SCRIPPS E W CO /DE
Form DEF 14A
March 16, 2007

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SCHEDULE 14A
(RULE 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant þ
Filed by a Party other than the Registrant o
Check the appropriate box:

o Preliminary Proxy Statement
o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to Section 240.14a-11c or Section 240.14a-12

The E.W. Scripps Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

þ No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
(1) Amount Previously Paid:

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(4) Date Filed:

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THE E. W. SCRIPPS COMPANY

Scripps Center
312 Walnut Street
Cincinnati, Ohio 45202

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD APRIL 26, 2007

TO THE SHAREHOLDERS OF THE E. W. SCRIPPS COMPANY

The Annual Meeting of the Shareholders of The E. W. Scripps Company (the Company) will be held at the Queen City Club, Cincinnati, Ohio, on Thursday, April 26, 2007, at 10:00 a.m., local time, for the following purposes:

1. to fix the number of directors and to elect persons as directors of the Company; and

2. to transact such other business as may properly come before the meeting.

The board of directors has fixed the close of business on March 1, 2007, as the record date for the determination of shareholders who are entitled to notice of and to vote at the meeting and any adjournment thereof.

We encourage you to attend the meeting and vote your shares in person. If you plan to attend the meeting and need special assistance because of a disability, please contact the corporate secretary s office.

We have enclosed the 2006 Annual Report, including financial statements, and the Proxy Statement with this Notice of Annual Meeting.

It is important that your shares be represented at the meeting, whether or not you are personally able to attend. Registered shareholders can vote their shares by using a toll-free telephone number or the Internet. Instructions for using these convenient services are set forth on the enclosed proxy card. Of course, you may still vote your shares by marking your vote on the enclosed proxy card and signing, dating and mailing it in the envelope provided. Returning your executed proxy card, or voting your shares using the toll-free number or the Internet, will not affect your right to attend the meeting and vote your shares in person.

Your proxy is being solicited by the board of directors.

Mary Denise Kuprionis, Esq.
Vice President
Corporate Secretary/Director of Legal Affairs

March 16, 2007

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The E. W. Scripps Company

312 Walnut Street
Cincinnati, Ohio 45202

PROXY STATEMENT

2007 ANNUAL MEETING
April 26, 2007

This proxy statement, together with the accompanying notice of meeting, proxy card and annual report, is being mailed to shareholders on or about March 15, 2007. It is furnished in connection with the solicitation of proxies by the Board of Directors of The E. W. Scripps Company, an Ohio corporation (the Company), for use at the Company s Annual Meeting of Shareholders which will be held on Thursday, April 26, 2007.

The close of business on March 1, 2007, has been fixed as the record date for the determination of shareholders entitled to notice of and to vote at the meeting.

On March 1, 2007, the Company had outstanding 133,275,360 Class A Common Shares, $.01 par value per share (Class A Common Shares), and 36,568,226 Common Voting Shares, $.01 par value per share (Common Voting Shares). Holders of Class A Common Shares are entitled to elect the greater of three or one-third of the directors of the Company but are not entitled to vote on any other matters except as required by Ohio law. Holders of Common Voting Shares are entitled to elect all remaining directors and to vote on all other matters requiring a vote of shareholders. Each Class A Common Share and Common Voting Share is entitled to one vote upon matters on which such class of shares is entitled to vote.

PROPOSAL 1

Election of Directors

A board of twelve directors is to be elected, four by the holders of Class A Common Shares voting separately as a class and eight by the holders of Common Voting Shares voting separately as a class. In the election, the nominees receiving the greatest number of votes will be elected. All directors will hold office until the next Annual Meeting of Shareholders.

Each proxy for Class A Common Shares executed and returned by a holder of such shares will be voted for the election of the four directors hereinafter shown as nominees for such class of shares, unless otherwise indicated on such proxy. Each proxy for Common Voting Shares executed and returned by a holder of such shares will be voted for the election of the eight directors hereinafter shown as nominees for such class of shares, unless otherwise indicated on such proxy. Although the board of directors does not contemplate that any of the nominees hereinafter named will be unavailable for election, in the event that any such nominee is unable to serve, the proxies will be voted for the remaining nominees and for such other person(s), if any, as the board may propose.

REPORT ON THE NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS

The following table sets forth certain information as to each of the nominees for election to the board of directors.

Name	Age	Director Since	Principal Occupation or Occupation/Business Experience for Past Five Years
Nominees for Election by Holders of Class A Common Shares			
David A. Galloway (1)	63	2002	President and Chief Executive Officer of Torstar Corporation from 1988 until his retirement in May 2002 (a media company listed on the Toronto Stock Exchange).
Nicholas B. Paumgarten (2)	61	1988	Chairman, Corsair Capital LLC (an investment firm) since March 2006, Managing Director of J.P. Morgan Chase and Chairman of J.P. Morgan Corsair II Capital Partners L.P. from February 1992 to March 2006 (an investment banking firm and an investment fund).
Ronald W. Tysoe (3)	53	1996	Senior Advisor of Perella Weinberg Partners LP since October 2006. Vice Chairman from April 1990 to October 2006 of Federated Department Stores, Inc.
Julie A. Wrigley	58	1997	President and CEO of Wrigley Investments, LLC since March 1999, Chairman and CEO of Wrigley Management Inc. from 1995 through 1998, Assistant to the President/CEO of Wm. Wrigley Jr. Company from 1994 through 1998, Investment Advisor & Manager of Wrigley Family Trusts and Estates from 1977 through 1998.
Nominees for Election by Holders of Common Voting Shares			
William R. Burleigh (4)	71	1990	Chairman of the Company since May 1999. Chief Executive Officer from May 1996 to September 2000, President from August 1994 to January 2000, Chief Operating Officer from May 1994 to May 1996, Executive Vice President from March 1990 through May 1994 and Senior Vice President/Newspapers and Publishing from September 1986 to March 1990.
John H. Burlingame (5)	73	1988	Retired Partner since January 2003, Active Retired Partner from January 2000 to December 2002, Senior Partner from January 1998 to December 1999, Partner from June 1997 through December 1997 and Executive Partner from 1982 through 1997 of Baker & Hostetler LLP (law firm).
Kenneth W. Lowe (6)	56	2000	President and Chief Executive Officer of the Company since October 2000, and President and Chief Operating Officer from January 2000 to September 2000. Chairman and CEO of Scripps Networks, a subsidiary of the Company, from 1994 to January 2000.
Jarl Mohn (7)	55	2002	Trustee of the Mohn Family Trust since September 1991; President and Chief Executive Officer of Liberty Digital, Inc. from January 1999 to March 2002. President and

CEO of E! Entertainment Television from January 1990 to December 1998.

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Name	Age	Director Since	Principal Occupation or Occupation/Business Experience for Past Five Years
Jeffrey Sagansky (8)	55	2003	Chairman, Allumination Home Entertainment since April 2005; Chairman, People s Choice Cable TV since January 2005; Vice Chairman of Paxson Communications from December 2002 to August 2003. President and CEO of Paxson from 1998 to December 2002. Co-President, Sony Pictures Entertainment, from 1996 to 1998. President of CBS Entertainment 1990 to 1994.
Nackey E. Scagliotti (5)(9)	61	1999	Chairman of the Board of Directors since May 1999 and Assistant Publisher from 1996 to May 1999 of The Union Leader Corporation (New Hampshire publisher of daily, Sunday and weekly newspapers). Former President (1999 through 2003) and Publisher (1999 and 2000) of Neighborhood Publications, Inc. (New Hampshire publisher of weekly newspapers).
Edward W. Scripps (5)(9)	48	1998	Lifetime Emeritus Trustee of the Scripps Howard Foundation. Trustee of the Scripps Howard Foundation from August 2001 to July 2004 and from 1994 through 1998. Vice President of Scripps Howard Foundation from 1995 through 1998. News Director at KJRH-TV, a division of a subsidiary of the Company from February 1983 through September 1993.
Paul K. Scripps (9)(10)	61	1986	Vice President/Newspapers of the Company from November 1997 to December 2001 and Chairman from December 1989 to June 1997 of a subsidiary of the Company.

(1) Mr. Galloway is chairman of the board of directors of the Bank of Montreal, and a director of Toromont Industries (a Caterpillar machinery dealer and gas compression company), Harris Bankmont (a Midwest bank), and Abitibi Consolidated (a paper and forest products company).

(2) Mr. Paumgarten is a director of Compucredit (a credit card company) and Post Properties, Inc. (a real estate investment trust).

(3) Mr. Tysoe is a director of Canadian Imperial Bank of Commerce and of Ohio Casualty Corporation (the holding company of The Ohio Casualty Insurance Company).

(4) Mr. Burleigh is a director of Ohio National Financial Services Company (a mutual insurance and financial services company).

(5) Mr. Burlingame, Mrs. Scagliotti and Mr. Edward W. Scripps are trustees of The Edward W. Scripps Trust.

(6) Mr. Lowe is a director of Fifth Third Bancorp (a Midwest bank) but is not standing for reelection at its 2007 annual meeting of shareholders.

(7) Mr. Mohn is a director and non-executive chairman of CNET (an advertising supported collection of special interest Web sites) and a director of XM Satellite Radio Holdings, Inc. (a satellite radio service provider), MobiTV (a private company that provides live television and video programming to cell phones), KickApps (a software company with applications to create social networks and community), and Azureus (a peer to peer video distribution platform).

(8) Mr. Sagansky is a director of American Media (a publishing company).

(9) Mrs. Scagliotti and Mr. Edward W. Scripps are first cousins and are income beneficiaries of The Edward W. Scripps Trust. Mr. Paul K. Scripps is a second cousin to Mrs. Scagliotti and Mr. Edward W. Scripps.

(10) Mr. Paul K. Scripps serves as a director of the Company pursuant to an agreement between The Edward W. Scripps Trust and John P. Scripps. See Certain Transactions John P. Scripps Newspapers.

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REPORT ON THE SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table sets forth certain information with respect to persons known to management to be the beneficial owners, as of December 31, 2006, of more than 5 percent of the Company s outstanding Class A Common Shares or Common Voting Shares. Unless otherwise indicated, the persons named in the table have sole voting and investment power with respect to all shares shown therein as being beneficially owned by them.

Name and Address of Beneficial Owner	Class A Common Shares	Percent	Common Voting Shares	Percent
The Edward W. Scripps Trust (1) 13350 Metro Parkway, Suite 301 Fort Myers, Florida 33966-4796	39,192,222	29.41%	32,080,000	87.73%
Paul K. Scripps and John P. Scripps Trust (2) 5360 Jackson Drive, Suite 206 La Mesa, California 91942	1,230	.00%	3,232,226	8.84%
Capital Research and Management Company (3) 333 South Hope Street Los Angeles, California 90071-1406	7,626,200	5.72%		
Harris Associates L.P. (4) 1290 Avenue of the Americas New York, New York 10104	7,603,700	5.71%		

(1) Under the Trust Agreement establishing The Edward W. Scripps Trust (the Trust), the Trust must retain voting shares sufficient to ensure control of the Company until the final distribution of the Trust estate unless earlier stock dispositions are necessary for the purpose of preventing loss or damage to such estate. The trustees of the Trust are John H. Burlingame, Edward W. Scripps and Nackey Scagliotti. The Trust will terminate upon the death of one individual. Upon the termination of the Trust, substantially all of its assets (including all shares of capital stock of the Company held by the Trust) will be distributed to the grandchildren of Robert Paine Scripps (a son of Edward W. Scripps), of whom there are 27. Certain of these grandchildren have entered into an agreement among themselves, other cousins and the Company which will restrict transfer and govern voting of Common Voting Shares to be held by them upon termination of the Trust and distribution of the Trust estate. See Certain Transactions Scripps Family Agreement.

(2) See footnote 5 to the table under Security Ownership of Management.

(3) Capital Research and Management Company filed a Schedule 13G with the Securities and Exchange Commission with respect to the Company s Class A Common Shares on February 7, 2007. The information in the table is based on the information contained in such filing for the year ended 2006. Such report states that Capital Research and Management Company has sole voting power over 6,626,200 shares and sole investment power over 7,626,200 shares.

(4)

Harris Associates LLP filed a Schedule 13G with the Securities and Exchange Commission with respect to the Company s Class A Common Shares on February 14, 2007. The information in the table is based on the information contained in such filing for the year ended 2006. Such report states that Harris Research Associates LLP has shared voting power over 4,750,000 shares and sole investment power over 2,853,700 shares.

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REPORT ON THE SECURITY OWNERSHIP OF MANAGEMENT

The following information is set forth with respect to the Company s Class A Common Shares and Common Voting Shares beneficially owned as of January 31, 2007, by each director and each nominee for election as a director of the Company, by each named executive, and by all directors and executive officers of the Company as a group. Unless otherwise indicated, the persons named in the table have sole voting and investment power with respect to all shares shown therein as being beneficially owned by them. Also included in the table are shares owned by The Edward W. Scripps Trust, the trustees of which are directors of the Company.

Name of Individual or Number of Persons in Group	Class A Common Shares(1)	Exercisable Options(2)	Total Class A Common Shares(3)	Percent	Common Voting Shares	Percent
William R. Burleigh	84,830	320,000	404,830	*		
John H. Burlingame (4)	1,428	50,00	51,428	*		
David A. Galloway	2,000	35,000	37,000	*		
Kenneth W. Lowe	341,153	1,294,167	1,635,320	1.23%		
Jarl Mohn (5)	600	40,000	40,600	*		
Nicholas B. Paumgarten (6)	2,500	67,800	70,300	*		
Jeffrey Sagansky		25,000	25,000	*		
Nackey E. Scagliotti (4)	400	64,000	64,400	*		
Edward W. Scripps (4)	2,000	64,000	66,000	*		
Paul K. Scripps (7)	1,230	40,000	41,230	*	3,232,226	8.84%
Ronald W. Tysoe		70,000	70,000	*		
Julie A. Wrigley	64,144	40,000	104,144	*		
Richard A. Boehne	33,988	635,000	668,988	*		
Joseph G. NeCastro	17,182	175,000	192,182	*		
Mark G. Contreras	7,832	20,835	28,667	*		
John F. Lansing	21,035	216,501	237,536	*		
All directors and executive officers as a group (20 persons)(8)	39,801,427	3,350,473	43,151,900	32.38%	35,312,226	96.57%

* Shares owned represent less than 1 percent of the outstanding shares of such class of stock.

(1) The shares listed for each of the officers and directors represent his or her direct or indirect beneficial ownership of Class A Common Shares.

(2) The shares listed for each of the officers and directors include Class A Common Shares underlying exercisable options and options that will be exercisable within 60 days of January 31, 2007.

(3) The shares listed do not include the balances held in any of the directors phantom share accounts that are the result of an election to defer compensation under the 1997 Deferred Compensation and Stock Plan for Directors. None of the shares listed for any officer or director is pledged as a security for any obligation, such as pursuant

to a loan arrangement or agreement or pursuant to any margin account agreement.

(4) These persons are trustees of the Trust and have the power to vote and dispose of the 39,192,222 Class A Common Shares and the 32,080,000 Common Voting Shares of the Company held by the Trust. Mr. Burlingame disclaims any beneficial interest in the shares held by the Trust.

(5) The shares for Mr. Mohn include shares held in an S corporation that is 100 percent controlled by The Mohn Family Trust.

(6) The shares listed for Mr. Paumgarten include 1,700 shares owned by his wife. Mr. Paumgarten disclaims beneficial ownership of such shares.

(7) The shares listed for Mr. Paul K. Scripps include 239,040 Common Voting Shares and 816 Class A Common Shares held in various trusts for the benefit of certain of his relatives and 208 Class A Common Shares owned by his wife. Mr. Scripps is a trustee of the aforesaid trusts. Mr. Scripps disclaims beneficial ownership of the shares held in such trusts and the shares owned by his wife. The shares listed also include 2,890,906 Common Voting Shares held by five trusts of which Mr. Scripps is a trustee. Mr. Scripps is the sole beneficiary of one of these trusts, holding 698,036 Common Voting Shares. He disclaims beneficial ownership of the shares held in the other four trusts.

(8) Please see footnote 1 under Report on the Security Ownership of Certain Beneficial Owners.

REPORT ON THE BOARD OF DIRECTORS AND ITS COMMITTEES

2006 Board Meetings

During 2006, the board held four regularly scheduled meetings and three special meetings. All directors attended at least 75 percent of the meetings of the board and of the committees on which they served during the year ended December 31, 2006.

Executive Sessions of Directors

Executive sessions of nonmanagement directors are held regularly. The director who presides at these meetings is the chairman of the board of directors or another director selected by the board at the time of such meeting.

Committee Charters

The charters of the audit, compensation and nominating & governance committees are available for review on the Company s Web site at www.scripps.com by first clicking on Shareholders, and then on, Corporate Governance, and then on Highlights. Copies are available in print to any shareholder who requests a copy by contacting the corporate secretary at 312 Walnut Street, Suite 2800, Cincinnati, Ohio, 45202.

Committees of the Board of Directors

Executive Committee. William R. Burleigh (chair), John H. Burlingame and Kenneth W. Lowe are the members of the executive committee. This committee may exercise all of the powers of the board in the management of the business and affairs of the Company between board meetings except the power to fill vacancies on the board or its committees. During 2006, the executive committee held three meetings.

Audit Committee. Ronald W. Tysoe (chair), Jeffrey Sagansky and Julie A. Wrigley are the members of the audit committee. The purpose of the committee is to assist the board in fulfilling its oversight responsibility relating to (1) the integrity of the company s financial statements and financial reporting process and the company s systems of internal accounting and financial controls; (2) the performance of the internal audit services function; (3) the annual independent audit of the Company s financial statements, the engagement of the independent auditors and the evaluation of the independent auditors qualifications, independence, performance and fees; (4) the compliance by the company with legal and regulatory requirements, including the Company s disclosure controls and procedures; (5) the evaluation of enterprise risk issues; and (6) the fulfillment of all other responsibilities as outlined in its charter. The internal and independent auditors have unrestricted access to the audit committee. The committee meets privately with each of the independent auditors, the internal auditors and management. During 2006, the audit committee held 10 meetings.

Compensation Committee. David A. Galloway (chair), John H. Burlingame, Jarl Mohn, Edward W. Scripps and Ronald W. Tysoe are the members of the compensation committee. The committee is appointed by the board of directors to discharge the board s responsibilities relating to compensation of the company s directors and officers. The committee reviews and approves the company s goals and objectives relevant to compensation of senior management and evaluates the performance of senior management in light of those goals and objectives. With respect to the senior managers, the committee establishes base compensation levels, the terms of incentive compensation plans and equity-based plans and post-service arrangements. The committee reviews all of the components of the chief executive officer s compensation, including goals and objectives and makes recommendations to the board of directors. With respect to any funded employee benefit plans, the committee appoints and monitors named fiduciaries. On an annual basis, the committee reviews the operation of the Company s compensation program to evaluate its coordination and execution and reviews any management perquisites. The committee reviews succession planning relating to positions held by senior officers of the Company. and reviews director compensation and makes recommendations with respect thereto to the board of directors. The committee has the authority to engage outside consultants to assist in determining appropriate compensation levels for the chief executive officer, other senior managers or directors. In 2006, the committee did not engage any consultants but received survey data from a consultant engaged by management. The committee is also responsible for producing an annual report for inclusion in the Company s proxy statement and reviewing and approving the Compensation Discussion & Analysis and related compensation disclosure included in the Company s proxy statement. During 2006, the compensation committee held five meetings.

Incentive Plan Committee. David A. Galloway (chair), Jarl Mohn and Ronald W. Tysoe are the members of the incentive plan committee, which approves all awards under the Company s Long-Term Incentive Plan and approves awards under the Company s Executive Annual Incentive Plan. The incentive plan committee is a subcommittee of the compensation committee and meets at the same time as the compensation committee.

Nominating & Governance Committee. Nackey E. Scagliotti (chair), William R. Burleigh, John H. Burlingame, Nicholas B. Paumgarten and Julie A. Wrigley are the members of the nominating & governance committee. The purpose of the committee is (1) to assist the board by identifying individuals qualified to become board members and to recommend director nominees to the board; (2) to recommend to the board the Corporate Governance Guidelines applicable to the Company; (3) to lead the board in its annual review of the board s performance; and (4) to recommend to the board nominees for each committee of the board. During 2006, the nominating & governance committee held four meetings.

CORPORATE GOVERNANCE

The board of directors is committed to good corporate governance, good business practices and transparency in financial reporting. The nominating & governance committee annually reviews the Company s corporate governance principles, a copy of which is available on the Company s Web site by first clicking on Shareholders, and then on, Corporate Governance, and then on Highlights. Copies are available in print to any shareholder who requests a copy by contacting the corporate secretary at 312 Walnut Street, Suite 2800, Cincinnati, Ohio, 45202.

Code of Ethics

The Company demonstrates its commitment to operate at the highest ethical standards by enforcing the principles in its Code of Ethics which is applicable to all employees. The Company s corporate ethics program director is responsible for implementation and oversight of the ethics program. Additionally, the Company has in place a Code of Business Conduct and Ethics for the Chief Executive Officer and the Senior Financial and Accounting Officers. It is the responsibility of the audit committee and the chief financial officer to make sure that this policy is operative and has effective reporting and enforcement mechanisms. Both the Code of Business Conduct and Ethics for the Chief Executive Officer and Senior Financial Officers and the Code of Ethics are available for review on the Company s Web site and to any shareholder who requests a printed copy.

The Company believes it has an obligation to provide employees with the guidance and support needed to ensure that the best, most ethical choices are made at work. To support this commitment, the Company established a means for employees to submit confidential and anonymous reports of suspected or actual violations of the Company s Code of Ethics relating, among other things, to: accounting and auditing matters; antitrust activity; confidentiality &

misappropriation; conflict of interest, discrimination or harassment; diverting of product or business activity; embezzlement; falsification of contracts, reports or records; gifts or entertainment; improper supplier or contractor activity; securities violations; sexual harassment; substance abuse; theft; or unsafe working conditions. To submit a report, an employee may call a toll-free number that is answered by a trained professional of EthicsPoint, an independent firm. This number (888-397-4911) is operational 24 hours a day, seven days a week. Employees may also raise questions online through the Internet (www.ethicspoint.com).

Charitable Contributions

The Company has not made any charitable contributions, where the amount has exceeded $1 million or two percent of such charity s consolidated gross revenues, to any charitable organization of which a director is an executive officer.

Communications with the Directors

Shareholders and other interested parties wishing to communicate with the board of directors may do so by addressing letters to the corporate secretary at 312 Walnut Street, Suite 2800, Cincinnati, Ohio, 45202. For those who wish to send such communications via e-mail, they can do so at kuprionis@scripps.com. The board has instructed the corporate secretary to review all communications so received (via regular mail or e-mail), and to exercise her discretion not to forward to the directors correspondence that is not germane to the business affairs of the Company. Correspondence not forwarded will be retained for one year and any director may request the secretary to forward any and all such communications to the directors.

Director Attendance at Annual Meetings of Shareholders

The Company does not have a policy with regard to attendance by board members at the Annual Meeting of Shareholders. Messrs. Burleigh and Lowe attended the Company s 2006 annual meeting of shareholders.

Director Education

When first elected to the board of directors, new members attend a training session that introduces them to the Company s operations and to the members of management. Thereafter, directors are informed on a regular basis of various director educational programs offered by governance and director organizations. The Company pays for the continuing education of its directors.

Director Independence Audit Committee

The board of directors of the Company has determined that none of the current members of the audit committee has any relationship with the Company that could interfere with his or her exercise of independence from management and the Company. Each of the members satisfies the definitions of independence set forth in the rules promulgated under the Sarbanes-Oxley Act and in the listing standards of the New York Stock Exchange. The board determined that each member of the committee is financially literate as defined under the current NYSE rules and that Mr. Tysoe is an audit committee financial expert as defined in the SEC rules adopted under the Sarbanes-Oxley Act.

Director Independence Controlled Company Status

The New York Stock Exchange requires listed companies to have a majority of independent directors on their boards and to ensure that their compensation committee and governance committee are composed of a majority of independent directors as well. A company that qualifies as a controlled company does not have to comply with these strictures so long as it discloses to shareholders that the company qualifies as a controlled company and is relying on this exemption in not having a majority of independent directors on the board or a majority of independent directors on either of the aforementioned committees. A controlled company is a listed company of which more than 50 percent of the voting power is held by an individual, a group, or another company. The Edward W. Scripps Trust holds a majority of the Company s outstanding Common Voting Shares, and as such the Company qualifies as a controlled company and may rely on the NYSE exemption. The Company is not relying at present on that exemption.

Director Independence

The Company has determined that the following directors are independent under the standards established by the NYSE: William R. Burleigh, John H. Burlingame, David A. Galloway, Jarl Mohn, Nicholas B. Paumgarten, Jeffrey Sagansky, Nackey E. Scagliotti, Paul K. Scripps, Edward W. Scripps, Ronald W. Tysoe and Julie A. Wrigley. Additionally, all of the members of its nominating & corporate governance committee and its compensation committee are independent under such standards.

Nominations for Directors

The committee will review any candidate recommended by the shareholders of the Company in light of the committee s criteria for selection of new directors. If a shareholder wishes to recommend a candidate, he or she should send the recommendation, with a description of the candidate s qualifications, to: Chair, Nominating & Governance Committee, c/o Mrs. Mary Denise Kuprionis, The E. W. Scripps Company, 312 Walnut Street, Suite 2800, Cincinnati, Ohio 45202. In the past, the committee has hired an independent consultant to assist with the identification and evaluation of director nominees and may do so in the future.

Nomination for Directors Qualification Standards

When selecting new director nominees, the nominating & governance committee considers requirements of applicable law or listing standards, as well as the director qualification standards highlighted in the Company s corporate governance principles. The committee is responsible for reviewing with the board the requisite skills and characteristics of new board candidates as well as the diversity and composition of the board as a whole. A person considered for nomination to the board must be a person of high integrity. Other factors considered are independence, age, skills, and experience in the context of the needs of the board. The nominating & governance committee makes recommendations to the board regarding the selection of director nominees.

NYSE Annual Written Affirmation

On June 6, 2006, the Company filed with the New York Stock Exchange the Annual Written Affirmation and the CEO Certification required under NYSE rules.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

Responsibilities

The audit committee is comprised solely of independent directors and, among other things, is responsible for the following reviews, approvals and processes. Additionally, the audit committee members have reviewed the Company s Code of Ethics and have established guidelines for receiving and reviewing reports on issues raised by employees using the Company s HelpLine.

- The engagement of the Company s independent auditors.
- The determination as to the independence and performance of the independent auditors.
- The determination as to the performance of the internal auditors.

Review of the scope of the internal and independent audit.

Preapproval of audit and nonaudit services.

Review of disclosure controls and procedures.

Review of management s annual report on internal controls over financial reporting.

Review of annual SEC filings.

Review of quarterly SEC filings and other communications required to be reported to the committee by the independent auditors.

Review of certain regulatory and accounting matters with internal and independent auditors.

Consultation with independent auditors.

Preparation of its report for the proxy statement.

Committee performance evaluation.

Review of policies for employing former employees of the independent auditors.

Establishment of whistleblowing procedures.

Review of legal and regulatory compliance.

Evaluation of enterprise risk issues.

Review of certain transactions with directors and related parties.

In discharging its oversight responsibility as to the audit process, the audit committee reviewed and discussed the audited financial statements of the Company for the year ended December 31, 2006, with the Company s management, including a discussion of the quality, not just the acceptability, of the accounting principles; the reasonableness of significant judgments; and the clarity of disclosures in the financial statements. The committee also discussed with the Company s internal auditor and with Deloitte Touche Tohmatsu, and its respective affiliates (collectively the Deloitte Entities), the overall scope and plan for their respective audits. The committee meets with the internal auditor and the Deloitte Entities, with and without management present, to discuss the results of their examination, their evaluation of the Company s internal controls, and the overall quality of the Company s financial reporting.

Independence of the External Auditors

The committee has established a pre-approval policy and procedures for audit, audit-related and tax services that can be performed by the independent auditors without specific authorization from the committee subject to certain restrictions. The policy sets out the specific services pre-approved by the committee and the applicable limitations, while ensuring the independence of the independent auditors to audit the Company s financial statements is not impaired.

Service Fees Paid to the Independent Registered Public Accounting Firm

The following table sets forth fees for all professional services rendered by Deloitte Entities to the Company for the years ended December 31, 2006 and 2005.

	2006	2005

Audit fees (1)	$ 1,931,100	$ 1,589,00
Audit-related fees (2)	420,500	374,800
Total audit and audit related	2,351,600	1,964,700
Tax compliance and preparation:		
Amended returns, claims for refunds and tax payment-planning	571,200	827,900
Employee benefit plans	7,100	7,000
Other tax-related fees:		
Tax consultation and planning		
Other	11,900	15,200
Total tax fees	590,200	850,100
Total fees	$ 2,941,800	$ 2,814,800

(1) This includes fees for the audit of the parent company and certain subsidiary companies, quarterly reviews, accounting consultations, comfort letters and consents.

(2) This includes fees for due diligence assistance and other assurance-related services.

Report of the Audit Committee

In connection with the financial statements for the fiscal year ended December 31, 2006, the Audit Committee has:

(1) reviewed and discussed the audited financial statements with management; and

(2) discussed with the Deloitte Entities the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (Communications with Audit Committees). Deloitte Entities also provided to the committee the written disclosures and letter, required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees).

Based upon these reviews and discussions, the audit committee at its February 21, 2007, meeting, approved the filing of the Company s annual report on Form 10-K for the year ended December 31, 2006, with the United States Securities and Exchange Commission.

The Audit Committee

Ronald W. Tysoe, Chairman
Jeffrey Sagansky
Julie A. Wrigley

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REPORT OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

The compensation committee of the Company s board of directors (collectively, the Committee) has submitted the following report for inclusion in this Proxy Statement:

The Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this Proxy Statement with management. Based on our Committee s review of and the discussions with management with respect to the Compensation Discussion and Analysis, our Committee recommended to the board of directors that the Compensation Discussion and Analysis be included in this Proxy Statement and in the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2006, for filing with the SEC.

The foregoing report is provided by the following directors, who constitute the Committee:

The Compensation Committee

David A. Galloway, Chairman
John H. Burlingame
Jarl Mohn
Edward W. Scripps
Ronald W. Tysoe

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COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis explains the Company s compensation program for its Chief Executive Officer (CEO), Mr. Kenneth W. Lowe, its Chief Financial Officer (CFO), Mr. Joseph G. NeCastro, and its other three most highly compensated executive officers, Mr. Richard W. Boehne, Executive Vice President and Chief Operating Officer, Mr. John F. Lansing, Senior Vice President/Scripps Networks and Mr. Mark G. Contreras, Senior Vice President/Newspapers. These individuals are referred to collectively as the Named Executive Officers.

Compensation Program Objectives

The compensation program for the Named Executive Officers is designed to meet the following four objectives that align with and support the Company s strategic business goals:

Attract and retain executives who will lead the Company s efforts to build long term value for shareholders

Reward annual operating performance and increases in shareholder value

Emphasize the variable performance-based components of the compensation program more heavily than the fixed components

Maintain a straightforward compensation program so executives can easily understand what metrics drive performance and the resulting impact to their pay

General Principles Underlying the Compensation Program

The Company uses the following general principles to guide its decisions regarding the design of its compensation program and to ensure that it is consistent with the overall objectives described above:

1. Provide a competitive compensation package. The Company believes that it must provide a competitive compensation package to successfully attract and retain executives who will lead the Company s efforts to build long term value for shareholders. As a result, the Company believes that the executive compensation program should provide compensation (*i.e.*, base salary, annual incentive and long-term incentive) to Named Executive Officers that is at the market median level of total compensation provided by the Company s media industry peers. For performance that exceeds expectations, the compensation provided may be between the median and the 75th percentile. To help determine the competitive market value of each role, the Compensation Committee (Committee) relies, in part, on an annual benchmarking study of compensation levels of comparable executive positions within similarly sized media companies, which is published by Towers Perrin. Each year the Committee reviews information about the compensation being paid to executives in the Towers Perrin Media Industry Compensation Survey. In 2006 the peer group included publicly traded companies with revenue in excess of $1.0 billion. The following table lists the companies included in this peer group:

Towers Perrin Media Survey Public Companies with Revenues > $1.0 billion

Time Warner	New York Times
Walt Disney	Washington Post
Viacom	Knight Ridder
Comcast Cable Communications	Reader s Digest
Clear Channel Communications	Scholastic

Thomson	Univision Communications
Gannett	Dow Jones
IAC/InterActiveCorp	Dex Media
Tribune	Belo
McGraw-Hill	Primedia
Charter Communications	ADVO
Cablevision Systems	Meredith
Adelphia Communications	McClatchy
Yahoo!	

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The target cash compensation (*i.e.,* base salary and annual incentive) for 2006 for Named Executive Officers, except Mr. Lowe, was at or below the market median of the Towers Perrin Media Industry Compensation Survey, based on a regression analysis of compensation levels and revenues (consolidated or divisional as appropriate). Mr. Lowe s cash compensation was between the median and 75th percentile. The value of long-term incentives (*i.e.*, stock options and performance-based restricted stock) at target level brings total compensation (base salary, annual incentive, and long-term incentives) for 2006 to or slightly above the median of media industry peers in the aggregate.

2. The Company s compensation program should align the interests of Named Executive Officers with the interests of the Company and its shareholders. The performance-based portion of the compensation program is designed to focus the Named Executive Officers on a combination of achieving annual operating performance goals and increasing shareholder value over time. For example, the Executive Annual Incentive Plan is designed to reward Named Executive Officers for achieving specified levels of segment profit and earnings per share. Moreover, the long-term incentive plan is designed to reward Named Executive Officers for a combination of achievement of specified levels of segment profit and increases in the market value of the Company. These performance goals and metrics align the interests of Named Executive Officers with the interests of the Company and its shareholders.

3. A significant portion of the compensation package should be tied to performance of the Company. The compensation program is weighted towards a combination of short-term and long-term performance-based incentive compensation, with the percentage of performance-based compensation increasing as the levels of executive responsibility increase. For example, of the total pay mix for Named Executive Officers during 2006, on average 70% was weighted towards annual and long-term incentives (at target levels) and 30% was weighted towards fixed components such as base salary and retirement benefits. The target pay mix for the CEO was roughly 80% variable and 20% fixed to reflect his greater job scope and responsibility.

Process for Making Compensation Decisions

Each year, the Committee reviews the base salary, annual incentive and long-term incentive compensation levels for each Named Executive Officer. This review process usually occurs in February which coincides with the reporting of the year-end financial results.

During this review, the Committee considers the value of the overall role and contribution of each executive officer, including the impact the executive officer has on the achievement of strategic priorities and operating goals for the Company. The CEO provides the Committee with a recommendation regarding the compensation levels for the four other Named Executive Officers reporting to him, taking into consideration the performance and contributions of each executive officer. After discussing these recommendations with the CEO, and after making its own evaluation of the performance of each such executive officer, the Committee establishes the base salary, annual incentive and long-term incentive targets for each Named Executive Officer other than the CEO. The Committee also evaluates the performance of the CEO, and based on this evaluation, recommends the base salary, annual incentive and long-term incentive compensation targets of the CEO for approval by the Board of Directors.

The Committee considers the value of total compensation in determining what action to take with each element of pay. Moreover, any decisions regarding particular elements of pay are reviewed and discussed in the context of overall pay objectives.

Compensation Program Elements

A summary of each element of the compensation program for Named Executive Officers is set forth below. The Committee believes that each element complements the others and that together they serve to achieve the Company s compensation objectives.

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Base Salary

The Company provides competitive base salaries to attract and retain key executive talent. The Committee believes that a competitive base salary is an important component of compensation as it provides a degree of financial stability for executives. Base salary is also used to compensate Named Executive Officers for the value of their role within and contributions to the Company.

Base salaries also form the basis for calculating other compensation opportunities for Named Executive Officers. For example, base salaries are used to determine each Named Executive Officer s annual incentive opportunity (see Executive Annual Incentive Plan , below) and long-term incentive awards (see Long-Term Incentives , below). Moreover, base salaries are included in an executive s final average compensation for purposes of determining retirement benefits (see Retirement Plans , below) and are included in the formula for calculating severance benefits under the employment agreements (see Employment Agreements , below) and in the event of a change in control (see Change in Control Plan , below).

The 2006 base salaries for Messrs. Boehne, NeCastro and Contreras were increased to recognize their added responsibilities during the year. Mr. Boehne was promoted to Executive Vice President and Chief Operating Officer with direct responsibility for all five operating divisions of the Company; Mr. NeCastro was promoted to Executive Vice President and Chief Financial Officer with responsibility for all corporate staff functions; and Mr. Contreras was named Senior Vice President/Newspapers with oversight responsibility for the entire newspaper division. Mr. Lowe s base salary was not increased, and instead he received an increased target annual incentive opportunity as described below under the heading Executive Annual Incentive Plan . Mr. Lansing received an annual merit increase to his base salary. The table below shows the actual percent increase in base pay for each of the Named Executive Officers.

Named Executive Officer	2006 Base Salary Increase Percent Over 2005
Mr. Lowe	0.0%
Mr. Boehne	11.1%
Mr. NeCastro	17.0%
Mr. Lansing	4.5%
Mr. Contreras	5.6%

For more information about the 2006 base salaries for each Named Executive Officers, please refer to the Salary column of the Summary Compensation table of this proxy statement.

Executive Annual Incentive Plan

Consistent with the Company s emphasis on pay for performance, the Company has established the Executive Annual Incentive Plan under which Named Executive Officers are eligible to receive annual cash payments based on the extent to which certain operational goals are achieved. In order to ensure that the compensation package is weighted heavily towards pay for performance, the annual incentive for 2006 represented from 45% to 120% of a Named Executive Officer s base salary (assuming payout at the target level), depending on the executive s level of responsibility. Moreover, annual incentives are included in an executive s final average compensation for purposes of determining his retirement benefits (see Retirement Plans , below) and are included in the formula for calculating severance benefits under the employment agreements (see Employment Agreement , below) and in the event of a change in control (see Change in Control Plan below).

Consistent with the Company s objectives of rewarding operating performance, the Executive Annual Incentive Plan awards are based on a formula that takes into consideration the achievement of segment profit and earnings per share goals. These measures represent 60% and 40%, respectively, of each Named Executive Officer s target opportunity. For Named Executive Officers whose primary responsibilities are corporate-wide (Messrs. Lowe, Boehne and NeCastro), the segment profit goal was based on the consolidated performance of all the divisions of the Company. For those Named Executive Officers whose primary responsibility is managing a division or subsidiary (Messrs. Contreras and Lansing), the segment

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profit goal was based on performance of the division or subsidiary for which the Named Executive Officer has responsibility *i.e.*, the newspaper division and Scripps Networks, respectively.

The following table illustrates the 2006 target segment profit and earnings per share goals.

Segment Profit Values are in $000s	**2006 Goal**
Consolidated	$ 860,000
Scripps Networks Division	$ 513,900
Newspaper Division	$ 216,300
Earnings per share	$ 2.22

For 2006, the annual incentive award targets were as follows: (i) 120% of annual base salary for Mr. Lowe, (ii) 70% for Mr. Boehne, (iii) 60% for Mr. NeCastro, (iv) 50% for Mr. Lansing, and (v) 45% for Mr. Contreras which was increased to 50% upon his promotion to Senior Vice President, Newspapers. Mr. Lowe s 2005 annual incentive target had been 100%. The increase to 120% recognizes the strong performance of the Company and supports the compensation strategy to tie more compensation to performance. Mr. Boehne s 2005 annual incentive target was 60% and Mr. NeCastro s was 50% both were increased due to promotions.

The annual incentive plan compensation opportunity will vary, from 0% to 150% of the targeted percentage of base salary, according to the level of overall performance achieved for the year relative to the established performance goal. For example, at 100% of performance achieved, the incentive amount will be paid at 100% of the target incentive amount, for 80% of performance achieved, the incentive amount will be paid out at 20% of the target incentive amount, and at 120% of performance achieved, the incentive amount will be paid out at 150% of the target incentive amount. For performance between these levels, the annual incentive amount is prorated.

Here is an example of how the Executive Annual Incentive Plan payout is calculated for an executive with a base salary of $500,000 and a target annual incentive of 50% of base salary:

	Target Annual Incentive Amount	**Percent of Goal Attained**	**Percent of Target Earned**	**Actual Annual Incentive Amount**
Annual Incentive tied to segment profit is 60%	$ 150,000	97.0%	85.0%	$ 127,500
Annual Incentive tied to earnings per share is 40%	$ 100,000	103.5%	106.0%	$ 106,000
Total	$ 250,000			$ 233,500

The following table reflects the actual achievement level for each performance goal along with the actual payout percentage for each performance goal for 2006:

	Percent of Actual	**Payout**

Segment Profit Values are in $000s	2006 Goal	2006 Actual	Achieved	Percent
Consolidated	$ 860,000	$ 853,800	99.3%	96.4%
Networks Division	$ 513,900	$ 517,400	100.7%	100.7%
Newspaper Division	$ 216,300	$ 194,400	89.9%	49.6%
Earnings per share	$ 2.22	$ 2.40	109.1%	115.2%

When establishing each performance goal and target, the Committee reserves the right to exercise discretion regarding how extraordinary items will impact the target goals and ultimate payout. Pursuant to this pre-established adjustment mechanism, the Committee adjusted the consolidated performance goals (both segment profit and earnings per share) in 2006 to take into account the Shop at Home divestiture, the acquisition of uSwitch and the contribution of one of the Company s newspapers to a partnership. Furthermore, the Committee exercised negative discretion by decreasing the annual incentive payout for Messrs. Lowe, Boehne and NeCastro by 3.9%. This reduction in the incentive plan calculation is to account for losses at Shop at Home.

For more information on the 2006 annual incentive opportunity for Named Executive Officers, please refer to the Grants of Plan-Based Awards section of this proxy statement. The Estimated Future Payouts Under Non-Equity Incentive Plan Awards column of that table provides the estimated payouts for Named Executive Officers at Threshold, Target and Maximum performance levels. Please refer to the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table for the actual amounts earned by each Named Executive Officer under the Executive Bonus Plan for the 2006 performance period.

Long-term Incentives

The Company awards long-term incentive (LTI) grants to Named Executive Officers as part of its total compensation package. These LTI awards include both stock options and performance-based restricted shares. These awards are consistent with the Company s pay for performance principles because they are designed to focus the attention of executives on achieving operational goals and increasing shareholder value over time, which in turn aligns the interest of executives with the Company s shareholders. In order to ensure that the compensation package is weighted heavily towards pay for performance, the long-term incentive opportunity for 2006 represented at least 80 percent of a Named Executive Officer s base salary (assuming payout at the target level), depending on the executive s role.

The annual LTI grant is determined for each Named Executive Officer based on role, contribution and impact on achieving long-term objectives as well as aligning the executive s total direct cash (base salary plus annual incentive plus LTI) with the competitive benchmark data. Mr. Lowe s annual grant was the same as the prior two years and he received an additional grant tied to extending his employment agreement as described in more detail below. Mr. Boehne s increased 25% over the prior year due to his promotion, Mr. NeCastro s increased 18% also due to promotion, Mr. Contreras s increased 17% to bring his award in line with other Senior Vice Presidents, and Mr. Lansing s was the same as the prior year.

One-half of the target value of the LTI award was in the form of nonqualified stock options. The other one-half of the target LTI award was in the form of performance-based restricted stock. Prior to 2004, the Company provided stock options as the annual LTI award. The move from stock options only to a combination of options and performance-based restricted stock was implemented in 2005 with an eye towards tying operating performance to the grant of restricted stock. This shift also has several other benefits such as providing value to the Named Executive Officers earlier as well as serving as a retention tool.

The target value of the LTI award is converted to 50 percent stock options using the Black Scholes valuation method and to 50 percent target performance-based restricted shares using the fair market value of the stock on the grant date (as adjusted for vesting).

Stock Options

The stock options are granted with an exercise price equal to the fair market value of the Company s Class A common shares on the date of grant, have an eight-year term and vest in three annual installments, beginning on the first anniversary of the date of grant. Because the value of stock options increases when the stock price increases, stock options align the interests of Named Executive Officers with those of shareholders. In addition, stock options are intended to help retain key executives because they typically vest over three years and, if not vested, are forfeited if the employee leaves the Company before retirement. For more information on the stock options granted to Named Executive Officers in 2006, including the number of shares underlying each option grant and its exercise price, please refer to the Grants of Plan-Based Awards section of this proxy statement. For information about the total number of stock options outstanding as of the end of 2006 with respect to each Named Executive Officer, please refer to the Outstanding Equity Awards at Fiscal Year-End table of this proxy statement.

Performance-Based Restricted Stock Awards

The performance-based restricted stock awards provide Named Executive Officers with an opportunity to receive restricted shares based on the extent to which the Company attains specified levels of segment profit. The segment profit goal was based on the consolidated performance of all the divisions of

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the Company. This goal was selected for all of the Named Executive Officers instead of a combination of consolidated and divisional because as a long-term reward vehicle, the Company wanted the focus to be on increasing the value of the Company as a whole. This approach encourages cooperation among the operating divisions of the Company.

The actual number of restricted shares earned will be determined based on the achievement of the consolidated segment profit goal for the preceding year. The number of restricted shares earned may vary, from 0% to 150% of the targeted number of shares granted, according to the level of consolidated performance achieved for the year relative to the performance goal. The restricted shares earned vest each March 15 of the succeeding three years (25% in year 1, 25% in year 2, and 50% in year 3).

Example: An executive received a targeted number of performance-based restricted shares equal to 5,462 shares. The Company must achieve at least 80% of the consolidated segment profit goal in order for the executive to earn any of the restricted shares. If the Company generates less than 80% of the consolidated segment profit goal, no restricted shares are earned. If the Company generates 80% (the threshold level), 20% of the target restricted shares (or 20% times 5,462 = 1,092) are earned. Should the Company generate 100% of the consolidated segment profit goal, 100% of the target restricted shares (5,462) are earned. The maximum number of performance-based restricted shares that can be earned is 150% of the target (or 150% times 5,462 = 8,193.) This would happen if the Company achieved 120% or more of the consolidated segment profit goal.

For the 2006 plan year, the Company achieved 99.3% of the consolidated segment profit goal. That translated to 96.4% of the targeted performance-based restricted shares actually earned. So in the above example, 5,462 target performance-based restricted shares, would be multiplied by the 96.4% payout factor to come up with actual earned shares of 5,265. These shares would then vest 25% immediately (March 15th), 25% on the following March 15th and the remaining 50% on March 15th three years after the date of grant. Using this same example, 1,316 shares would vest the first year, 1,316 shares would vest the second year and the remaining 2,633 the third year.

The performance-based restricted shares are consistent with the overall objective of rewarding operational performance, since the number of shares earned depends on the extent to which the Company achieves specified consolidated segment profit levels. Moreover, the vesting schedule of the restricted shares ultimately earned provides retention incentives for Named Executive Officers and also helps to focus them on increasing the value of the Company over time.

For 2006, the goal for consolidated segment profit was $860,000,000, as adjusted to account for the Shop at Home divestiture, the acquisition of uSwitch and the contribution of one of the Company s newspapers to a partnership. Actual performance resulted in a payout equal to 96.4% of the target number of restricted shares, after adjustments pursuant to the pre-established adjustment mechanism described above for hurricane recovery and newspaper severance.

For more information on the performance-based restricted stock awards granted to Named Executive Officers in 2006, please refer to the Grants of Plan-Based Awards table of this proxy statement. The Estimated Future Payouts Under Equity Incentive Plan Awards column of that table provides the estimated number of restricted shares earned for each Named Executive Officer at Threshold, Target and Maximum performance levels. For information about the total number of restricted shares outstanding as of the end of 2006 with respect to each Named Executive Officer, please refer to the Outstanding Equity Awards at Fiscal Year-End table of this proxy statement.

The values of the LTI grants for 2006 are provided in the following table:

Named Executive Officer	Value of 2006 Stock Option Awards (using Grant Date Binomial Lattice Value)	Value of 2006 Performance-based Restricted Stock Awards (using Grant Date Fair Market Value)
Mr. Lowe	125,000 options $1,609,139	34,989 shares $1,713,586
Mr. Lowe 2nd grant tied to employment contract extension	125,000 options $1,609,139	50,000 shares $2,513,000
Mr. Boehne	75,000 options $883,500	22,976 shares $1,028,176
Mr. NeCastro	50,000 options $589,000	15,317 shares $685,436
Mr. Lansing	32,500 options $418,376	9,110 shares $445,525
Mr. Contreras	17,500 options $225,279	4,905 shares $239,879
Mr. Contreras 2nd grant tied to promotion	15,000 options $176,700	n/a

Equity Grant Practices

The Incentive Plan Committee (a sub-committee of the Compensation Committee) grants annual equity awards at the February meeting of the Committee. This meeting date is set typically two years in advance. The Company does not employ any policies or practices that allow for timing stock option grants or performance-based restricted stock grants prior to the release of material nonpublic information.

Additional Equity Awards

In 2006, there were a number of circumstances that resulted in different timing for some LTI grants to Named Executive Officers as well as additional grants of restricted stock and stock options to Mr. Lowe. Messrs. Boehne, NeCastro and Contreras received grants that were tied to the effective date of their promotions to Executive Vice President and Chief Operating Officer, Executive Vice President and CFO, and Senior Vice President, Newspapers, respectively. Mr. Lowe received two additional grants that were tied to a decision to extend his employment agreement to December 31, 2008. He received a grant of 50,000 restricted shares and 125,000 options in addition to his annual grant of stock options and performance-based restricted shares. These additional grants vest equally over three years and are contingent upon the continued employment of Mr. Lowe through each vesting date. All of Mr. Lowe s grants were approved on the date of the Company s Board of Directors meeting, February 23, 2006, when the full Board approved the extension of his employment contract and related pay actions. These grants were in addition to his annual grant of 125,000 stock options and his performance-based restricted share target of 34,989, described above.

Retirement Plans

Named Executive Officers and substantially all other non-union employees of the Company participate in a defined benefit pension plan. Annual normal retirement benefits are computed at the rate of 1% of average final annual compensation up to $46,344 (the 2006 social security integration level) plus 1.25% of average final compensation in excess of $46,344 multiplied by the employee s years of service. Under the terms of the pension plan, participants who leave the Company after age 55 and with at least 10 years of service (early retirement) can receive an unreduced pension at age 62 and prior to age 62 with a 5% reduction per year. For those who leave before or after attaining age 55 with less than 10 years of service, the reduction is 6% per year from age 65.

In order to attract and retain key executive talent at the Company, the Committee believes that it is important to provide the executive officers, including the Named Executive Officers, with retirement benefits that are in addition to those generally provided to its employees. As a result, the Company supplements pension payments for all executives whose pay and contributions exceed the IRS limitations through the Scripps Supplemental Executive Retirement Plan (SERP). The additional benefit under the SERP is calculated at the 1.25% formula of wages in excess of the IRS wage limit of $200,000 (indexed) based on the individual s final average compensation (highest five consecutive years out of last 11 years). Upon termination or retirement, a benefit is calculated under the qualified plan without regard to IRS limitations and the portion not payable by the pension plan is paid under the SERP. For more information on the pension plan and the SERP, please refer to the Pension Benefits table of this proxy statement.

Named Executive Officers may also defer specified portions of their compensation under the 401(k) plan and the Executive Deferred Compensation Plan. Moreover, the Company makes a matching contribution of 50% up to the first 6% of base salary on behalf of each Named Executive Officer under the 401(k) Plan and the Executive Deferred Compensation Plan. The Company provides this match to all eligible employees to encourage participation and to provide a competitive retirement benefit. For more information about the Executive Deferred Compensation Plan, please refer to the Non-Qualified Deferred Compensation table of this proxy statement.

Employment Agreements

All five of the Named Executive Officers have entered into employment agreements with the Company. These employment agreements enhance retention incentives for Named Executive Officers and also protect the Company s interests by imposing confidentiality, noncompetition, nonsolicitation and other restrictive covenants on the executives. Following is a brief summary of the employment agreements.

Employment Agreement for Mr. Lowe

On June 16, 2003, the Company entered into an employment agreement with Mr. Lowe, pursuant to which he serves as President and Chief Executive Officer and as a member of the board of directors. On May 10, 2006, the agreement was extended through December 31, 2008, and thereafter renews for successive one-year terms unless either party provides notice not to extend. During the term, Mr. Lowe is entitled to: (i) a base salary that is not less than that paid to him for the immediately preceding year and an annual target bonus opportunity equal to no less than 80% of his salary; (ii) participate in all equity incentive, employee pension, welfare benefit plans and fringe benefit programs on a basis no less favorable than the most favorable basis provided other senior executives of the Company; (iii) life insurance equal to his base salary; and (iv) reimbursement for tax and financial planning up to maximum of $15,000 per year, the annual membership fees and other dues associated with one country club and one luncheon club, and the costs of an annual physical examination.

Employment Agreement for Mr. Lansing

Effective January 1, 2004, the Company entered into an employment agreement with Mr. Lansing. The term of the agreement expires on December 31, 2008. During the term, Mr. Lansing is entitled to an annual base salary of no less than $550,000 and a target annual incentive opportunity of no less than 50% of base salary. Mr. Lansing is also entitled to all benefits provided to senior level executives in accordance with the Company s policies from time to time in effect.

Other Employment Agreements

In June 2006, the Company entered into an employment agreement with Mr. Boehne, Mr. NeCastro, and Mr. Contreras. The agreements have a three year term that extends for an additional year on each anniversary of the first day of the terms, unless the Company provides notice not to extend. During the term, (i) the annual base salary for each executive will be no less than $650,000 for Mr. Boehne, $550,000 for Mr. NeCastro, and $475,000 for

Mr. Contreras; (ii) the target bonus opportunity will be 70% of base salary for Mr. Boehne, 60% of base salary for Mr. NeCastro and no less than 50% of base salary for Mr. Contreras; (iii) each executive is eligible to participate in all equity incentive plans, employee retirement, pension and welfare benefit plans available to similarly situated executives of the Company;

and (iv) each executive is also entitled to reimbursement for tax and financial planning up to a maximum of $15,000 per year ($10,000 per year for Mr. Contreras), the annual membership fees and other dues associated with one luncheon club, and the costs of an annual physical examination.

Please refer to the Potential Payments Upon Termination or Change in Control table of this proxy statement for information regarding potential payments and benefits, if any, that each executive is entitled to receive under his employment agreement in connection with his termination of employment or change in control, along with a brief description of the applicable non-competition, non-solicitation, confidentiality and other restrictions applicable to each executive.

Change in Control Plan

Each Named Executive Officer participates in the Senior Executive Change in Control Plan except Mr. Lowe who is covered in the case of a change in control under his employment agreement. Under the plan, all equity awards held by Named Executive Officers would vest upon a change in control of the Company. Moreover, each Named Executive Officer would be entitled to certain payments and benefits if a change in control were to occur and the Company terminated the executive s employment without cause or the executive terminated his employment with the Company for good reason within a two-year period following such change in control . The Company believes that the plan is an important element of its compensation program because it allows Named Executive Officers to focus on the Company s business and objectively evaluate any future proposals during potential change in control transactions. It also assists the Company in attracting and retaining senior executives. For more information on the plan, including a description of the payments and benefits available under the plan, please refer to the Potential Payments Upon Termination or Change in Control section of this proxy statement.

Health, Welfare and Other Personal Benefits

In addition to the principal compensation components described above, Named Executive Officers are entitled to participate in all health, welfare, fringe benefit and other arrangements generally available to other employees. The Company may also, as considered reasonable and appropriate on a case-by-case basis, provide its officers, including its Named Executive Officers, with limited additional perquisites and other personal benefits. For example, Named Executive Officers are provided with a financial planning benefit pursuant to the terms of their employment agreements. The amount of this benefit ($15,000 Messrs. Lowe, Boehne and NeCastro, and $10,000 for Messrs. Contreras and Lansing) was determined based on the fees required for annual financial and estate planning. The financial planning benefit is grossed up for the payment of taxes associated with the compensation value of this benefit.

The Company also provides perquisites that facilitate involvement of executive officers in the business community by sponsoring membership in luncheon and business clubs. All Named Executive Officers are provided with a luncheon club membership to the facility of their choice. Mr. Lowe is provided with a country club membership, per his employment agreement. Mr. Lowe and Mr. Boehne are also provided with memberships to a local business club. The amounts of these perquisites are based on the annual dues for membership to the luncheon or country clubs.

For more information about the perquisites provided in 2006 to each Named Executive Officers, please refer to the All Other Compensation column of the Summary Compensation Table of this proxy statement.

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COMPENSATION TABLES

Summary Compensation Table

The following table sets forth certain information regarding the compensation earned in 2006 by the Named Executive Officers (NEOs) of The E. W. Scripps Company (Company):

Change in Pension Value and