

Adaptability, not fear, is the answer to AI in media, says Hearst executive Frank A.

Bennack Jr.

Hearst Executive Vice Chairman and former CEO Frank A. Bennack Jr. said in a Monday press conference that he continues to see the value in keeping media outlets alive in the face of [major layoffs](#) across the nation and [burgeoning Artificial Intelligence companies](#) threatening to disrupt the industry.

Hearst, a San Francisco-based private media conglomerate, boasts a portfolio of cable networks including [A&E, History, Lifetime and ESPN](#) and publishes [30 daily and 50 weekly newspapers](#) and [200 magazines worldwide](#). Hearst also invests in [medical businesses, the transportation sector and financial service companies](#), putting its total count at [over 360 businesses](#).

Bennack estimated he oversaw over 63 different acquisition negotiations in his [28 years as CEO](#). During his tenure, Hearst's earnings grew over [30 times](#). He said the key to being successful is "diversification," evidenced by the company's expansion into multiple sectors.

"If you don't change, if you don't move to new opportunities, if you have a workforce that is uninterested in changing what they do ... growth is going to be hard to come by," Bennack said.

He said he guided Hearst through [magazine ventures](#), the 2000s [dot-com boom](#), major [changes](#) to broadcast television and newspaper [digitalization](#). But AI, he said, might be the most "dramatic" change he's encountered.

“I think, in general, the consensus is that AI will change it more than any of those things,” Bennack said. “We’re not afraid of that. We’re working hard to have our people understand how to utilize that.”

Throughout the press conference, Bennack reiterated that what distinguishes media outlets that are doing well from those in financial turmoil is adaptability — like the model transformation set by the New York Times’ [successful digitalization and advertising campaigns](#).

“Our newspapers are profitable. Are they profitable at the highest level in their history? No,” he said. “But they’re solidly profitable, and, in some cases, growing their profitability because we are doing it right in the combination of ink on paper and the digital side.”

Northwestern University’s Medill College found newspaper jobs in the U.S. declined 75% since 2005 in its [annual local news study](#). Still, there were points across the country with successful local news structures, which the study refers to as “[bright spots](#).” This year, The Houston Chronicle, a Hearst-owned newspaper, [made the cut](#).

According to Bennack, the next big area of corporate expansion is likely to be in “human activities” — in-person events that encourage people to gather outside of virtual spaces.

Researchers agree, estimating the corporate event industry market to be valued at [\\$1.17 trillion by 2032](#).

“I think as we are more and more dependent on things like AI, the more we’ll need the interaction with people, and that we’ll want to come together in conferences,” he said.

The spaces are necessary, Bennack said, to allow coworkers to connect and bounce ideas off one another, tapping into a certain “personality” he said AI is incapable of replicating.

He added that investing in personality and creativity doesn’t only serve his employees, but rather, benefits everyone. Producing quality content will only grow in necessity as corporations pivot toward automation, he said.

“Doing it right and doing it with integrity is not only what will make your life better ... it is also the better road to success,” he said.