

May 18, 2014

Dear Cavalier Daily Alumni Association,

The Cavalier Daily is in a constant season of change. In the past three years, we have gone from printing five days a week down to twice a week — cutting costs and shifting to a digital-first newsroom. We have eliminated the back room of our offices to help streamline operations and further reduce expenses as we grow into our role as a newsmagazine. And this January we hired, thanks to the generous support of the CDAA, our first full-time professional advertising manager to help us grow our sales and lead us into a time of financial stability.

But this period, though exciting and filled with promise, is not without turmoil. Though we have lowered our costs significantly in the last three years, this reduction has not completely kept pace with our decline in revenue. And as we work to develop long-term strategies for financial stability, we are faced with a regrettable prospect: our bills coming due by the end of the summer amount to more than our assets and expected revenue in the next three months. In order to fully realize the benefits and harness the potential of the changes implemented, we need the CDAA's financial assistance in the short-term.

There are several, compounding reasons for the situation we are in — and we have identified the key factors in this proposal — but at the end of the day, it's a matter of simple math. We are not generating enough revenue to cover printing, rent, and other operating costs while also paying off pre-existing debt. At the beginning of this term, our printer demanded we complete the semester debt-free, forcing us to focus our revenues on paying off our printing debt much faster and in much larger quantities than we had anticipated. As we've worked to pay off the printer, our rent bills to Newcomb have accumulated. When this was coupled with bills from our insurance providers which come due at the beginning of the summer, we realized we will probably be unable to fully cover this semester's costs.

We present this proposal with humility. The CDAA has served as an advisor, and at times an investor in the paper, but never before has it offered Band-Aid solutions to The Cavalier Daily's financial woes. But we are facing an issue of some urgency, and so we are asking for a re-imagining of the CDAA's role — one that includes more direct involvement with the paper's operations than there used to be.

Previous managing boards, facing ever-growing debt, have cut costs as much as possible and turned to existing assets when necessary. But our assets have depleted, and our existing financial burdens simply surpass our current revenues. Though we aim to increase revenue substantially in the near future, we cannot look past the financial realities of our present. The CDAA's aid is not just an idea; it is necessary action that will ensure The Cavalier Daily's future growth and sustainability.

The proposed amount will help us pay off the remainder of our printing debts and insurance costs from the spring, and put us in a better position to negotiate a long-term plan to pay off rent debts to Newcomb Hall. It will offer us the opportunity to start fresh and refocus our energies on increasing

revenue; pursuing long-term financial solutions; and organizing ourselves into a more professional, modern business to ensure this is the first and last proposal of this nature to come from The Cavalier Daily.

Despite our present hardship, we remain optimistic about the future of the paper. Our professional advertising manager is a crucial ingredient for financial solvency. She brings consistency, organization, accountability, and professionalism to an ad staff that has suffered from abrupt management transitions, loss of institutional knowledge, and a lack of accountability. This semester, we saw our first increase in sales in several years. With time, we believe her presence will bolster The Cavalier Daily's reputation among local businesses and substantially increase advertising revenue.

In addition, our staffers remain as talented, dedicated, and passionate as ever — bringing with them energy and bright ideas. We have plans to hold an on-Grounds “think tank” event in the fall, and this summer we will place new distribution boxes around Grounds to increase our presence in the community. Our online platforms have hosted numerous interesting and productive discussions on topics ranging from climate change to NCAA benchwarmers. This semester was one of our website's most-visited in history. We had incredibly successful photo and literary coverage of the Virginia men's basketball team, and we started a snow day hashtag trend on Twitter that permeated the University community (#CAValanche). Many of your contributions helped our distribution box crowdfunding campaign exceed its goal, and can credit yourselves with the increased visibility and accessibility our print edition will have on Grounds and in the community this fall. Our potential for great accomplishments has not diminished, but we cannot continue to move forward when we are held back by debts.

The document we present to you is more than just a funding proposal; it includes a diagnosis of the causes that led to this crisis, short-term and long-term options for financial solvency, and a detailed analysis of our finances. It also reflects our strong desire for this paper to survive, and further, to thrive. We have employed introspective, retrospective, and forward-looking thinking into this proposal to show you we are serious about making this newspaper sustainable.

Though our request is for a short-term fix, we are committed to working alongside the CDAA to turn this into an opportunity for long-term sustainability. No one is more tired of hearing about The Cavalier Daily's financial peril than we are. We will use this opportunity to foster a strong relationship with the CDAA — grounded in openness, communication, and accountability — as we move forward toward true stability. From there, we will develop multiple long-term solutions — many of which are discussed in the proposal, and all of which we want to discuss with the CDAA further.

The Cavalier Daily has given skills, friends, memories, careers, and a voice to countless University students in its 125-year history, and we must take action to protect its ability to do so for years to come.

Sincerely,

The 125th Managing Board:

Rebecca Lim, *Editor-in-chief*
Katherine Ripley, *Executive Editor*
Andrew Elliott, *Managing Editor*
Peter Simonsen, *Chief Financial Officer*
Lianne Provenzano, *Operations Manager*