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# **BUFFETT'S BID FOR (MEGS) NEWSPAPERS**

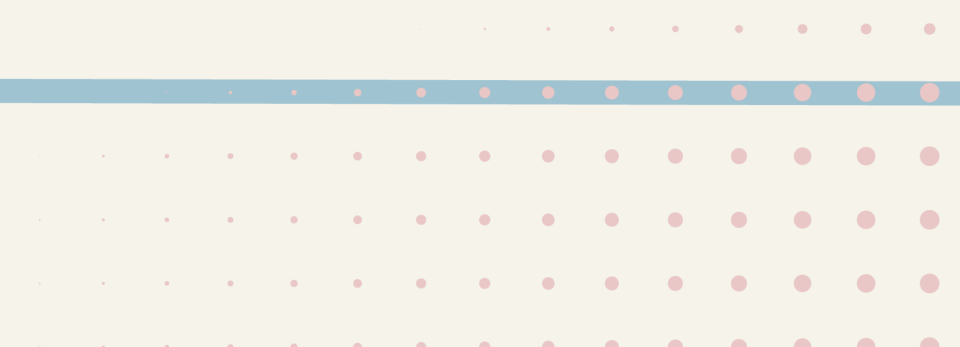


# INTRODUCTION

**In the case of Buffett's bid for MEG's newspapers, Warren Buffett's, Berkshire Hathaway bought 63 newspapers from Media General in 2012. This smart acquisition is also the best example of Buffett's investment policy and his positive view of long-term perspectives of community newspapers even it is a shrinking industry.**

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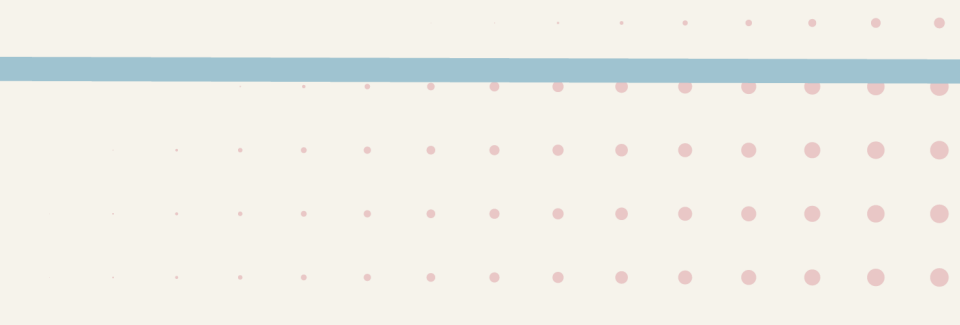
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# STRATEGIC INVESTMENT

**Famous investor Warren Buffett who has an investment style focused on the value of the company's stock saw value in these suffering newspapers. He still thought local newspapers play their roles in the communities and they could still survive if well managed financially. Buffett's idea of buying Media General's newspapers at \$142 million was related to his belief that such papers would continue to be profitable thanks to the passionate angles incorporated in them.**



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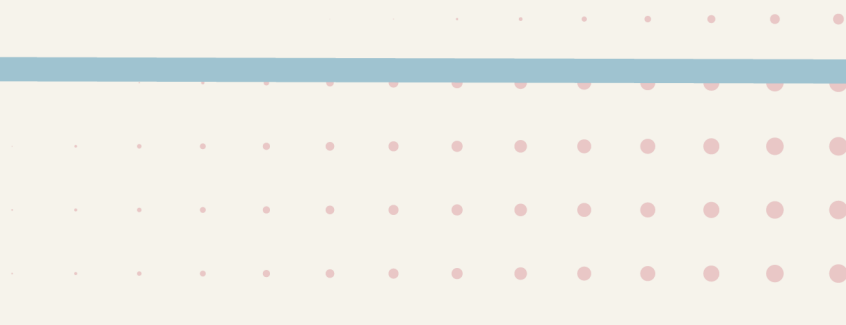


# OPERATIONAL IMPROVEMENTS

**This paper will also make it possible to show how the newspapers under Media General benefited from financial stability as well as better management resources that came with being under Berkshire Hathaway. Buffett also bought most of Media General's debt thus helped lighten the load of the company. This made it possible for the newspapers to manage their operations and at the same time respond to such changes in the market without a strain of repaying the debt shortly.**

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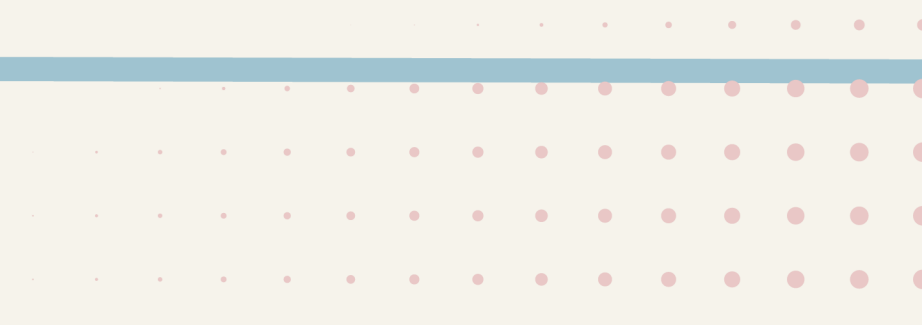


# CONCLUSION

**MEG's newspapers' acquisition is another genius from Buffett who sees a long future in local journalism and its importance in societies. Despite all the odds are against newspaper industry, it served as a savior to Media General and also added a reliable source of revenue stream from local news operations to Buffett's empire. It outlines how Buffett manages to identify value in troubled companies and how the man devotes his energy towards long-term investments.**

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# RECOMMENDATION

**This is just a sample partial case solution. Please place the order on the website to order your own originally done case solution.**

**Resource: Visit [thecasesolutions.com](https://thecasesolutions.com) for detailed analysis and more case studies.**



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