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United States District Court

For the Northern District of California

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

CLINTON REILLY,

No. C 06-04332 SI

Plaintiff,

**ORDER GRANTING PRELIMINARY
INJUNCTION**

v.

MEDIANEWS GROUP, INC, et al.,

Defendants.

On November 28, 2006, the Court issued a temporary restraining order, preventing defendants from entering into any agreements of the nature described in an April 26, 2006 letter between Hearst and MediaNews. The Court also ordered defendants to show cause, before 4:00 p.m. on December 6, 2006, why they should not be preliminarily enjoined, on the same grounds, pending trial of this action in April 2007.

Defendants Gannett Co. and Stephens Group have filed a statement taking no position in response to the order to show cause. Defendants Hearst, MediaNews, and California Newspapers Partnership have filed a response opposing imposition of a preliminary injunction.

Defendants base their opposition to the preliminary injunction primarily on the fact that they have no intention of pursuing any agreements of the nature described in the April 26 letter between now and the trial date. *See, e.g.,* Asher Decl. ¶ 5; Lodovic Decl. ¶ 7. The Court does not doubt the sincerity of defendants' representations. However, the Court is concerned that denying the preliminary injunction may leave defendants unsure of whether they are free to immediately pursue such agreements. The April 26 letter is in the form of a potentially binding agreement, and defendants have expressed the desire, if not the intent, to pursue the cooperative agreements discussed in the letter. The Court therefore wants

1 to leave no confusion as to its expectation that defendants will comply with their stated intent not to
2 pursue any of the agreements at issue; the only way to do so definitively is to issue the preliminary
3 injunction.

4 For the reasons set forth in the temporary restraining order, the Court hereby preliminarily
5 ENJOINS defendants from entering into any agreements of the nature described in the April 26, 2006
6 letter, pending trial of this action in April 2007.

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8 **IT IS SO ORDERED.**

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10 Dated: December 19, 2006



SUSAN ILLSTON
United States District Judge

United States District Court

For the Northern District of California

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