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

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**FORM 10-K**

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

For the fiscal year ended January 1, 1984.

Commission file number 1-6714

**The Washington Post Company**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**53-0182885**  
(I.R.S. Employer  
Identification No.)

**1150 15th St., N.W., Washington, D. C.**  
(Address of principal executive offices)

**20071**  
(Zip Code)

Registrant's telephone number, including area code: **(202) 334-6000**

**Securities registered pursuant to Section 12(b) of the Act:**

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Class B Common Stock, par value \$1.00 per share	American Stock Exchange

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 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  .

Aggregate market value of the Company's voting stock held by non-affiliates on February 29, 1984, based on the closing price for the Company's Class B Common Stock on the American Stock Exchange on such date: approximately \$456,000,000.

Shares outstanding at February 29, 1984:

Class A Common Stock—2,748,382 shares  
Class B Common Stock—11,436,096 shares

Documents partially incorporated by reference:

The Company's 1983 Annual Report to Stockholders (incorporated in Part II to the extent provided in Items 5, 6, 7 and 8 hereof).

Definitive Proxy Statement for the Company's May 11, 1984 Annual Meeting of Stockholders (incorporated in Part III to the extent provided in Items 10, 11, 12 and 13 hereof).

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## PART I

### Item 1. Business.

The principal business activities of The Washington Post Company (the "Company") consist of newspaper publishing (*The Washington Post* and the Everett (Washington) *Herald*), magazine publishing (*Newsweek* magazine) and television broadcasting (through ownership and operation of four network-affiliated stations).

Set forth below for each of the Company's last three fiscal years are the amount and percentage of the Company's consolidated operating revenues and consolidated income from operations attributable to the three principal segments of its business, and the identifiable assets attributable to each such segment. (Revenues for each segment are shown net of intersegment sales, which did not exceed 1/10 of 1% of consolidated operating revenues.) Operating revenues are shown before other income (principally interest and equity in earnings of affiliates). Income from operations is shown after allocation of all corporate operating expenses but before adding or deducting other income and expense (which in 1982 included a nonrecurring gain from the sale of a business and in 1981 included a nonrecurring loss from the sale of several businesses), taxes on income and, in 1982 and 1983, new business development costs.

	Fiscal Year Ended					
	January 1, 1984		January 2, 1983		January 3, 1982	
<u>Operating Revenues</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
	(dollars in thousands)					
Newspaper publishing and related operations .....	\$455,666	52	\$413,929	52	\$368,413	49
Magazine publishing and related operations .....	302,241	34	279,171	35	294,272	39
Broadcasting and related operations .....	<u>119,807</u>	<u>14</u>	<u>107,724</u>	<u>13</u>	<u>90,762</u>	<u>12</u>
	<u>\$877,714</u>	<u>100</u>	<u>\$800,824</u>	<u>100</u>	<u>\$753,447</u>	<u>100</u>
	 <u>Income from Operations</u>					
Newspaper publishing and related operations .....	\$ 78,872	59	\$ 56,744	57	\$ 30,809	47
Magazine publishing and related operations .....	15,327	11	13,287	13	13,881	21
Broadcasting and related operations .....	<u>39,446</u>	<u>30</u>	<u>29,753</u>	<u>30</u>	<u>21,024</u>	<u>32</u>
	<u>\$133,645</u>	<u>100</u>	<u>\$ 99,784</u>	<u>100</u>	<u>\$ 65,714</u>	<u>100</u>
	 <u>Identifiable Assets</u>					
Newspaper publishing and related operations .....	\$218,958		\$224,236		\$217,034	
Magazine publishing and related operations .....	63,563		68,311		69,821	
Broadcasting and related operations .....	<u>123,489</u>		<u>122,868</u>		<u>111,634</u>	
	<u>\$406,010</u>		<u>\$415,415</u>		<u>\$398,489</u>	

During each of the last three years the Company's operations in geographic areas outside the United States, consisting primarily of the publication of the international editions of *Newsweek*, accounted for less than 7% of the Company's consolidated revenues and less than 4% of its consolidated income from operations, and the identifiable assets attributable to such operations represented less than 4% of the Company's consolidated assets.

### Newspaper Publishing

#### The Washington Post

*The Washington Post* is a morning and Sunday newspaper primarily distributed by home delivery in the Washington, D.C. metropolitan area, including large portions of Virginia and Maryland. Until August

1981 *The Washington Post's* principal newspaper competition in the Washington area consisted of *The Washington Star*, a daily newspaper which published a home-delivered edition on weekday evenings and on Saturday and Sunday mornings and a newsstand edition on weekday mornings. The *Star* ceased publication on August 7, 1981, and the *Post's* circulation since that date reflects the addition of a substantial number of former *Star* subscribers and readers who did not already subscribe to the *Post*.

The following table shows the average paid circulation of the *Post* for the twelve-month periods ended September 30 in each of the last five years, as reported by the Audit Bureau of Circulations ("ABC") for the years 1979-1982 and as reported to ABC by the *Post* for the twelve months ended September 30, 1983 (for which period ABC had not completed its audit as of the date of this report), together with the newspaper's circulation revenues for each of the last five fiscal years:

	Average Paid Circulation		Circulation Revenues
	Daily	Sunday	
1979.....	581,369	815,394	\$51,897,000
1980.....	588,220	828,486	60,500,000
1981.....	619,903	855,822	71,515,000
1982.....	735,796	979,830	88,463,000
1983.....	726,265	1,001,045	89,285,000

To alleviate the strain on *The Washington Post's* production facilities that resulted from the newspaper's expanding circulation, and to anticipate future circulation increases, in 1979-80 the Company constructed a new satellite printing plant in Fairfax County, Virginia, at a cost of approximately \$68 million (including the cost of three new printing presses and other equipment). To enable *The Washington Post* to meet the increased demand for copies of the newspaper that followed the closing of *The Washington Star* on August 7, 1981, the Company purchased certain of the *Star's* former production facilities on September 25, 1981.

On December 4, 1983 the rates charged to Sunday-only subscribers for home-delivered copies of the *Post* were increased from \$4.00 to \$5.00 for each four-week period. On March 19, 1984, the rate for home-delivered copies of the daily and Sunday newspaper was increased from \$8.00 to \$8.60 for each four-week period.

General advertising rates were increased by approximately 10.5% on January 1, 1983, and approximately 7.5% on January 1, 1984. Classified and retail advertising rates were increased by approximately 9.5% on February 1, 1983, and approximately 6.5% on February 1, 1984. On October 1, 1983, separate rates 6% higher than other classified advertising rates were established for recruitment classified advertising, which represents about 25% of all classified advertising.

The following table sets forth the *Post's* advertising lineage for the past five years as measured by Media Records Incorporated, together with the *Post's* advertising revenues for such years:

	1979	1980	1981	1982	1983
Total Linage (in thousands).....	100,392	100,427	104,782	103,228	104,773
Full-Run Linage.....	85,944	84,924	88,241	86,760	91,342
Part-Run Linage.....	14,448	15,503	16,541	16,468	13,431
Advertising Revenue (in thousands).....	\$188,592	\$216,387	\$263,572	\$304,765	\$343,075

*The Washington Post* has about 400 full-time editors, correspondents, reporters and photographers on its staff, draws upon the news reporting facilities of the major wire services and maintains correspondents in 16 news centers abroad and in New York City, Los Angeles, Chicago, Miami, Richmond, Baltimore, Atlanta, and Austin, Texas.

## The Everett Herald

The Company owns The Daily Herald Company, publisher of the *Herald* in Everett, Washington, about 30 miles north of Seattle. The *Herald* is primarily distributed by home delivery in Snohomish County and is published on weekday evenings and on Saturday and Sunday mornings. In April 1982 the *Herald* commenced publication of a late morning weekday street sales edition.

The *Herald* is the only daily newspaper published in Everett, the county seat of Snohomish County. The *Herald* publishes three regional editions, one of which circulates in Southwest Snohomish County where the *Herald's* principal competitors have been the evening *Seattle Times* and the morning *Seattle Post-Intelligencer*, which since May 1983 have been published under a joint operating agreement enabling the two papers to combine all their business and production functions.

The *Herald* also publishes *The Herald Calendar*, a total-market-coverage advertising vehicle delivered in zoned editions each Wednesday to subscribers and to more than 50,000 non-subscribers. The non-subscriber versions of the *Calendar* are distributed throughout the more heavily populated areas of Snohomish County, enabling retail and service establishments to obtain high advertising penetration at relatively low cost.

Reflecting the depressed state of the Snohomish County economy (which has been adversely affected by extensive layoffs at Boeing and in the forest products industry), the *Herald's* average paid circulation for the twelve-month period ended March 31, 1983, audited by ABC, was 55,201 daily (down 6.4% from the preceding year) and 54,915 Sunday (down 6.9%). The unaudited average paid circulation reported by the *Herald* to ABC for the six months ended September 30, 1983, was 55,025 daily and 55,675 Sunday (up 0.6% and 2.5%, respectively, from the six months ended September 30, 1982). Full-run advertising linage including preprints increased 2.6% in 1983 to 21,734,000 lines, while zoned part-run advertising increased 14.5% to 750,000 lines.

The *Herald* employs approximately 75 editors, reporters and photographers.

## Magazine Publishing

*Newsweek* is a weekly news magazine published both domestically and internationally. In gathering, reporting and writing news and other material for publication, *Newsweek* maintains news bureaus in 11 U.S. and 17 foreign cities. Worldwide there are approximately 430 full-time editorial staff members, 340 of whom are in New York.

The domestic edition of *Newsweek* is comprised of 62 different geographic and demographic editions which carry substantially identical news and feature material but enable advertisers to direct messages to specific market areas and demographic groups. Domestically, *Newsweek* ranks second in circulation among the three leading weekly news magazines (*Newsweek*, *Time* and *U.S. News & World Report*). Its average weekly domestic circulation rate base, its percentage of the total weekly domestic circulation rate base of the three leading weekly news magazines and its circulation revenues for the past five years are set forth in the following table:

	<u>Newsweek Average Weekly Circulation Rate Base</u>	<u>Percentage of Three Leading News Magazines</u>	<u>Newsweek Circulation Revenues</u>
1979.....	2,900,000	31.7%	\$74,390,000
1980.....	2,950,000	32.1%	76,721,000
1981.....	2,950,000	31.6%	79,635,000
1982.....	2,950,000	31.4%	81,629,000
1983.....	2,950,000	30.7%	88,425,000

Effective in January 1984 *Newsweek* increased its domestic circulation rate base to 3,000,000.

*Newsweek* is sold on newsstands and through subscription mail order sales derived from a number of sources, principally direct mail promotion. Approximately 92% of its circulation is from subscription sales delivered by mail. The basic one-year subscription price is \$39.00, although most subscriptions are sold at a discount from the basic price. Effective with the issue dated March 5, 1984, the newsstand price was increased from \$1.50 to \$1.75 per copy.

The total number of *Newsweek's* domestic advertising pages and gross domestic advertising revenues as reported by Publishers' Information Bureau, Inc., together with *Newsweek's* percentages of the total number of advertising pages and total advertising revenues of the three leading weekly news magazines, for the past five years have been as follows:

	<u>Newsweek Advertising Pages*</u>	<u>Percentage of Three Leading News Magazines</u>	<u>Newsweek Gross Advertising Revenues*</u>	<u>Percentage of Three Leading News Magazines</u>
1979.....	3,410	40.1%	\$169,892,000	37.9%
1980.....	3,098	40.0%	175,049,000	37.9%
1981.....	3,106	40.4%	198,628,000	38.1%
1982.....	2,846	39.8%	194,165,000	36.8%
1983.....	2,949	40.2%	218,055,000	36.2%

\* Advertising pages and gross advertising revenues are those reported by Publishers' Information Bureau, Inc. PIB computes gross advertising revenues from basic one-time rates and the number of advertising pages carried. PIB figures therefore exceed actual gross advertising revenues, which reflect lower rates for multiple insertions. Net revenues as reported in the Company's Consolidated Statements of Income also exclude agency fees and cash discounts, which are included in the gross advertising revenues shown above. Page and revenue figures exclude affiliated advertising.

*Newsweek's* advertising rates are based on its average weekly circulation rate base and are competitive with the other weekly news magazines. National advertising rates have been increased each year since 1974. Effective with the issue dated January 3, 1983, national advertising rates were increased 7.6%. Beginning with the January 2, 1984 issue, national advertising rates were increased by an additional 7.3%.

*Newsweek Executive* is a bi-weekly demographic edition distributed to subscribers qualified by a professional or managerial job title and minimum income level. This edition increased its advertising rates by 8% in January 1983 and by an additional 15.5% in January 1984, when the circulation rate base was increased from 525,000 to 575,000.

In January 1982 *Newsweek* introduced another bi-weekly demographic edition, *Newsweek Executive Plus*, distributed to subscribers qualified by a professional or managerial job title. This edition increased its advertising rates by 8% in January 1983 and by an additional 11.3% in January 1984, when the circulation rate base was increased from 900,000 to 950,000.

*Newsweek* launched its first monthly demographic edition, *Newsweek Woman*, in February 1980, with an initial circulation rate base of 500,000 selected female subscribers. In January 1983 the circulation rate base was raised to 550,000 and an 18.3% increase in advertising rates was instituted. At the beginning of 1984, during which year this edition will be published 13 times, advertising rates were increased by an additional 10%.

In September 1982 *Newsweek* introduced a new edition for college students, *Newsweek on Campus*, containing special editorial content not appearing in the national edition of *Newsweek*. This edition has a paid circulation rate base of 400,000, while guaranteeing a total circulation of 1,200,000 through the use of inserts in student newspapers at major colleges and universities. This edition was published twice in 1982 and five times in 1983, with six issues planned for 1984. Advertising rates rose in January 1983 by 10% and in January 1984 by an additional 38.4%.

Internationally, *Newsweek* is published in an Atlantic edition covering the British Isles, Europe, the Middle East and Africa, a Pacific edition covering Japan, Korea, Southeast Asia, Australia and New

Zealand, and a Latin American edition, all of which are in the English language. Editorial copy of purely domestic interest is eliminated in the international editions and is replaced by other international, business or national coverage primarily of interest abroad.

The average weekly circulation rate base, circulation revenues, advertising pages and gross advertising revenues of *Newsweek's* international editions for the past five years have been as follows:

	<u>Average Weekly Circulation Rate Base</u>	<u>Circulation Revenues</u>	<u>Advertising Pages*</u>	<u>Gross Advertising Revenues*</u>
1979.....	490,000	\$15,301,000	2,629	\$31,840,000
1980.....	517,000	18,695,000	2,661	34,226,000
1981.....	544,000	19,507,000	2,614	38,418,000
1982.....	566,000	19,450,000	2,546	39,624,000
1983.....	570,000	19,409,000	2,544	42,305,000

\* Advertising pages and gross advertising revenues are those reported by Rome Reports, Inc. Rome computes gross advertising revenues from basic one-time rates and the number of advertising pages carried. Rome figures therefore exceed actual gross advertising revenues, which reflect lower rates for multiple insertions. Net revenues as reported in the Company's Consolidated Statements of Income also exclude agency fees and cash discounts, which are included in the gross advertising revenues shown above. Page and revenue figures exclude affiliated advertising.

For 1984 the average weekly circulation rate base for *Newsweek's* international editions has been increased to 578,000 copies.

### Postal Rate Increases

Approximately 92% of the aggregate domestic circulation of *Newsweek* is delivered to subscribers by second class mail, and substantially all subscriptions are solicited by either first or third class mail. Thus substantial increases in postal rates for these classes of mail have had, and further such increases could have, a material adverse impact on *Newsweek's* operating income.

The U.S. Postal Service has asked the Postal Rate Commission for a general rate increase that could take effect as early as the fourth quarter of 1984, although rates are not expected to increase until the beginning of 1985. If such increase takes effect in the fourth quarter of 1984 *Newsweek's* postage costs for the current year would increase by approximately \$600,000 over its 1983 costs; if the rate increase does not take effect until the beginning of 1985 *Newsweek's* postage costs for that year will exceed its 1983 costs by approximately \$2.2 million.

### Broadcasting

#### Television

Through wholly owned subsidiaries the Company owns, and with a separate staff operates, four VHF television stations located in Detroit, Michigan, Miami, Florida, Hartford, Connecticut, and Jacksonville, Florida, which are the 7th, 13th, 22nd and 64th largest broadcasting markets in the United States. Each of the Company's stations is affiliated with a national network. Although regulations of the Federal Communications Commission (the "FCC") limit the term of network contracts to two years, such regulations permit successive renewals and each of the Company's television stations has maintained its network affiliation continuously for at least twenty years.

The Company's 1983 net operating revenues from television advertising, by category, were as follows:

National.....	\$ 62,390,658
Local.....	46,807,314
Network.....	6,622,743
Total.....	\$115,820,715

The following table sets forth certain information with respect to each of the Company's television stations:

Station Location and Year Commercial Operation Commenced	National Market Ranking (a)	Network Affiliation	Expiration Date of FCC License	Expiration Date of Network Contract	Total Commercial Stations in ADI(b)	
					Allocated	Operating
WDIV Detroit, Mich. 1947	7th	NBC	Oct. 1, 1987	Jan. 1, 1986	VHF-4 UHF-6	VHF-4 UHF-4
WPLG Miami, Fla. 1961	13th	ABC	Feb. 1, 1987	April 2, 1985	VHF-4 UHF-8	VHF-4 UHF-4
WFSB Hartford, Conn. 1957	22nd	CBS	April 1, 1989	Sept. 10, 1984	VHF-2 UHF-6	VHF-2 UHF-3
WJXT Jacksonville, Fla. 1947	64th	CBS	Feb. 1, 1987	Sept. 29, 1984	VHF-2 UHF-5	VHF-2 UHF-3

(a) Source: 1983/84 ADI Market Rankings, The Arbitron Company, Fall 1983, based on television homes in ADI (see note (b) below).

(b) Area of Dominant Influence ("ADI") is a market designation of Arbitron which defines each television market exclusive of another, based on measured viewing patterns.

### Federal Regulation of Broadcasting and Related Matters

The Company's television broadcasting operations are subject to the jurisdiction of the FCC under the Communications Act of 1934, as amended (the "Act"). Under authority of the Act the FCC, among other things, assigns frequency bands for broadcast and other uses; issues, revokes, modifies and renews broadcasting licenses for particular frequencies; determines the location and power of stations and establishes areas to be served; regulates equipment used by stations; and adopts and implements regulations and policies which directly or indirectly affect the ownership, operations and profitability of broadcasting stations.

Each of the Company's television stations holds a license valid for a period of five years which is renewable upon application for a similar period.

The FCC is conducting proceedings or considering the adoption of proceedings and new policies dealing with such matters as deregulation; the standards to be applied to contested renewal applications; the adverse weight, if any, to be given to wrongdoing in the non-broadcasting activities of companies which hold or are applying for broadcasting licenses; the so-called network financial interest and syndication rule; satellite-to-home broadcasting; multiple and cross-ownership interests; the number of channels for multi-point distribution services; dissemination of "teletext" information and multi-channel

sound and other information using presently unused portions of the television broadcast signal, and whether cable systems that carry the main channel signals of television stations must also carry their teletext or multi-channel sound signals; proposals to permit additional regular stations under conditions that could cause electrical interference to and loss of audience and revenues by existing television stations; various other matters that could result in changes in the degree of interference caused to television operations; and relaxation or elimination of rules (a) requiring cable television systems to carry the signals of certain local and nearby television stations, (b) prohibiting common ownership of television broadcasting stations and cable systems serving the same areas, (c) prohibiting cable system ownership by national television networks, (d) limiting the total number of VHF and UHF television stations that any one company or person may own and (e) limiting the number of broadcast outlets, both television and radio, that any one company or person may own within a specified geographic area. The Company cannot predict the resolution of these various matters although, depending upon their outcome, they could affect the Company's television-related interests either adversely or favorably.

Various of the foregoing questions as well as other important substantive and policy issues are being considered in Congress. Some of these questions are also the subject of court litigation to which television networks or individual television stations are party.

### Other Activities

#### Cellular Telephone Operations

In June 1982 the FCC began accepting applications for licenses to provide a new type of two-way radiotelephone service. This service, technically known as the "domestic public cellular radio telecommunications service," utilizes networks of low-power transmitters linked by computerized switching systems to permit greatly increased numbers of subscribers in comparison with existing radiotelephone systems. Under FCC rules two cellular licenses are being awarded in each geographic area, with one license reserved for a telephone company providing local service and the recipient of the other license being selected by the FCC from among the non-telephone company (*i.e.* "non-wireline") applicants. If there is more than one applicant for a license the FCC will select the licensee on the basis of a comparative hearing or, possibly, a lottery. To date subsidiaries of the Company, in partnership with one or more other entities, have filed applications for cellular licenses in 14 markets.

In July 1983 a subsidiary of the Company entered into a partnership agreement with the other non-wireline applicants for the Detroit, Michigan cellular license, thereby eliminating the need for a comparative hearing with respect to that market. This partnership, in which the Company has an 18% interest, received a construction permit from the FCC in October 1983, and anticipates commencing construction of its cellular system during the first quarter of 1984 with commercial operations to begin before the end of the year.

Similarly, in September 1983 another subsidiary of the Company joined with the other non-wireline applicants for licenses in Washington, D.C. and Baltimore, Maryland to form a partnership to provide cellular service in both cities. One of the partners already operated an existing Washington, D.C./Baltimore experimental cellular system; after making appropriate changes to that system and receiving all necessary regulatory approvals, the partnership commenced commercial operations in December 1983. The Company has a 20% interest in this partnership.

The Company has a one-sixth interest in another partnership which has applied for the non-wireline licenses to serve Seattle and Tacoma, Washington, and Portland, Oregon. The FCC administrative law judges have ruled in favor of that partnership's applications in Seattle and Portland (no action having yet taken place in Tacoma), but the losing competitors have appealed both decisions so that final awards in those two markets are not expected until late in 1984.



A subsidiary of the Company also is a partner in Florida Cellular Telephone Company, an applicant for non-wireline cellular licenses in Miami and West Palm Beach, Florida. Comparative hearings for the Miami license have been completed and the administrative law judge's decision is expected in the near future. The Company has a 60% interest in Florida Cellular Telephone Company, but has agreed to fund a greater percentage of the cost of construction and initial operations.

In addition to the applications described above, the Company has interests in non-wireline cellular license applications to serve Jacksonville and Orlando, Florida; Hartford, New Haven and Fairfield County, Connecticut; and Springfield, Massachusetts. The Company's share of the profits and losses of these applicants will range from 33% to 60%, although in certain cases the Company will bear a proportionately larger share of initial funding requirements.

The FCC is considering using lotteries to select licensees in areas other than the 30 largest cellular markets, which would include all the areas in which partnerships in which the Company has an interest have applications pending except Seattle, Portland and Miami.

The Company has expended approximately \$4 million in connection with its cellular telephone activities through January 1, 1984, substantially all of which has been expensed for accounting purposes, and expects to make additional investments in the Detroit and Washington/Baltimore ventures and in such of its other partnerships as may receive cellular licenses to serve other markets. In each of the years 1984 and 1985 the Company expects its share of the operating losses of the Detroit and Washington/Baltimore cellular ventures to aggregate approximately \$3-4 million.

### **SportsChannel**

In mid-1983 subsidiaries of the Company acquired a 50% general partnership interest in SportsChannel Associates,\* which distributes sports programming to pay cable and subscription television subscribers in the metropolitan New York area, and approximately a 25% limited partnership interest in SportsChannel New England,\*\* which offers sports programming to the same types of subscribers in parts of New England. SportsChannel Associates' service is currently delivered to approximately 330,000 cable television and 100,000 subscription television subscribers, and SportsChannel New England's service is currently delivered to about 45,000 cable television subscribers located in Massachusetts, Rhode Island, Connecticut, upstate New York and New Hampshire.

In November 1983 SportsChannel Prism Associates ("Prism"), in which the Company has a 90% general partnership interest, acquired a Philadelphia-based pay cable programming network which is currently providing major motion pictures, regional sporting events and entertainment specials to about 360,000 cable television subscribers in eastern Pennsylvania, southern New Jersey and northern Delaware.

Effective January 1, 1984, the Company entered into an agreement pursuant to which SportsChannel Chicago Associates ("SportsChannel Chicago"), in which the Company has an 85% general partnership interest, acquired from SportsVision, an organization of Chicago-area professional sports teams, the exclusive pay-cable distribution rights in the greater Chicago area to at least 240 sports events to be produced by SportsVision each year. This programming service is currently being delivered to about 13,000 cable subscribers. The agreement with SportsVision is for an initial term of ten years and may be extended for an additional five years at the option of SportsChannel Chicago.

The Company's partner in SportsChannel Associates, Prism and SportsChannel Chicago, and a principal partner in SportsChannel New England, is Cablevision Program Enterprises ("Cablevision"), a limited partnership controlled by Charles F. Dolan. Mr. Dolan has broad experience in the cable television industry, and other partnerships which he manages own and operate cable systems in suburban

\* Because a non-partner is entitled to receive payments equal to 10% of this partnership's profits, the Company's interest is equivalent to only a 45% share of the partnership's profits.

\*\* Until another limited partner has received specified minimum distributions, the Company's interest will be equivalent to only 19.75%.

New York City which serve an aggregate of approximately 400,000 subscribers. In addition, partnerships managed by Mr. Dolan have been awarded franchises to build cable television systems in other areas including Boston and parts of New York City. Cablevision has been granted the right to increase its partnership interests in Prism and SportsChannel Chicago from 10% and 15%, respectively, to a maximum of 50% by purchasing additional partnership interests from the Company's subsidiaries. In addition, under certain circumstances (including the attainment of specified performance goals) Cablevision will be awarded at no cost an additional partnership interest of 6½% in SportsChannel Chicago.

The Company has invested approximately \$44 million in SportsChannel Associates, SportsChannel New England, Prism and SportsChannel Chicago, and currently estimates that aggregate additional net investments of \$12 to \$15 million will be required through 1985, after which the Company anticipates that the SportsChannel partnerships will be self-sustaining. The Company also estimates that its participation in the SportsChannel partnerships will reduce the Company's pre-tax income by approximately \$8 million in 1984 and by somewhat lower amounts in succeeding years, with those partnerships beginning to contribute to the Company's profits in 1987.

#### **Legi-Slate**

In February 1983 the Company acquired Legi-Slate, Inc., a company that provides its customers with access, over standard telephone lines, to a computerized data base containing detailed information on the legislative and regulatory activities of the United States government. The Legi-Slate data base includes a description of every bill and resolution introduced in Congress, the schedule of each Congressional committee, the voting record of each member of Congress and an abstract of every document published in the *Federal Register*. Legi-Slate currently serves about 300 customers.

#### **National Journal**

In December 1983 the Company purchased 20% of the stock of National Journal, Inc., which publishes the *National Journal*, a weekly magazine covering politics and government, and the bi-annual *Almanac of American Politics*. The owner of 80% of the stock of National Journal, Inc., is The Government Research Corporation ("GRC"), which has pledged such stock to the Company to secure repayment of a loan to GRC.

#### **Production and Raw Materials**

*The Washington Post* is produced at the newspaper's principal place of business and plant in downtown Washington, D.C., and at its satellite printing plants in Fairfax County, Virginia, and Southeast Washington, D.C.; all editions of the Everett *Herald* are produced at its plant in Everett, Washington. *Newsweek's* domestic edition is produced in six independent printing plants, of which five are in the United States and one is in Canada; advertising inserts and photo-offset films for the domestic edition are also produced by independent contractors. The international editions of *Newsweek* are printed in Switzerland, Australia, Hong Kong, Japan and Daytona Beach, Florida.

In 1983 *The Washington Post* consumed about 230,000 tons\* of newsprint purchased from a number of suppliers including Bowater Mersey Paper Company Limited, which supplied approximately one-third of the *Post's* newsprint requirements in 1983 under a contract which extends to 1988. The Company owns 49% of the common shares of Bowater Mersey (the majority interest being held by a subsidiary of The Bowater Corporation Limited), which is completing an equipment modernization program that will increase its annual production capacity from about 185,000 tons to 196,000 tons of newsprint and which owns extensive woodlands that provide much of the mill's wood requirements. In 1983 Mersey produced only about 153,000 tons of newsprint because of market conditions and shutdowns for equipment renovations which will not be completed until the beginning of the second quarter of 1984.

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\* All references in this report to newsprint tonnage and prices refer to short tons (2,000 pounds) and not to metric tons (2,204.6 pounds) which are often used in newsprint price quotations.

The Company, through a wholly owned subsidiary, has a one-third limited partnership interest in Bear Island Paper Company, which late in 1979 completed construction of a newsprint mill in Doswell, Virginia, about 85 miles south of Washington, D.C. The general partner, which also has a one-third interest and manages the mill, is Brant-Allen Industries, Inc., a firm experienced in the construction and operation of similar mills; the other limited partner, also with a one-third interest, is a wholly owned subsidiary of Dow Jones & Company, Inc. Of the approximately \$150 million required to construct the mill and provide initial working capital, the partners have supplied about \$87 million and the remainder has been borrowed from banks and a Canadian government corporation. The mill produced its first newsprint in December 1979, produced about 114,000 tons in 1980 and increased its rate of production to about 153,000 tons in 1981, 173,000 tons in 1982 and 184,000 tons in 1983 when *The Washington Post* purchased approximately one-fifth of its newsprint requirements from Bear Island.

Newsprint supply contracts typically provide for payment based on the seller's announced price in effect at the time of delivery, and the Company's contracts with Bowater Mersey, Bear Island and its other suppliers contain such provisions. The price of newsprint, which declined slightly in late 1982 after several years of sharp rises, increased about \$30 per ton in the summer of 1983 to approximately \$454 per ton. In 1984 the market is expected to tighten slightly and could be affected by strikes at Canadian mills during labor negotiations. The *Post* believes it has adequate newsprint available through contracts with its suppliers.

In 1983 the Everett *Herald* consumed about 5,900 tons of newsprint supplied by four different suppliers, the largest of which furnished about 32% of the newspaper's total requirements.

The domestic edition of *Newsweek* consumed 39,970 tons of paper in 1983, the bulk of which was purchased from five major suppliers under long-term contracts at prevailing market prices. The current cost of body paper (the principal paper component of the magazine) ranges from \$760-\$845 per ton.

### Competition

*The Washington Post* is the only home-delivered morning paper published daily and on Sunday in Washington, D.C. The *Post's* principal competitor, *The Washington Star*, ceased publication in August 1981. In 1982 two new newspapers entered the market: *The Washington Times* and the nationally distributed *USA Today*, which is sold primarily through newsstand and street sales. In addition, the *Post* encounters competition in varying degrees from suburban newspapers, other nationally circulated newspapers and from television, radio, magazines and other advertising media. The *Post* is distributed in suburban and outlying areas where it competes with certain newspapers published in nearby counties, cities and towns.

The Everett *Herald* circulates principally in Snohomish County, Washington; its chief competitors are the *Seattle Times* and the *Seattle Post-Intelligencer*, which are daily and Sunday newspapers published in Seattle and whose Snohomish County circulation is principally in the southwest portion of the county. Since May 1983 the two Seattle newspapers have consolidated their business and production operations and combined their Sunday editions pursuant to a joint operating agreement, although they continue to publish separate daily newspapers. Although the *Herald's* principal circulation is in Snohomish County, it is also distributed in two other nearby counties (including King County where Seattle is located) in which its circulation is less than that of the Seattle newspapers. Numerous weekly and semi-weekly newspapers and shoppers are distributed in the *Herald's* principal circulation area.

According to figures compiled by Publishers' Information Bureau, Inc., of the 124 magazines reported on by the Bureau *Newsweek* ranked third in total advertising revenues in 1983, when it received approximately 5.1% of all advertising revenues of the magazines included in the report. The magazine industry is highly competitive both within itself and with other advertising media which compete for audience and advertising revenue.

The Company's television stations compete for audiences and revenues with television and radio stations serving the same or nearby areas and to a lesser degree with other advertising media such as newspapers and magazines. UHF stations are becoming increasingly competitive, and additional regular

or subscription (pay) UHF stations are being proposed in various of the Company's markets. In addition, the FCC has eliminated several restrictions on subscription television stations, including a rule that had limited the number of such stations to one to a market. The FCC has also proposed rules which would allow the licensing of additional VHF television stations, referred to as "short-spaced VHF drop-ins", which would not comply with the Commission's present requirements as to mileage separations between co-channel and adjacent channel stations. If adopted, the proposals would permit the addition of new VHF television stations in the Company's markets, although such stations would have smaller service areas than regular stations, and would also permit new VHF stations in nearby markets that could, by causing interference, reduce the service areas of the Company's stations. Moreover, in April 1982 the FCC created a new class of low power television stations (both VHF and UHF) that could also cause loss of audience and revenue by existing television stations. (The FCC's action is being challenged in court.) Licenses to operate low power television stations have been applied for in various of the Company's markets. The Company's television stations may also be subject to competition from multi-point distribution services on more channels than have been available in the past for such service and which offer subscription television programming in individual markets, from satellite-to-home broadcast operations which may offer subscription or commercially sponsored programming on a regional or national basis, and from subscription master antenna television systems which can carry pay-cable and similar program material.

In addition, cable television systems, which operate generally on a subscriber payment basis, are expanding their operations in the Company's broadcast markets and compete for television viewing in varying degrees by importing out-of-market television signals and by distributing programming that is originated exclusively for cable systems. Legislation dealing with cable-related issues is currently before Congress. Distribution of programming originated exclusively for cable systems, both "pay cable" and to a lesser extent advertiser-supported originations, is expanding rapidly. Cable operations could, over a period of time, adversely affect the Company's revenues from broadcasting. Further, high-definition and other improved television technologies are being developed which in the future may enhance the ability of cable television systems, direct satellite-to-home broadcasting and prerecorded video programming to compete for viewers with local television broadcasting stations such as those owned by the Company. Direct satellite-to-home broadcasting was authorized in both licensing and rulemaking proceedings in 1982 in decisions which are subject to judicial review.

The Company's television and newspaper interests could also be adversely affected in various ways should telephone companies be permitted to distribute news or advertising to home television sets through telephone-system connections, or should cable systems develop a commercially feasible means for the distribution of locally-originated news and advertising through such systems.

The Company's publications and broadcasting stations also compete for readers' and viewers' time with various other leisure-time activities.

The future of publishing and broadcasting depends on a number of factors, including the general strength of the economy, population growth, technological innovations and new entertainment, news and information dissemination systems, overall advertising revenues, the relative efficiency of publishing and broadcasting compared to other advertising media and, particularly in the case of broadcasting, the extent and nature of government regulations.

### Executive Officers

The executive officers of the Company, each of whom is elected for a one-year term at the meeting of the Board of Directors immediately following the Annual Meeting of Stockholders held in May of each year, are as follows:

Katharine Graham, age 66, has been Chairman of the Board and Chief Executive Officer since 1973. She also served as President of the Company from 1963 to 1973 and from March to November 1977, and as Publisher of *The Washington Post* from 1969 through 1978.

Richard D. Simmons, age 49, has been President of the Company since September 1, 1981. Prior to joining the Company Mr. Simmons had for more than five years been a senior executive of The Dun &

Bradstreet Corporation, of which he was executive vice president from 1976 to 1979 and vice chairman of the board from 1979 until August 1981.

Joel Chaseman, age 58, has been a Vice President of the Company and President of Post-Newsweek Stations, Inc., since 1973.

Martin Cohen, age 52, has been Vice President—Finance and Treasurer of the Company since 1975, prior to which he served for several years as a financial executive of the Company.

Mark M. Edmiston, age 40, has been a Vice President of the Company and President of Newsweek, Inc., since July 1981. He has been a senior executive of Newsweek for more than five years.

Alan R. Finberg, age 56, has been Vice President, General Counsel and Secretary of both the Company and Newsweek, Inc., since 1971.

Donald E. Graham, age 38, is a Vice President of the Company and Publisher of *The Washington Post*, having been named to the latter position in January 1979. Prior to that he had been General Manager of *The Washington Post*.

Howard E. Wall, age 54, has been Vice President and Chief Accounting Officer of the Company since May 14, 1982. From 1978 until he joined the Company Mr. Wall was Executive Vice President and Chief Financial Officer of Field Enterprises, Inc., a privately held company with interests in publishing, communications, real estate and natural resources. From 1976 to 1978 Mr. Wall was Vice President and Treasurer of The Dun & Bradstreet Corporation.

### Employees

The Company and its subsidiaries employ approximately 5,300 persons on a full-time basis.

*The Washington Post* has approximately 2,800 full-time employees. About 2,100 of the *Post's* full-time employees and 500 part-time employees are represented by one or another of nine unions. Collective bargaining agreements are currently in effect with locals of the following white-collar, craft or maintenance unions covering the full-time and part-time employees and expiring on the dates indicated: 455 printers represented by the Columbia Typographical Union (Sept. 30, 1986); approximately 1,300 employees in the editorial, newsroom and commercial departments represented by The Washington-Baltimore Newspaper Guild (July 9, 1986); approximately 160 paperhandlers and general workers represented by The Printing Specialty and Paper Products Union (March 3, 1986); 200 mailroom helpers represented by The Mailers Union (February 16, 1986); 38 electricians represented by The International Brotherhood of Electrical Workers (August 14, 1985); 110 building service employees represented by the Service Employees International Union (April 27, 1985); 38 engineers, carpenters and painters represented by The International Union of Operating Engineers (February 28, 1985); and 60 photo-engravers-platemakers represented by the Graphic Arts International Union (February 19, 1985). New contracts, to replace expired agreements, are currently being negotiated with locals of the following craft and maintenance unions to cover the full-time and part-time employees indicated: The International Association of Machinists (which represents 41 machinists) and The Mailers Union (which represents 330 mailers).

Of the approximately 225 full-time and 140 part-time employees at the Everett *Herald*, about 50 full-time and 50 part-time employees are represented by one or another of three unions. The newspaper's collective bargaining agreement with the pressmen's union will expire on January 15, 1985, its agreement with the typographers' union will expire on January 31, 1985, and its agreement with the International Brotherhood of Teamsters, which represents part-time bundle haulers, will expire on May 31, 1985.

Newsweek has approximately 1,400 full-time employees (including 340 full-time editorial staff members in New York), some of whom are represented by the New York Newspaper Guild under a collective bargaining agreement which will expire at the end of 1984. Newsweek has never experienced a strike, although there have been occasional work stoppages by employees of some of its former independent printers which did not materially interfere with the publication of *Newsweek*.

The Company's broadcasting operations have approximately 700 full-time employees, of whom about 300 are union represented. Three new collective bargaining agreements were negotiated during 1983 to replace expired agreements. Five of the remaining nine collective bargaining agreements will expire during 1984.

## **Item 2. Properties.**

The Company owns the publishing plant and principal offices of *The Washington Post* in downtown Washington, D.C., including both a seven-story building in use since 1950 and expanded plant facilities and a connected nine-story office building on contiguous property completed in 1972 in which are located the Company's principal executive offices. To accommodate the long-term requirements of *The Washington Post*, in 1980 the Company completed construction of a satellite printing plant on 13 acres of undeveloped land owned by the Company in Fairfax County, Virginia, and in September 1981 purchased the printing plant of the defunct *Washington Star* located in Southeast Washington, D.C. The Company owns an additional 10 acres of undeveloped land in Montgomery County, Maryland, which is also suitable for the construction of facilities for the assembly and distribution of copies of the *Post* to suburban locations and for the construction of an additional satellite plant for printing all or parts of the newspaper.

The Everett *Herald* owns its plant and office building in Everett, Washington; completed in 1959, the building was expanded in 1968, 1980 and 1983, when a second press was installed. The *Herald* also owns two warehouses adjacent to its plant and a small office building in Lynnwood, Washington, from which it manages its southwestern edition.

The principal offices of *Newsweek* are located in the Newsweek Building at 444 Madison Avenue in New York City, where Newsweek rents space on 22 floors. The leases on the space in the Newsweek Building expire in 1994 but are renewable for a 15-year period at Newsweek's option at rentals to be negotiated or arbitrated. Newsweek's circulation, manufacturing and distribution departments and certain other operations occupy space at 477 Madison Avenue in New York City under leases that will expire in 1989. Subscription fulfillment and computer operations are located in leased facilities in Livingston, New Jersey.

The headquarters offices of the broadcasting division are located in the same facilities in downtown Washington that house the Company's principal executive offices. Each of the Company's television stations operates in facilities owned by the Company.

Robinson Terminal Warehouse Corporation, the Company's newsprint warehousing subsidiary, owns two wharves and several warehouses in Alexandria, Virginia. These facilities are adjacent to the business district and occupy approximately seven acres of land. Robinson also owns a partially developed 18-acre tract in Fairfax County, Virginia, adjacent to *The Washington Post's* satellite printing plant, on which are located several warehouses.

In addition to the foregoing facilities, the Company owns land on the corner of 15th and L Streets, N.W., in Washington, D.C., adjacent to *The Washington Post* plant and office building. The Company has leased this property under a long-term ground lease to The Prudential Insurance Company of America, which in 1982 completed construction a new multi-story office building on the site. The Company rents two floors in this building.

## **Item 3. Legal Proceedings.**

The Company is a party to various civil lawsuits that have arisen in the ordinary course of its business, including actions for libel and invasion of privacy. In management's opinion the Company carries adequate insurance against liability in such actions and is not a party to any other material litigation.

## **Item 4. Submission of Matters to a Vote of Security Holders.**

Not applicable.

## PART II

### **Item 5. *Market for the Registrant's Common Stock and Related Security Holder Matters.***

The information contained under the heading "Common Stock Prices and Dividends" in the Company's 1983 Annual Report to Stockholders, and the information relating to the payment of dividends contained in Note E to the Company's Consolidated Financial Statements appearing in such Annual Report, is incorporated herein by reference thereto.

### **Item 6. *Selected Financial Data.***

The information for the years 1979 through 1983 contained under the heading "Ten-Year Summary of Selected Financial Data" in the Company's 1983 Annual Report to Stockholders is incorporated herein by reference thereto.

### **Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations.***

The information contained under the heading "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the Company's 1983 Annual Report to Stockholders is incorporated herein by reference thereto.

### **Item 8. *Financial Statements and Supplementary Data.***

The Company's Consolidated Financial Statements together with the report of Price Waterhouse thereon appearing on pages 39 through 53 of the Company's 1983 Annual Report to Stockholders, including the information contained in Note L to said Consolidated Financial Statements titled "Summary of Quarterly Operating Results (Unaudited)", are incorporated herein by reference thereto.

### **Item 9. *Disagreements on Accounting and Financial Disclosure.***

Not applicable.

## PART III

### **Item 10. *Directors and Executive Officers of the Registrant.***

The information contained under the heading "Executive Officers" in Item 1 hereof, and the information contained under the headings "Nominees for Election by Class A Stockholders" and "Nominees for Election by Class B Stockholders" in the definitive Proxy Statement for the Company's May 11, 1984 Annual Meeting of Stockholders, is incorporated herein by reference thereto.

### **Item 11. *Management Remuneration.***

The information contained in the first paragraph after the list of nominees under the heading "Nominees for Election by Class B Stockholders" and under the heading "Executive Compensation" in the definitive Proxy Statement for the Company's May 11, 1984 Annual Meeting of Stockholders is incorporated herein by reference thereto.

### **Item 12. *Security Ownership of Certain Beneficial Owners and Management.***

The information contained under the heading "Stock Holdings of Certain Beneficial Owners and Management" in the definitive Proxy Statement for the Company's May 11, 1984 Annual Meeting of Stockholders is incorporated herein by reference thereto.

### **Item 13. *Certain Relationships and Related Transactions.***

Not applicable.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

(a) The following documents are filed as part of this report:

(i) Financial Statements

As listed in the index to financial statements on page 17 hereof.

(ii) Exhibits

As listed in the index to exhibits beginning on page 26 hereof.

(b) Reports on Form 8-K.

No reports on Form 8-K were filed during the last quarter of the period covered by this report.



## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, on March 26, 1984.

THE WASHINGTON POST COMPANY  
(Registrant)

By MARTIN COHEN

Martin Cohen  
Vice President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on March 26, 1984:

KATHARINE GRAHAM	Chairman of the Board (Principal Executive Officer) and Director
RICHARD D. SIMMONS	President and Director
MARTIN COHEN	Vice President-Finance and Treasurer (Principal Financial Officer)
HOWARD E. WALL	Vice President and Chief Accounting Officer
WARREN E. BUFFETT	Director
GEORGE J. GILLESPIE, III	Director
DONALD E. GRAHAM	Director
NICHOLAS DEB. KATZENBACH	Director
ROBERT S. MCNAMARA	Director
ARJAY MILLER	Director
RICHARD M. PAGET	Director

By MARTIN COHEN

Martin Cohen  
Attorney-in-Fact

Original powers of attorney authorizing Katharine Graham, Richard D. Simmons, Martin Cohen, Alan R. Finberg and Howard E. Wall, and each of them, to sign all reports required to be filed by the Registrant pursuant to the Securities Exchange Act of 1934 on behalf of the above-named directors and officers have been filed with the Securities and Exchange Commission.

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THE WASHINGTON POST COMPANY

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Consolidated Statements of Income for the Three Fiscal Years Ended January 1, 1984 .....	*
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\* Incorporated by reference to the Company's 1983 Annual Report to Stockholders. See Item 8 of this report on Form 10-K.

All other schedules have been omitted either because they are not applicable or because the required information is included in the consolidated financial statements or the notes thereto referred to above.

Financial statements and schedules of The Washington Post Company (unconsolidated) are omitted for the following reasons:

(a) the Company is primarily an operating company and consolidated financial statements of the Company and its subsidiaries are included herein by reference,

(b) the aggregate of the minority interest in a subsidiary and indebtedness of that subsidiary which is held by outside parties is less than 5% of consolidated assets, and

(c) all other subsidiaries included in the consolidated financial statements are wholly owned, with no significant debt that is not guaranteed by the parent.

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Partners of

**BEAR ISLAND PAPER COMPANY:**

We have examined the balance sheets of Bear Island Paper Company (a Virginia limited partnership) as of December 31, 1983 and 1982, and the related statements of operations, partners' equity and loan capital and changes in financial position for each of the three years in the period ended December 31, 1983. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above (not shown separately herein) present fairly the financial position of Bear Island Paper Company at December 31, 1983 and 1982, and the results of its operations and the changes in its financial position for each of the three years in the period ended December 31, 1983, in conformity with generally accepted accounting principles applied on a consistent basis.

**COOPERS & LYBRAND**

Richmond, Virginia  
January 17, 1984.

**REPORT OF INDEPENDENT CHARTERED ACCOUNTANTS**

**TO THE WASHINGTON POST COMPANY**

We have examined the consolidated balance sheets of Bowater Mersey Paper Company Limited and subsidiary as at December 31, 1983 and 1982 and the consolidated statements of income and retained earnings and changes in financial position for each of the years in the three-year period ended December 31, 1983. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned consolidated financial statements (not shown separately herein) present fairly the financial position of Bowater Mersey Paper Company Limited and subsidiary as at December 31, 1983 and 1982 and the results of their operations and the changes in their financial position for each of the years in the three-year period ended December 31, 1983, in accordance with generally accepted accounting principles applied on a consistent basis.

**PEAT, MARWICK, MITCHELL & Co.**  
Chartered Accountants

**Halifax, Canada  
January 20, 1984**

Year Ended January 1, 1984	Year Ended January 1, 1983	Year Ended January 1, 1982
Bowater Mersey Paper Company Limited (A)	\$19,710,000	\$4,900,000
New Island Paper Company	17,827,000	1,621,000
Other Investments	2,158,000	772,000
	\$19,710,000	\$4,900,000
Bowater Mersey Paper Company Limited (A)	\$18,800,000	\$1,193,000
New Island Paper Company	18,151,000	1,189,000
SportsChannel Associates	11,281,000	24,716,000 (F)
SportsChannel Print Associates	1,379,000	17,185,000 (F)
Other Investments	2,714,000	160,000
	\$39,365,000	\$23,443,000

(A) At the beginning and end of each period included in this schedule the Company owned 147,000 common shares of Bowater Mersey Paper Company Limited.  
 (B) Investment in subsidiary and joint venture.  
 (C) Foreign currency translation adjustment.  
 (D) Purchase of additional equity in an affiliate.  
 (E) Includes \$700,000 pertaining to the sale of the Company's interest in an affiliate and \$2,022,000 pertaining to foreign currency translation adjustments.  
 (F) Investment in sports programming operation.  
 (G) Investment in sports programming operation and purchase of an interest in a wholly owned affiliate.  
 (H) Management fee payable to Company.  
 (I) Includes 160,000 pertaining to foreign currency translation adjustment and \$1,000 pertaining to management fee payable to Company.

**REPORT OF INDEPENDENT ACCOUNTANTS ON  
FINANCIAL STATEMENT SCHEDULES**

**TO THE BOARD OF DIRECTORS  
THE WASHINGTON POST COMPANY**

Our examinations of the consolidated financial statements referred to in our report dated February 2, 1984 appearing on page 53 of the 1983 Annual Report to Stockholders of The Washington Post Company (which report and financial statements are incorporated by reference in this report on Form 10-K) also included an examination of the Financial Statement Schedules appearing on pages 21 through 25 of this report on Form 10-K. In our opinion, these Financial Statement Schedules present fairly the information set forth therein when read in conjunction with the consolidated financial statements referred to above.

**PRICE WATERHOUSE**

Washington, D.C.  
February 2, 1984

SCHEDULE III

THE WASHINGTON POST COMPANY

SCHEDULE III—INVESTMENTS IN, EQUITY IN EARNINGS OF, AND DIVIDENDS RECEIVED FROM AFFILIATES

Column A Name of issuer and description of investment	Column B Investment balance at beginning of period Amount	Column C Additions		Column D Deductions		Column E Investment balance at end of period Amount
		Equity taken up in earnings (losses) of affiliates for the period	Other	Distribution of earnings by affiliates in which earnings (losses) were taken up	Other	
Year Ended January 3, 1982						
Bowater Mersey Paper Company Limited (A) .....	\$15,161,000	\$5,068,000	\$	\$	\$ 519,000(C)	\$19,710,000
Bear Island Paper Company.....	14,742,000	(1,115,000)	4,200,000(B)			17,827,000
Other investments.....	2,274,000	453,000		87,000	482,000(C)	2,158,000
	<u>\$32,177,000</u>	<u>\$4,406,000</u>	<u>\$ 4,200,000</u>	<u>\$ 87,000</u>	<u>\$1,001,000</u>	<u>\$39,695,000</u>
Year Ended January 2, 1983						
Bowater Mersey Paper Company Limited (A).....	\$19,710,000	\$4,500,000	\$	\$4,755,000	\$805,000(C)	\$18,650,000
Bear Island Paper Company.....	17,827,000	(621,000)	945,000(B)			18,151,000
Other investments.....	2,158,000	772,000	393,000(D)	200,000	559,000(E)	2,564,000
	<u>\$39,695,000</u>	<u>\$4,651,000</u>	<u>\$ 1,338,000</u>	<u>\$4,955,000</u>	<u>\$1,364,000</u>	<u>\$39,365,000</u>
Year Ended January 1, 1984						
Bowater Mersey Paper Company Limited (A).....	\$18,650,000	\$2,193,000			\$ 163,000(C)	\$20,680,000
Bear Island Paper Company.....	18,151,000	(189,000)				17,962,000
SportsChannel Associates .....		(1,561,000)	24,278,000(F)		126,000(H)	22,591,000
SportsChannel Prism Associates...		(204,000)	17,185,000(F)		119,000(H)	16,862,000
Other Investments .....	2,564,000	160,000	3,211,000(G)	332,000	673,000(I)	4,930,000
	<u>\$39,365,000</u>	<u>\$ 399,000</u>	<u>\$44,674,000</u>	<u>\$ 332,000</u>	<u>\$1,081,000</u>	<u>\$83,025,000</u>

(A) At the beginning and end of each period indicated in this schedule the Company owned 1,470,000 common shares of Bowater Mersey Paper Company Limited.

(B) Investment in newsprint mill joint venture.

(C) Foreign currency translation adjustment.

(D) Purchase of additional interest in an affiliate.

(E) Includes \$336,000 pertaining to the sale of the Company's interest in an affiliate and \$223,000 pertaining to foreign currency translation adjustment.

(F) Investment in sports programming operation.

(G) Investment in sports programming operation and purchase of an interest in a weekly magazine.

(H) Management fee payable to Company.

(I) Includes \$666,000 pertaining to foreign currency translation adjustment and \$7,000 pertaining to management fee payable to Company.

SCHEDULE V

THE WASHINGTON POST COMPANY  
SCHEDULE V—PROPERTY, PLANT AND EQUIPMENT

Column A	Column B	Column C	Column D	Column E	Column F
Classification	Balance at beginning of period	Additions at cost	Retirements	Other changes add (deduct)	Balance at end of period
<b>Year Ended January 3, 1982</b>					
<b>Plant Assets</b>					
Machinery, equipment and fixtures.....	\$122,210,000	\$ 6,905,000	\$6,440,000	\$ 8,808,000 (C)	\$131,483,000
Leasehold improvements .....	5,931,000	2,597,000	869,000	50,000 (B)	7,709,000
Buildings .....	72,399,000	1,123,000	37,000	4,612,000 (D)	78,097,000
Construction in progress .....	7,416,000	30,557,000	6,000	(26,813,000) (A)	11,154,000
Land .....	11,059,000	47,000		3,066,000 (E)	14,172,000
	<u>219,015,000</u>	<u>41,229,000</u>	<u>7,352,000</u>	<u>(10,277,000)</u>	<u>242,615,000</u>
<b>Other Assets</b>					
Building .....	336,000				336,000
Land .....	3,126,000		643,000		2,483,000
	<u>3,462,000</u>		<u>643,000</u>		<u>2,819,000</u>
	<u>\$222,477,000</u>	<u>\$41,229,000</u>	<u>\$7,995,000</u>	<u>\$( 10,277,000)</u>	<u>\$245,434,000</u>
<b>Year Ended January 2, 1983</b>					
<b>Plant Assets</b>					
Machinery, equipment and fixtures.....	\$131,483,000	\$ 7,441,000	\$5,313,000	\$13,648,000 (B)	\$147,259,000
Leasehold improvements .....	7,709,000	2,424,000	502,000	1,625,000 (F)	11,256,000
Buildings .....	78,097,000	374,000	22,000	10,044,000 (B)	88,493,000
Construction in progress .....	11,154,000	20,316,000		(24,635,000) (A)	6,835,000
Land .....	14,172,000				14,172,000
	<u>242,615,000</u>	<u>30,555,000</u>	<u>5,837,000</u>	<u>682,000</u>	<u>268,015,000</u>
<b>Other Assets</b>					
Building .....	336,000				336,000
Land .....	2,483,000				2,483,000
	<u>2,819,000</u>				<u>2,819,000</u>
	<u>\$245,434,000</u>	<u>\$30,555,000</u>	<u>\$5,837,000</u>	<u>\$ 682,000</u>	<u>\$270,834,000</u>
<b>Year Ended January 1, 1984</b>					
<b>Plant Assets</b>					
Machinery, equipment and fixtures.....	\$147,259,000	\$ 5,836,000	\$3,195,000	\$ 8,542,000 (G)	\$158,442,000
Leasehold improvements .....	11,256,000	4,159,000	1,603,000	44,000 (B)	13,856,000
Buildings .....	88,493,000	1,165,000		1,222,000 (H)	90,880,000
Construction in progress .....	6,835,000	10,389,000		(10,000,000) (A)	7,224,000
Land .....	14,172,000	27,000		(24,000) (I)	14,175,000
	<u>268,015,000</u>	<u>21,576,000</u>	<u>4,798,000</u>	<u>(216,000)</u>	<u>284,577,000</u>
<b>Other Assets</b>					
Buildings .....	336,000	525,000			861,000
Land .....	2,483,000	773,000			3,256,000
	<u>2,819,000</u>	<u>1,298,000</u>			<u>4,117,000</u>
	<u>\$270,834,000</u>	<u>\$22,874,000</u>	<u>\$4,798,000</u>	<u>\$ (216,000)</u>	<u>\$288,694,000</u>

- (A) Consists of completed construction transferred to related accounts.
- (B) Consists of completed construction transferred from related accounts.
- (C) Includes \$16,425,000 applicable to completed construction transferred from related accounts and \$7,617,000 of assets of newspaper subsidiary sold.
- (D) Includes \$7,122,000 applicable to completed construction transferred from related accounts and \$2,510,000 of assets of newspaper subsidiary sold.
- (E) Includes \$3,216,000 applicable to completed construction transferred from related accounts and \$150,000 of assets of newspaper subsidiary sold.
- (F) Includes \$943,000 applicable to completed construction transferred from related accounts and \$682,000 related to reversal of prior year retirement.
- (G) Includes \$8,756,000 applicable to completed construction transferred from related accounts, \$15,000 of assets of data base publishing subsidiary acquired and \$229,000 related to elimination of an intercompany sale of assets.
- (H) Includes \$1,198,000 applicable to completed construction transferred from related accounts and \$24,000 of assets reclassified from land.
- (I) Consists of assets reclassified to buildings.

SCHEDULE VI

THE WASHINGTON POST COMPANY  
 SCHEDULE VI—ACCUMULATED DEPRECIATION AND  
 AMORTIZATION OF PROPERTY, PLANT AND EQUIPMENT

Column A	Column B	Column C	Column D	Column E	Column F
Description	Balance at beginning of period	Additions		Other changes	Balance at end of period
		Charged to costs and expenses	Retirements		
Year Ended January 3, 1982					
Plant Assets					
Machinery, equipment and fixtures.....	\$49,017,000	\$13,781,000	\$5,334,000	\$(4,460,000)(A)	\$ 53,004,000
Leasehold improvements .....	3,235,000	818,000	17,000		4,036,000
Buildings .....	14,654,000	2,105,000	871,000	(1,614,000)(A)	14,274,000
	<u>66,906,000</u>	<u>16,704,000</u>	<u>6,222,000</u>	<u>(6,074,000)</u>	<u>71,314,000</u>
Other Assets					
Building.....	45,000	34,000			79,000
	<u>\$66,951,000</u>	<u>\$16,738,000</u>	<u>\$6,222,000</u>	<u>\$(6,074,000)</u>	<u>\$71,393,000</u>
Year Ended January 2, 1983					
Plant Assets					
Machinery, equipment and fixtures.....	\$53,004,000	\$15,306,000	\$4,367,000	\$	\$ 63,943,000
Leasehold improvements .....	4,036,000	94,000	209,000	461,000(B)	4,382,000
Buildings .....	14,274,000	3,437,000	3,000		17,708,000
	<u>71,314,000</u>	<u>18,837,000</u>	<u>4,579,000</u>	<u>461,000</u>	<u>86,033,000</u>
Other Assets					
Building.....	79,000	34,000			113,000
	<u>\$71,393,000</u>	<u>\$18,871,000</u>	<u>\$4,579,000</u>	<u>\$ 461,000</u>	<u>\$86,146,000</u>
Year Ended January 1, 1984					
Plant Assets					
Machinery, equipment and fixtures.....	\$63,943,000	\$16,094,000	\$1,989,000	\$ (203,000)(c)	\$ 77,845,000
Leasehold improvements .....	4,382,000	1,094,000	677,000		4,799,000
Buildings .....	17,708,000	2,892,000			20,600,000
	<u>86,033,000</u>	<u>20,080,000</u>	<u>2,666,000</u>	<u>(203,000)</u>	<u>103,244,000</u>
Other Assets					
Buildings .....	113,000	62,000			175,000
	<u>\$86,146,000</u>	<u>\$20,142,000</u>	<u>\$2,666,000</u>	<u>\$ (203,000)</u>	<u>\$103,419,000</u>

(A) Relates to assets of newspaper subsidiary sold.

(B) Relates to reversal of prior year retirement.

(C) Includes \$229,000 related to elimination of an intercompany sale of assets and \$26,000 of depreciation on assets temporarily classified as non operating before sale.



SCHEDULE VIII

THE WASHINGTON POST COMPANY  
SCHEDULE VIII—VALUATION ACCOUNTS AND RESERVES

Column A	Column B	Column C	Column D	Column E
Description	Balance at beginning of period	Additions—Charged to costs and expenses	Deductions	Balance at end of period
<b>Year Ended January 3, 1982</b>				
Allowance for doubtful accounts and returns .....	\$6,993,000	\$26,200,000	\$24,999,000(A)	\$8,194,000
Allowance for advertising rate adjustments and discounts .....	2,688,000	7,932,000	7,121,000	3,499,000
	9,681,000	34,132,000	32,120,000	11,693,000
Other .....	50,000		50,000	
	<u>\$9,731,000</u>	<u>\$34,132,000</u>	<u>\$32,170,000</u>	<u>\$11,693,000</u>
<b>Year Ended January 2, 1983</b>				
Allowance for doubtful accounts and returns .....	\$8,194,000	\$23,909,000	\$24,258,000	\$ 7,845,000
Allowance for advertising rate adjustments and discounts .....	3,499,000	5,212,000	5,041,000	3,670,000
	<u>\$11,693,000</u>	<u>\$29,121,000</u>	<u>\$29,299,000</u>	<u>\$11,515,000</u>
<b>Year Ended January 1, 1984</b>				
Allowance for doubtful accounts and returns .....	\$ 7,845,000	\$26,299,000	\$23,362,000	\$10,782,000
Allowance for advertising rate adjustments and discounts .....	3,670,000	10,132,000	7,838,000	5,964,000
	<u>\$11,515,000</u>	<u>\$36,431,000</u>	<u>\$31,200,000</u>	<u>\$16,746,000</u>

(A) Includes \$308,000 related to newspaper subsidiary sold.

SCHEDULE X

THE WASHINGTON POST COMPANY

SCHEDULE X—SUPPLEMENTARY INCOME STATEMENT INFORMATION

Description	Charged to costs and expenses year ended		
	January 3, 1982	January 2, 1983	January 1, 1984
Maintenance and repairs .....	\$ 5,763,000	\$ 6,435,000	\$ 6,051,000
Amortization of goodwill and other intangibles.....	1,515,000	1,197,000	2,213,000
Taxes other than payroll and income taxes .....	4,482,000	5,252,000	5,069,000
Royalties, primarily amortization of film rights .....	10,068,000	10,289,000	11,429,000
Advertising.....	12,272,000	9,115,000	9,998,000

## INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
3.1	—Restated Certificate of Incorporation of the Company as filed on June 22, 1971 (incorporated by reference to Exhibit 3.2 to Registration Statement No. 2-40389).
3.2	—Certificate of Amendment to the Company's Restated Certificate of Incorporation as filed on December 15, 1976 (incorporated by reference to Exhibit 1 to the Company's Report on Form 8-K for December 1976).
3.3	—Certificate of Amendment to the Company's Restated Certificate of Incorporation as filed on December 29, 1978 (incorporated by reference to Exhibit 1 to the Company's Report on Form 8-K for December 1978).
3.4	—By-Laws of the Company as amended to June 8, 1971 (incorporated by reference to Exhibit 3.4 to Registration Statement No. 2-40389).
10.1	—Note Agreement dated May 1, 1968, between the Company and The Prudential Insurance Company of America, as amended October 16, 1969, and December 4, 1970 regarding 6.95% Promissory Notes (incorporated by reference to Exhibit 4.2 to Registration Statement No. 2-40389).
10.2	—Amendments dated July 14, 1971 and January 6, 1972, to Note Agreement with The Prudential Insurance Company of America (Exhibit 10.1) (incorporated by reference to Exhibits 2.1 and 2.2 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1972).
10.3	—Letter dated December 15, 1978, to the Company from The Prudential Insurance Company of America waiving certain provisions of the Note Agreement dated May 1, 1968 (Exhibit 10.1) (incorporated by reference to Exhibit 2(b) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1978).
10.4	—Letters to the Company from The Prudential Insurance Company of America dated July 26, 1978, February 21, 1980, May 13, 1980, May 28, 1980, and November 21, 1980, amending or waiving certain provisions of the Note Agreement dated May 1, 1968 (Exhibit 10.1) (incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1980).
10.5	—Letters to the Company from The Prudential Insurance Company of America dated October 12, 1979, and November 30, 1981, amending or waiving certain provisions of the Note Agreement dated May 1, 1968 (Exhibit 10.1) (incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1982).
10.6	—Revolving Credit Agreement dated as of January 2, 1979, between the Company and the banks named in Section 1.01(a) thereof (incorporated by reference to Exhibit 2(a) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1978).
10.7	—Agreement of Amendment dated as of March 12, 1980, Waivers dated as of May 28, 1980, and Second Agreement of Amendment dated as of November 30, 1980, each relating to the Revolving Credit Agreement dated as of January 2, 1979 (Exhibit 10.6) (incorporated by reference to Exhibit 10.11 to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1980).
10.8	—Waivers dated November 30, 1981, relating to the Revolving Credit Agreement dated as of January 2, 1979 (Exhibit 10.6) (incorporated by reference to Exhibit 20 of the Company's Report on Form 10-Q for the quarter ended April 4, 1982).
10.9	—Indenture of Lease between Oestreicher Madison Corporation and Newsweek, Inc. dated December 17, 1958, and certain leases and other documents related thereto dated, respectively, July 1, 1960, August 3, 1964, April 12, 1965, August 2, 1966, August 3, 1966, August 4, 1966, November 4, 1966, March 28, 1968 (four documents), August 1, 1969 (two documents), October 15, 1969, and December 30, 1969, each relating to premises at 444 Madison Avenue, New York, New York (incorporated by reference to Exhibit 13.21 to Registration Statement No. 2-40389).
10.10	—Certain leases and other documents dated, respectively, May 25, 1959, July 1, 1960, January 9, 1961, October 29, 1962 (two documents), July 1, 1965, October 30, 1966, October 31, 1966, March 28, 1968, March 29, 1971, August 30, 1976, December 1, 1976, October 27, 1977, April 4, 1978, April 19, 1978, July 19, 1979, January 24, 1980, April 3, 1980 (two documents), and July 18, 1980, each relating to premises at 444 Madison Avenue, New York, New York and the Indenture of Lease dated December 17, 1958 (Exhibit 10.8) (incorporated by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1980).

<u>Exhibit Number</u>	<u>Description</u>
10.11	—The Washington Post Company Annual Incentive Compensation Plan (adopted January 9, 1974) as amended through January 4, 1982 (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1982).
10.12	—The Washington Post Company Long-Term Incentive Compensation Plan (adopted December 11, 1981) (incorporated by reference to Exhibit 10.11 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1982).
10.13	—The Washington Post Company Stock Option Plan (adopted June 11, 1971) as amended through July 11, 1981, and forms of non-qualified and incentive stock options (incorporated by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1982).
10.14	—Employment Agreement dated December 31, 1979, among Joel Chaseman, the Company and Post-Newsweek Stations, Inc. (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1980).
10.15	—Employment Agreement dated August 31, 1981, between Richard D. Simmons and the Company (incorporated by reference to Exhibit 10.1 to the Company's Report on Form 10-Q for the quarter ended September 27, 1981).
11	—Calculation of earnings per share of common stock.
13	—The Company's 1983 Annual Report to Stockholders (furnished for the information of the Securities and Exchange Commission only and not to be deemed filed as part of this Annual Report on Form 10-K except for the portions thereof which are specifically incorporated herein by reference).
22	—List of subsidiaries of the Company.
24	—Consents of independent accountants.
25	—Powers of attorney (incorporated by reference to Exhibit 25 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1983).