprint cost. The decline in newsprint cost was due to a 14% decrease in consumption and a 6% decrease in newsprint prices.

Distribution service costs increased in the third quarter and year−to−date period as a result of the change in the business model we operate with our distributors in certain markets.

Other costs and expenses decreased in 2010 due to lower bad debt expenses as well as cost controls resulting in reductions in other expense categories.

Television

Television includes six ABC−affiliated stations, three NBC−affiliated stations and one independent station. Our television stations reach approximately 10% of the nation's households. Our television stations earn revenue primarily from the sale of advertising time to local and national advertisers.

National television networks offer affiliates a variety of programs and sell the majority of advertising within those programs. Through 2009 we received compensation from the networks for carrying their programming. We are currently negotiating the renewal of our affiliation agreements with ABC and NBC. These networks are seeking arrangements to have affiliates share in funding network programming costs and to eliminate network compensation historically paid to such affiliates. We cannot at this time predict the outcome of our negotiations with ABC and NBC, but we expect the renewal agreements with ABC and NBC will require us to make payments for their programming. In addition to network programs, we broadcast locally produced programs, syndicated programs, sporting events, and other programs of interest in each station's market. News is the primary focus of our locally produced programming.

The operating performance of our television group is most affected by the health of the national and local economies, particularly conditions within the automotive, services and retail categories, and by the volume of advertising time purchased by campaigns for elective office and political issues. The demand for political advertising is significantly higher in the third and fourth quarters of even−numbered years.

Operating results for television were as follows:

	Quarter Period			Year−to−date		
(in thousands)	2010	Change	2009	2010	Change	2009
Segment operating revenues:						
Local	$ 37,638	4.7%	$ 35,955	$ 119,672	9.9%	$ 108,925
National	20,099	25.1%	16,064	62,524	21.8%	51,328
Political	14,775		1,651	20,001		2,161
Network compensation	68	(96.5)%	1,927	1,061	(82.1)%	5,926
Other	5,935	41.8%	4,185	16,906	30.6%	12,946
Total segment operating revenues	78,515	31.3%	59,782	220,164	21.4%	181,286
Segment costs and expenses:						
Employee compensation and benefits	30,316	(0.2)%	30,372	90,005	(4.4)%	94,180
Programs and program licenses	15,276	15.5%	13,228	44,849	14.7%	39,104
Other costs and expenses	15,265	16.3%	13,125	47,699	12.2%	42,509
Total segment costs and expenses	60,857	7.3%	56,725	182,553	3.8%	175,793
Segment profit	$ 17,658		$ 3,057	$ 37,611		$ 5,493

Revenues

We experienced an improvement in the flow of advertising in all of our markets, and key television revenue categories have shown year−over−year growth. Revenues in our television division also were bolstered by the increased political spending in the third quarter of 2010. The rate of improvement in advertising revenues increased throughout the third quarter and the first nine months of the year, with advertising revenues, excluding political advertising, up 10% in the third quarter year−over−year and up 12% in the year−to−date period. Automotive advertising increased 70% in the third quarter and 71% in the year−to−date period compared with the prior year. Automotive advertising revenues in 2009 were affected by the weakened financial condition of the large automotive manufacturers.

Network compensation revenue decreased in the third quarter (and year−to−date period) of 2010 compared with 2009 (and the year−to−date period) due to the expiration of our ABC network affiliation agreement in January 2010. We continue to operate under one−month extensions while we negotiate a long−term network affiliation agreement with ABC. We expect we no longer will have network compensation revenue from ABC in the future.

Other revenues include retransmission fees received from cable television systems and Scripps Networks Interactive. As our retransmission rights revert to us from SNI, we have negotiated higher fees with cable television and direct broadcast satellite systems.

Costs and expenses

Changes in pension costs affect year−over−year comparisons of employee compensation and benefits. Pension costs decreased by $0.3 million quarter over quarter and by $5.0 million year−to−date due to freezing the accrual of service credits in plans covering a majority of our television employees effective July 1, 2009. Pension costs in 2009 also include $1.1 million in curtailment charges related to the benefit accrual freeze. Excluding pension costs, employee compensation and benefits increased by 1% in both the third quarter and the year−to−date period. The 2009 third quarter period and the year−to−date period includes the effects of temporary pay reductions, which since have been restored, and the elimination of bonus programs, which were partially restored in the second quarter of 2010.

Programs and program licenses in 2010 include an estimate of network affiliation fees we expect to pay upon the execution of a new affiliation agreement with ABC, which is the primary reason for the quarter and year−to−date increases year−over−year.

Third quarter and year−to−date other costs and expenses increased primarily due to the cost associated with transitioning to a new national representation contract as well as increases in promotional spending during the third quarter of 2010.

LIQUIDITY AND CAPITAL RESOURCES

Our primary source of liquidity is our cash flow from operations and available borrowings under our credit facility.

We completed the sale of United Media Licensing in the second quarter of 2010, receiving $163 million in cash, net of cash expenses on the sale.

Cash flow from continuing operating activities decreased in the first nine months of 2010 by $56 million compared to the first nine months of 2009, primarily as a result of $66 million in contributions we made to our defined benefit pension plans, refunds of taxes paid in prior years from the carryback of losses incurred in 2009 of $57 million and payments of $31 million for estimated taxes on our 2010 tax liability. In the first nine months of 2009, we received $16 million from SNI for the reimbursement of taxes we paid in 2008 on income attributable to SNI for periods prior to the spin−off. In the first nine months of 2010, we received $6 million from SNI for final settlement of taxes for periods prior to the spin−off and $2 million of refunds of Federal taxes paid in 2008.

We expect to make estimated payments towards our 2010 tax liability of $15 million to $20 million in the fourth quarter.

Capital expenditures in the first nine months of 2010 were $8.7 million, down from $39.6 million in the prior year. Capital expenditures in 2009 primarily related to the construction of our Naples, Fla., newspaper facility. We completed the construction of this facility in the third quarter of 2009. Capital expenditures for the remainder of 2010 are expected to be approximately $8 million.

On October 20, 2010, we entered into the First Amendment to Credit Agreement (2010 Amendment) of our Credit Agreement dated August 5, 2009. The 2010 Amendment was entered into to give us more financial flexibility to make acquisitions and return capital to shareholders.

The 2010 Amendment reduces the maximum amount of availability under the Credit Agreement from $150 million to $100 million. The Credit Agreement maintains its original maturity date of June 30, 2013. As of September 30, 2010, we had no outstanding borrowings under the Credit Agreement.

The 2010 Amendment will allow us to make acquisitions or return capital of up to $150 million, respectively, over the remaining term of the Credit Facility, up to a maximum aggregate of $200 million.

At September 30, 2010, we had borrowing capacity (under the prior terms of our Credit Agreement) of $111 million under our Revolver and held cash and short−term investments of $194 million.

In October 2010, concurrent with amending the credit agreement, the board of directors has authorized the repurchase of up to $75 million of our Class A Common Shares. The shares may be repurchased from time to time at management’s discretion, either in the open market, through pre−arranged trading plans or in privately negotiated block transactions. The authorization expires December 31, 2012.

We expect that our cash and short−term investments and cash flow from operating activities will be sufficient to meet our operating and capital needs over the next twelve months.

We continually evaluate our assets to determine if they remain a strategic fit and, given our business and the financial performance outlook, make sense to continue to be part of our portfolio.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Earnings and cash flow can be affected by, among other things, economic conditions, interest rate changes, and changes in the price of newsprint. We are also exposed to changes in the market value of our investments.

Our objectives in managing interest rate risk are to limit the impact of interest rate changes on our earnings and cash flows, and to reduce our overall borrowing costs. We manage interest rate risk primarily by maintaining a mix of fixed−rate and variable−rate debt.

We also may use forward contracts to reduce the risk of changes in the price of newsprint on anticipated newsprint purchases. We held no newsprint derivative financial instruments at September 30, 2010.

The following table presents additional information about market−risk−sensitive financial instruments:

(in thousands)	As of September 30, 2010 Cost Basis	As of September 30, 2010 Fair Value	As of December 31, 2009 Cost Basis	As of December 31, 2009 Fair Value
Financial instruments subject to interest rate risk:				
Variable rate credit facilities	$ —	$ —	$ 34,900	$ 34,900
Other notes	893	893	1,016	1,016
Total long−term debt including current portion	$ 893	$ 893	$ 35,916	$ 35,916
Financial instruments subject to market value risk:				
Other equity securities	$ 10,407	$ (a)	$ 10,405	$ (a)

(a) Includes securities that do not trade in public markets so the securities do not have readily determinable fair values. We estimate the fair value of these securities approximates their carrying value. There can be no assurance that we would realize the carrying value upon sale of the securities.

In October 2008, we entered into a 2 year $30 million notional interest rate swap expiring in October 2010. Under this agreement we receive payments based on 3−month libor rate and make payments based on a fixed rate of 3.2%. This swap has not been designated as a hedge in accordance with generally accepted accounting standards and changes in fair value are recorded in miscellaneous, net with a corresponding adjustment to other long−term liabilities. The fair value at September 30, 2010 and December 31, 2009 was a liability of $0.2 and $0.8 million, respectively, which is included in other liabilities.

CONTROLS AND PROCEDURES

Scripps' management is responsible for establishing and maintaining adequate internal controls designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The company's internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that receipts and expenditures of the company are being made only in accordance with authorizations of management and the directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

All internal control systems, no matter how well designed, have inherent limitations, including the possibility of human error, collusion and the improper overriding of controls by management. Accordingly, even effective internal control can only provide reasonable but not absolute assurance with respect to financial statement preparation. Further, because of changes in conditions, the effectiveness of internal control may vary over time.

The effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a−15(e) under the Securities Exchange Act of 1934) was evaluated as of the date of the financial statements. This evaluation was carried out under the supervision of and with the participation of management, including the Chief Executive Officer and the Chief Financial Officer. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures are effective. There were no changes to the company's internal controls over financial reporting (as defined in Exchange Act Rule 13a−15(f)) during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting.

THE E. W. SCRIPPS COMPANY
Index to Exhibits

Exhibit No.	Item
31(a)	Section 302 Certifications
31(b)	Section 302 Certifications
32(a)	Section 906 Certifications
32(b)	Section 906 Certifications

EXHIBIT 31(a)
Section 302 Certifications

CERTIFICATIONS

I, Richard A. Boehne, certify that:

1. I have reviewed this report on Form 10−Q of The E. W. Scripps Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a−15(e) and 15d−15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a−1f(f) and 15d−15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 2, 2010

BY: /s/ Richard A. Boehne

Richard A. Boehne
President and Chief Executive Officer

EXHIBIT 31(b)
Section 302 Certifications

CERTIFICATIONS

I, Timothy E. Stautberg, certify that:

1. I have reviewed this report on Form 10−Q of The E. W. Scripps Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a−15(e) and 15d−15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a−1f(f) and 15d−15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report on such evaluation; and
   d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal controls over financial reporting.

Date: November 2, 2010

BY: /s/ Timothy E. Stautberg

Timothy E. Stautberg
Senior Vice President and Chief Financial Officer

EXHIBIT 32(a)
Section 906 Certifications

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES−OXLEY ACT OF 2002

I, Richard A. Boehne, President and Chief Executive Officer of The E. W. Scripps Company (the “Company”), hereby certify, pursuant to Section 906 of the Sarbanes−Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10−Q of the Company for the period ended September 30, 2010 (the “Report”), which this certification accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard A. Boehne

Richard A. Boehne
President and Chief Executive Officer

November 2, 2010

EXHIBIT 32(b)
Section 906 Certifications

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES−OXLEY ACT OF 2002

I, Timothy E. Stautberg, Senior Vice President and Chief Financial Officer of The E. W. Scripps Company (the “Company”), hereby certify, pursuant to Section 906 of the Sarbanes−Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10−Q of the Company for the period ended September 30, 2010 (the “Report”), which this certification accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Timothy E. Stautberg
Timothy E. Stautberg
Senior Vice President and Chief Financial Officer

November 2, 2010