

To survive the AI age, AI companies must diversify or risk stagnation, Hearst's Frank Bennack says

Diversification carried media companies through decades of disruption, and the age of artificial intelligence will require the same, Hearst Executive Vice Chairman Frank Bennack said.

“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 and understanding ... what the new world is like, then growth is going to be hard to come by,” Bennack said.

Bennack led Hearst as CEO for 30 years through the rise of cable television and the digital transition. He said AI might bring the industry's most dramatic transformation yet.

Between 2005 and 2025, [the newspaper industry shed](#) 3,500 papers and more than three-quarters of its jobs. While many news companies struggled to find a sustainable business model after the internet fundamentally changed advertising models, Hearst grew into a \$14 billion mass media and business information conglomerate.

“You have to start by saying we are not going to let the difficulty with advertising get in the way of our investment in our news content,” Bennack said. “That's first and foremost.”

Today, [Hearst](#) owns 35 TV stations, 30 daily and 50 weekly newspapers, several digital service businesses and more than 200 magazine titles worldwide.

Bennack said prosperity takes a combination of protecting a company's existing assets while proactively joining innovation efforts.

He said about 60% of Hearst's profits today come from business-to-business transactions under its subsidiary [Fitch Group](#), which aggregates data and insights for other companies. Bennack called it an example of a successful offensive strategy.

"You have to make those changes," Bennack said. "You have to join them, and if you add them to what you already know well in other sectors along the way, you have an opportunity to grow as dramatically as we have over the past 25 to 30 years."

AI-generated content shouldn't replace human creativity, he said, and digital-only news risks readers missing critical stories based on what surfaces on a website.

"I still think that the printed newspaper is an important part of society, but I'm not naive," Bennack said. "I recognize the role that it's playing today. It's materially less. The success financially is to get subscribers to pay for the digital paper, and hopefully in many cases both, and the other element of that is that if you're successful in doing that, digital advertising will grow."

He cautioned against prioritizing the bottom line over journalistic integrity, noting concerns about the [reputation of journalism](#).

"You have to care about the community and the world in which you operate," Bennack said, advising journalists to play it straight, resist sensationalism and resist omitting key information.

"Part of the problem that we have is it isn't only what gets promulgated," he said. "It's what gets left out when the story is being written that is an important part of weakening its value."

But Bennack said he hasn't lost his confidence or his faith.

"It's a changing world," he said. "But it's one that you can conquer."