

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2007-12-04** | Period of Report: **2006-12-31**
SEC Accession No. **0001276477-07-000047**

([HTML Version](#) on [secdatabase.com](#))

FILER

MORRIS PUBLISHING GROUP LLC

CIK: **1276477** | IRS No.: **581445060** | State of Incorp.: **GA** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **333-112246** | Film No.: **071283229**
SIC: **2711** Newspapers: publishing or publishing & printing

Business Address
725 BROAD STREET
AUGUSTA GA 30901
7067240851

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

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

Date of Report (Date of earliest event reported): November 28, 2007

**MORRIS PUBLISHING GROUP, LLC
(Exact Name of Registrant as Specified in Its Charter)**

**Georgia
(State or other jurisdiction of incorporation)**

**333-112246
(Commission File Number)**

**58-1445060
(IRS Employer Identification No.)**

**725 Broad Street; Augusta, Georgia
(Address of Principal Executive Offices)**

**30901
(Zip Code)**

**(706) 724-0851
(Registrants' Telephone Number, Including Area Code)**

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)**
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)**
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))**
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))**

Section 1 Other Events

Item 1.01 Entry into a Material Definitive Agreement

On November 28, 2007, Morris Publishing Group, LLC ("Morris Publishing"), as borrower, entered into an Amendment No. 2 and Waiver with JPMorgan Chase Bank, N.A. as Administrative Agent under the

Credit Agreement dated as of December 14, 2005 (the "Credit Agreement") between Morris Publishing, Morris Communications Company, LLC ("Morris Communications"), the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent. Additional parties to the Amendment include the subsidiary guarantors of Morris Publishing Group and Morris Communications Holding Company, LLC, the parent of Morris Communications. The lenders party to the Credit Agreement are JPMorgan Chase Bank, N.A., The Bank of New York, SunTrust Bank, Wachovia Bank, N.A., Bank of America, N.A., General Electric Capital Corporation, Allied Irish Banks, P.L.C., AIB Debt Management, Limited, RBS Citizens, N.A., Comerica Bank, US Bank, National Association, First Tennessee Bank, National Association, Webster Bank, National Association, Keybank National Association, Sumitomo Mitsui Banking Corporation, and Mizuho Corporate Bank, Ltd. The Credit Agreement provides for \$350 million of senior secured term and revolving credit facilities.

The Credit Agreement contains a negative covenant prohibiting Morris Communications or any of its subsidiaries (including Morris Publishing) from selling or otherwise disposing of all or a substantial part of its business or property. Amendment No. 2 and Waiver waives compliance by Morris Communications with this covenant to permit Morris Publishing to sell fourteen daily newspapers, three nondaily newspapers, a commercial printing operation and other related publications to GateHouse Media, Inc. ("GateHouse"), under the terms set forth in their definitive asset purchase agreement entered into on October 23, 2007. Morris Publishing is required to utilize all of the after-tax net cash proceeds from the disposition to promptly prepay or reduce the commitments in the manner set forth in the Credit Agreement.

The Credit Agreement and Amendment No. 1 to the Credit Agreement also contain financial covenants requiring Morris Publishing to meet certain financial tests on an on-going basis, including minimum interest coverage ratio, minimum fixed charge coverage ratio, and maximum cash flow ratios, based upon consolidated financial results of Morris Communications and all of its subsidiaries (including Morris Publishing). Amendment No. 2 amends the fixed charge coverage ratio as defined in the Credit Agreement to exclude the income taxes payable on the gain from the sale of assets to GateHouse from the calculation of the ratio.

A copy of Amendment No. 2 and Waiver is furnished as Exhibit 99.1 and is incorporated herein by reference.

Section 7 Regulation FD

Item 7.01 Regulation FD Disclosure

On December 3, 2007, Morris Publishing issued a press release announcing close of the previously announced sale of various newspapers and publications and a commercial printing operation to GateHouse. A copy of Morris Publishing's press release is furnished as Exhibit 99.2 and is incorporated herein by reference.

Section 9 Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No. Description

<u>99.1</u>	<u>Amendment No. 2 and Waiver dated November 28, 2007 to Credit Agreement dated December 14, 2005, by and between Morris Publishing Group, LLC, various lenders and JPMorgan Chase Bank, N.A. as Administrative Agent, for \$350 million of senior secured term and revolving credit facilities.</u>
--------------------	---

99.2 Press Release of Morris Publishing Group, LLC, dated December 3, 2007, announcing the close of the sale of various newspapers and publications and a commercial printing operation to GateHouse Media, Inc.

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 hereunto duly authorized.

Date: **December 4,
2007**

MORRIS PUBLISHING GROUP, LLC

By: **/s/ Steve K. Stone**

Steve K. Stone

Senior Vice President and Chief Financial Officer

AMENDMENT NO. 2 AND WAIVER

AMENDMENT NO. 2 AND WAIVER dated as of November 28, 2007 (this "Agreement") between **MORRIS PUBLISHING GROUP, LLC** (the "Borrower"), **MORRIS COMMUNICATIONS COMPANY, LLC** ("MCC"), the **SUBSIDIARY GUARANTORS** party hereto (the "Subsidiary Guarantors"), **MORRIS COMMUNICATIONS HOLDING COMPANY, LLC** ("Holdings") and **JPMORGAN CHASE BANK, N.A.**, as administrative agent for the lenders party to the Credit Agreement referenced below (in such capacity, together with its successors in such capacity, the "Administrative Agent").

The Borrower, MCC, the lenders party thereto and the Administrative Agent are parties to a Credit Agreement dated as of December 14, 2005 (as amended by Amendment No. 1 thereto and as otherwise modified and supplemented and in effect immediately prior to the effectiveness of this Agreement, the "Credit Agreement"). The Borrower, MCC, the Subsidiary Guarantors, Holdings and the Administrative Agent (pursuant to authority granted by and having obtained all necessary consents of the Required Lenders party to the Credit Agreement) wish now to amend and waive the Credit Agreement in certain respects, and, accordingly, the parties hereto hereby agree as follows:

Section 1. Definitions. Except as otherwise defined in this Agreement, terms defined in the Credit Agreement are used herein as defined therein.

Section 2. Amendments to Credit Agreement. Subject to the satisfaction of the conditions precedent specified in Section 5 hereof, but effective as of the date hereof, the Credit Agreement shall be amended as follows:

2.01. References Generally. References in the Credit Agreement (including references to the Credit Agreement as amended hereby) to "this Agreement" (and indirect references such as "hereunder", "hereby", "herein" and "hereof") shall be deemed to be references to the Credit Agreement as amended hereby. This Agreement is a Loan Document for all purposes of the Credit Agreement.

2.02. Defined Terms. The definition of "Fixed Charge Coverage Ratio" in Section 1.01 of the Credit Agreement is hereby amended by replacing the parenthetical "(excluding, however, taxes attributable to Unrestricted Subsidiaries to the extent paid by such Unrestricted Subsidiaries)" in subclause (iv) therein with "(excluding, however, taxes attributable to (1) the Proposed Disposition (as defined in the Amendment No. 2 and Waiver hereto) to the extent proceeds with respect to such Proposed Disposition are not included in Cash Flow and (2) Unrestricted Subsidiaries to the extent paid by such Unrestricted Subsidiaries)".

Section 3. Waiver. Subject to the satisfaction of the conditions precedent specified in Section 5 hereof, but effective as of the date hereof, the Administrative Agent, on behalf of the Required Lenders, hereby waives compliance by MCC with Section 6.01(b) of the Credit Agreement solely to the extent required to permit the Borrower to consummate the sale of various newspapers and other publications as described in Annex A hereto (collectively, the "Proposed Disposition"), provided that (i) no Default or Event of Default shall have occurred and be continuing immediately prior to and after giving effect to the Proposed Disposition, (ii) the consideration received by the Borrower in respect of the Proposed Disposition shall be an amount at least equal to the fair market value of the Property related thereto (as reasonably determined in good faith by the Borrower), (iii) 100% of the consideration received by the Borrower in respect of the Proposed Disposition shall be cash, provided that up to \$10,000,000 of such consideration may be received in the form of a one-year promissory note bearing interest at 8% per annum, (iv) the Proposed Disposition is consummated on or before January 31, 2008 and (v) the Net Proceeds in respect of the Proposed Disposition shall be received by the Borrower contemporaneously with the consummation thereof (or, with respect to any Net Proceeds to be received under a promissory note, on the date of receipt thereof) and shall be promptly (and in any event within five Business Days after receipt thereof) applied to prepay the Loans and/or reduce the Commitments in the manner set forth in Section 2.08(b)(iv) of the Credit Agreement, and, in connection therewith, the Borrower shall deliver a certificate as contemplated by Section 2.08(b)(i) of the Credit Agreement and shall otherwise comply with Section 2.08(c) of the Credit Agreement with respect to the Proposed Disposition.

Section 4. Representations and Warranties. Each of the Borrower, MCC, Holdings and the Subsidiary Guarantors represents and warrants to the Lenders and the Administrative Agent, as to itself and each of its subsidiaries, that (i) the representations and warranties set forth in Article III of the Credit Agreement and in the other Loan Documents are true and complete as if made on and as of the date hereof (or, if any such representation or warranty is expressly stated to have been made as of a specific date, such representation or warranty shall be true and correct as of such specific date) and (ii) after giving effect to this Agreement, no Default or Event of Default has occurred and is continuing.

Section 5. Conditions Precedent. The amendments and waivers set forth in Sections 2 and 3 hereof shall become effective as of the date hereof upon (i) receipt by the Administrative Agent of executed counterparts of this Agreement from the Borrower, MCC, each Subsidiary Guarantor and Holdings and of consent from the Required Lenders of the execution hereof by the Administrative Agent and (ii) the payment in full of the costs, expenses and fees as set forth in Section 9.03 of the Credit Agreement.

Section 6. Security Documents. Each of the Borrower, MCC, Holdings and the Subsidiary Guarantors confirms its obligations under the Security and Guarantee Agreement, the Pledge Agreement, the Mortgages and the other Security Documents, as applicable.

Section 7. Miscellaneous. This Agreement shall be limited as written and nothing herein shall be deemed to constitute a waiver of any other term, provision or condition of the Credit Agreement or any other Loan Document in any other instance than as set forth herein or prejudice any right or remedy that the Administrative Agent or any Lender may have or may in the future have under the Credit Agreement or any other Loan Document. Except as herein provided, each of the Credit Agreement, the Security and Guarantee Agreement, the Pledge Agreement and the other Loan Documents shall remain unchanged and in full force and effect. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed counterpart of a signature page to this Agreement by electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 and Waiver to be duly executed and delivered as of the day and year first above written.

JPMORGAN CHASE BANK, N.A.,

as Administrative Agent

By: /s/ Peter B. Thauer

Name: Peter B. Thauer

Title: Executive Director

MORRIS PUBLISHING GROUP, LLC

By: /s/ Craig S. Mitchell

Name: Craig S. Mitchell

Title: Senior Vice President-Finance

MORRIS COMMUNICATIONS COMPANY, LLC

By: /s/ Craig S. Mitchell

Name: Craig S. Mitchell

Title: Senior Vice President-Finance

MORRIS COMMUNICATIONS HOLDING COMPANY, LLC

By: /s/ Craig S. Mitchell

Name: Craig S. Mitchell

Title: Senior Vice President-Finance

MORRIS PUBLISHING FINANCE CO.

YANKTON PRINTING COMPANY

BROADCASTER PRESS, INC.

THE SUN TIMES, LLC

HOMER NEWS, LLC

LOG CABIN DEMOCRAT, LLC

ATHENS NEWSPAPERS, LLC

SOUTHEASTERN NEWSPAPERS COMPANY, LLC

STAUFFER COMMUNICATIONS, INC.

FLORIDA PUBLISHING COMPANY

THE OAK RIDGER, LLC

MPG ALLEGAN PROPERTY, LLC

MPG HOLLAND PROPERTY, LLC

MCC RADIO, LLC

MCC OUTDOOR, LLC

MCC MAGAZINES, LLC

MCC EVENTS, LLC

HIPPODROME, LLC

BEST READ GUIDES FRANCHISE COMPANY, LLC

MORRIS VISITOR PUBLICATIONS, LLC

BEST READ GUIDES OF NEVADA, LLC

MORRIS BOOK PUBLISHING, LLC

THE LYONS PRESS, INC.
MORRIS AIR, LLC
MCC HARBOUR CONDO, LLC
MCC CUTTER COURT, LLC
MORRIS DIGITAL WORKS, LLC
MSTAR SOLUTIONS, LLC
MVP FRANCE, LLC
MVP GLOBAL, LLC
SOUTHWESTERN NEWSPAPERS COMPANY, L.P.

By: /s/ Craig S. Mitchell
Name: Craig S. Mitchell
Title: Senior Vice President-Finance

Description of Property

All of the right, title and interest of the “Sellers” in the “Acquired Assets”, but excluding the “Excluded Assets”, all as defined below.

1. **Sellers.** The term “Sellers” means Morris Publishing Group, LLC, a Georgia limited liability company, MPG Allegan Property, LLC, a Georgia limited liability company, Broadcaster Press, Inc., a South Dakota corporation, MPG Holland Property, LLC, a Georgia limited liability company, The Oak Ridger, LLC, a Tennessee limited liability company, and Yankton Printing Company, a South Dakota corporation.
2. **Publications.** The term “Publications” means the various daily and non-daily publications which are distributed in South Dakota, Florida, Kansas, Michigan, Missouri, Nebraska, Oklahoma and Tennessee, together with all related publications (as set forth below) and services and assets and facilities, all related domain names, with related HTML design and data and all of Sellers’ rights to prepare, publish, sell and distribute any of the foregoing in all languages:

The Daily Ardmoreite (Ardmore, Oklahoma)
Shoppers Weekly (Dodge City, Kansas)
Girard Press (Girard, Kansas)
The Grand Island Independent (Grand Island, Nebraska)
Heartland Shoppers (Grand Island, Nebraska)
Hannibal Courier-Post (Hannibal, Missouri)
Salt River Journal (Hannibal, Missouri)
Hillsdale Daily News (Hillsdale, Michigan)
Sampler (Hillsdale, Michigan)
The Holland Sentinel (Holland, Michigan)
Zeeland Sentinel (Holland, Michigan)
Hamilton Herald (Holland, Michigan)
The Shawnee News-Star (Shawnee, Oklahoma)
Shopper’s Advantage (Shawnee, Oklahoma)
York News-Times (York, Nebraska)
The Morning Sun (Pittsburg, Kansas)
The Sunland Shopper (Pittsburg, Kansas)
Vermillion Plain Talk (Vermillion, South Dakota)
LaEstrella de Dodge City (Dodge City, Kansas)
Tip-Off Shopping Guide (Jonesville, Michigan)
Trade & Transactions Advantage (York, Nebraska)
Trade West (Grand Island, Nebraska)
Flashes Publishers (Allegan, Michigan) (Commercial Printing)
**Flashes Shopping Guide (Allegan/North Holland/South Holland/Kalamazoo/
 Lakeshore/Zeeland, Michigan)**
West Michigan Senior Times (West Michigan)
The Newton Kansan (Newton, Kansas)
Prairie Shopper (Newton, Kansas)
Prairie Shopper Plus (Newton, Kansas)
The Examiner (Blue Springs, Missouri)
The Examiner (Independence, Missouri)
The Extra (Independence, Missouri)
Winter Haven News Chief (Winter Haven, Florida)
Winter Haven Shopping Guide (Winter Haven, Florida)
The Polk Shopper (Winter Haven, Florida)

The Oak Ridger (Oak Ridge, Tennessee)
Missouri Valley Shopper (Yankton, South Dakota)
The Broadcaster (Vermillion, South Dakota)
Yankton Daily Press & Dakotan (Yankton, South Dakota)
Town and Country (Yankton, South Dakota)

3. **Acquired Assets.** The term “Acquired Assets” means all of the assets and properties of Sellers, tangible or intangible, of every kind and description, used by Sellers that relate primarily to the business and operation of the Publications as a going concern, including the Publications’ “Mastheads” which consist of the mastheads, trademarks, trade dress, trade names, service marks, registrations, domain names, and other property rights relating thereto and all goodwill associated therewith, but excluding the Excluded Assets. The Acquired Assets include, without limitation, the assets described in clause (a) through and including clause (o) of Section 1.1 of the Asset Purchase Agreement dated October 23, 2007, by and between the Sellers and GateHouse Media Operating, Inc., among others, as in effect on the date hereof (the “Asset Purchase Agreement”).

4. **Excluded Assets.** The term “Excluded Assets” means all other assets of Sellers, including the assets described under clause (a) through and including clause (n) of Section 1.2 of the Asset Purchase Agreement.



Morris Publishing Group, LLC

P.O. BOX 936 • AUGUSTA, GA 30903-0936

www.morris.com

Morris Publishing Announces Completion of Sale of Publications to GateHouse Media

AUGUSTA, Ga. (December 3, 2007)— Morris Publishing Group reported today the completion of the previously announced sale of fourteen daily newspapers, three non daily newspapers, a commercial printing operation and other related publications to GateHouse Media, Inc.

The daily newspapers sold include the *Dodge City* (Kan.) *Daily Globe*, *The Newton* (Kan.) *Kansan*, *The* (Pittsburg, Kan.) *Morning Sun*, the *Hillsdale* (Mich.) *Daily News*, *The Holland* (Mich.) *Sentinel*, the *Hannibal* (Mo.) *Courier-Post*, *The* (Independence, Mo.) *Examiner*, *The Grand Island* (Neb.) *Independent*, the *York* (Neb.) *News-Times*, *The Daily Ardmoreite* (Okla.), *The Shawnee* (Okla.) *News-Star*, the *Yankton* (S.D.) *Daily Press & Dakotan*, *The Oak Ridger* (Tenn.), and the *News Chief* (Winter Haven, Fla.). The nondaily newspapers sold include *La Estrella* (Dodge City, Kan.), *The Girard* (Kan.) *City Press* and the *Vermillion* (S.D.) *Plain Talk*. The commercial printing operation sold is *Flashes Publishing* (Mich.).

Morris Publishing Group, LLC is a wholly owned subsidiary of Morris Communications Company, LLC, a privately held media company based in Augusta, Ga. Morris Publishing currently owns and operates 13 daily newspapers as well as nondaily newspapers, city magazines, and other free community publications in the Southeast, Midwest, Southwest and Alaska. For more information, visit our Web site, morris.com.

For further information, please contact:

Craig S. Mitchell

Senior Vice President of Finance

Morris Communications Company, LLC

706-823-3236