

## **Exhibit 8**



*Andrew Harrer/Bloomberg/Getty*

EMPEROR



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# The Gospel According to Nick Denton—What Next For The Gawker Founder?

In a candid interview, the media entrepreneur talks about the future of Gawker, staff changes, The New Republic, and the life-changing importance of coming out.

Internet media entrepreneur Nick Denton is a person to whom harsh judgments adhere like barnacles.

“There’s no point in writing about Nick if you can’t get to the fundamental

problem of his nihilism,” former employee Moe Tkacik once told *The New Yorker* about her boss.

“Other people’s emotions are alien to him,” another Denton underling, Chaire Sicha, said in the same article.

“I think he’s a total dick,” TechCrunch founder Michael Arrington told me back in 2008. “I think he’s amoral. I don’t think he has any sense of right and wrong, and he’ll do anything he can to make money and have a successful blog.”

Yet the Nick Denton who greets me at the Nolita headquarters of Gawker Media—the Manhattan startup he founded on a shoestring, but which has grown 12 years later into a \$40 million-a-year company with some 300 employees on five continents—would seem to bear little resemblance to the greedy sociopath of common caricature.

“I’m a constructive person,” he insists. “I like to build things. I’m a sand castle-building kid who can’t understand why other boys would want to kick the castle down. I hate internal disputes and internal dissention and I will make every effort to eliminate that.”

Never mind that Gawker.com, Denton’s original gossip blog, sharpened its teeth on internal disputes, the mockery of the Manhattan media elite, and the kicking-down of castles—an entertainingly brutish sensibility fueled by understandable resentment, given that Denton barely paid his young charges and worked them half to death.

(Back when I wrote a column for the *New York Daily News*, I was a frequent Gawker target; after I lost that job, Gawker reported—not inaccurately—that I “might pass unnoticed, appearing to be any number of undistinguished and fleshy middle-aged white men.” Denton, laughing, says today: “That seems relatively generous.”)

Denton, who speaks in the clipped cadence of the Oxford-educated Brit he is, has built quite a castle. The Gawker Media empire consists of eight blogs boasting 125 million unique visitors per month and devoted to sports (*Deadspin*), automobiles (*Jalopnik*), science fiction (*io9*), video games (*Kotaku*), design and technology (*Gizmodo*), user-friendly software (*Lifhacker*), and women’s interests (*Jezebel*).

Denton talks excitedly of his plans to move Gawker Media's headquarters next year to a luxuriously renovated building on Fifth Avenue and 17th Street in Manhattan's Flatiron neighborhood, complete with a two-story entertainment and event venue.

"I came out completely to everybody 16 years ago. It changes the climate, it changes the weather, it changes the entire environment."

He has signed a long-term lease for three 19,000-square-foot floors, with plans to defray the enormous rent (around \$4.5 million a year) by subletting one of the floors to another company.

"We'll actually be in the same building as First Look," Denton says gleefully, referring to eBay billionaire Pierre Omidyar's troubled media startup, which has been riven by staff shakeups, internal bickering, and firings.

"Right now I'm rather afraid that First Look is going to be a small huddle of people in this vast, cavernous space," Denton adds, not bothering to suppress

a giggle. "That's a major part of Omidyar's \$250 million—it's a significant chunk of real estate. He's going to have a hard time. The market is cruel."

Personally and through a family trust, Denton says he owns 68 percent of his privately-held, Cayman Islands-registered company that press reports have valued in the neighborhood of \$300 million, though Denton says, "On the open market, if it were for sale—which it isn't—it's more like \$200 million."

At this point in his life, Denton has enough filthy lucre in his bank account to affect a certain lack of interest in the stuff. "This is not a 'money-making venture,'" he insists. "For me, I just like the activity, and the activity just happens to make money."

He scoffs at the suggestion that a large company—in much the same way that AOL purchased Arianna Huffington's services while swallowing up

the *Huffington Post* for \$315 million—could keep Denton on as Gawker’s leader who reports to upper management with the promise of a commensurately gigantic payday.

“How manageable do you think I am?” asks Denton, who, after a career as a working journalist for Britain’s *Telegraph* and *Financial Times*, serendipitously became a Web entrepreneur—and a millionaire—in the late 1990s with the sale of a party and event site called First Tuesday.

“I haven’t been managed for a long time,” he says. “I like the culture here. I like my colleagues. I couldn’t imagine a team of executives I would trust and enjoy working with like my colleagues here...I don’t think I could operate in one of those larger and more political organizations.”

Denton, who at 48 is something of a grand old man of the Web, sports his trademark gray stubble and a muted sweater the color of mushroom soup, as he holds forth in a glass-encased conference room (having evicted two of Gawker Media’s twenty-something Hungarian software developers in town from the Budapest office for an all hands meeting and a holiday party).

It’s the day after Denton announced—with a great deal more fanfare in *Capital New York* and the *New York Times* than perhaps the news deserved—that he’s giving up the title of president of his company but retaining the title of CEO.

It’s the sort of executive tweak that might warrant a business-section headline about a publicly traded media firm 500 times the size of Denton’s.

Yet in a 4,110-word communiqué—the *War and Peace* of corporate memos—he outlined a new management structure in which the famously domineering and decisive boss would now share power with six senior Gawker Media executives and run the company by consensus.

The memo—sprinkled with decidedly non-corporate words such as “douche” and “fucking”—copped to Denton’s own mistakes and those of others, notably the promotion and subsequent demotion of Gawker Media executive editor Joel Johnson, in a writing style that Denton calls “blunt—but calculatedly blunt.”

He doesn’t want to talk about Johnson, an old and possibly former friend who

Denton believes is angry at him—and Johnson didn't respond to an email from The Daily Beast. In his memo, Denton wrote, "I made a mistake in Editorial, hiring a talented guy whose voice and vibe I loved, who represented nerd values, and whom I thrust into a job which changed under his feet."

Denton indicated that the Gawker and Gizmodo sites under Johnson's leadership weren't making enough noise with well-reported scoops. "I didn't even think to warn that Gawker is always first about the story," Denton wrote. "I took that for granted. I was in so much of a hurry that I didn't even look at other candidates, a cardinal sin. I made a mistake, and I'm sorry to Joel, and I'm sorry to those to whom he is a friend."

Of course, the memo was mostly about Denton, who compared himself to a dead Chinese Communist leader "The fact is," Denton wrote, "that I would like to end my career as a behind-the-scenes powerbroker, a Deng Xiaoping of Gawker Media, exerting discreet influence through obscure committees. It's more my style." He hardly needed to add: "I'm a showman; I do like to make a splash."

In a wide-ranging conversation, Denton dished on competitors, shared his theories on the media business, discussed his pragmatic political views tempered by his pro-life position on abortion rights, confided his hopes to become a parent since his marriage in May to actor Derrence Washington, and explained how coming out as gay 16 years ago has informed his thinking about crisis public relations.

\*On the public hammering being administered to Facebook billionaire and *New Republic* owner Chris Hughes in the wake of last week's defenestration of longtime *TNR* editors Franklin Foer and Leon Wieseltier and the mass exodus of nearly all of the others: "Media executives like Chris Hughes—I don't know whether you'd call Chris Hughes an 'executive'—*people* like Chris Hughes have to remember that before any of the HR rules, you need to remember the number one rule of PR, which is: Get ahead of the story. You have to make sure that your version of the story is ready. You have to talk to your people before they hear from other people and you have to publish before other people publish. A reactive management memo after a story already leaps out—that's just a mistake. That's bad practice."

\*On how Denton acquired his crisis management insights: “It’s partly to do with being out and being gay, and seeing the transformation that takes place. I came out completely to everybody 16 years ago. When you realize that if you own your own story, if you say it yourself, it has a transformative effect, and you’re no longer a closeted homo waiting for that moment when somebody is going to call you out, and you actually take that initiative rather than being dragged out. It changes the climate, it changes the weather, it changes the entire environment.”

\*On the person chosen to replace Frank Foer as *TNR*’s editor in chief, Gabriel Snyder, who worked for Denton in 2009 as Gawker’s top editor: He was “a poor one. He hired some good people, he worked really hard, but he didn’t have any story aggression.” (Snyder didn’t respond to emails from the *Daily Beast*.)

\*On the recent flap in which a top executive of the Uber ride-sharing network suggested at a private New York dinner that it might be advisable to hire opposition researchers to investigate Uber critic Sarah Lacy, editor of the tech site *PandoDaily*: “That was such a nonsense scandal. What do you think these PR people, at least the good ones, are doing anyway? They’re dropping ideas for stories, and a good journalist is always looking for people to dish on competitors or dish on enemies—that’s where all the good information is.”

As for Lacy—who worked with Michael Arrington at *TechCrunch* when he was a frequent victim of Denton’s tech biz blog *Valleywag* (which these days is folded into Gawker.com)—“I think Arrington’s place has been taken by Sarah Lacy. In terms of somebody whose journalistic power has gone to their head, that makes her a perfect target for satire.”

Lacy retorts: “I’ve pretty much run out of things to say about Nick Denton’s obsession with my life. But I guess Uber’s [co-founder] Travis Kalanick will be happy to know there’s always a home for stories about me on Gawker.”

\*On his abiding love for the United States: “I’m married to an American so I’m staying in America. I’m going to become a citizen, though I have to check out the tax consequences first.”

\*On his political beliefs, although he doesn’t bother to vote: “My politics are that I like to get things done, so I am centrist and, for obvious reasons, I’m

socially liberal. I don't really believe that the government—or, in fact, any kind of hierarchical organization—is very good at delivering any kind of service.” As for his views on abortion, “There's no advantage to me of going there. I don't have conventional liberal views on abortion, no.”

\*On the prospect of parenthood: “Probably yes.”

\*On his philosophy of the digital media business: “The real secret of success is to avoid the herd. This is a new medium. It's developing pretty rapidly and there are relatively few people who understand it and have a real sense of how everything—mobile, personalization, desktop, interactive comments, blogging—how all these pieces are going to fit together. A lot of people who seem to know what they're talking about don't.

“And if you spend all your time reading Twitter and the Internet trades, you will veer this way and that, and you'll be latching on to the latest trends and spouting the latest buzzwords and talking about ‘millennials’ and ‘engagement’ and you'll lose sight of who you are and end up with soulless properties.”

\*In defense of nihilism: “Some of our younger staff, particularly on a site like Gawker, can be a little nihilistic. I think with that generation, so many of their hopes have been so dashed that nihilism is really a natural response. Does the Internet make for a better world? Not really.

“The Internet has made for as much toxic discussion as it has for mutual understanding. And what were those other hopes? Oh right, Obama. That didn't really work out for people. And jobs aren't that plentiful and career paths aren't there. Even in journalism, the career path from blog to magazine to book to a comfortable life—that doesn't really exist.

“So, in the young Manhattan intelligentsia, nihilism is actually pretty standard. And one has to fight against that and create some haven for optimism. And that's really hard to do.”

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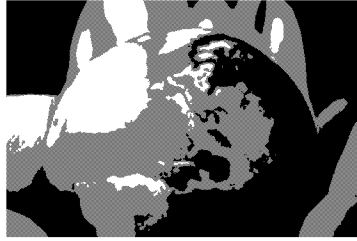
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