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Pearson and Dow Jones Sell Russia's Vedomosti Newspaper

By Peter Hobson

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Demyan Kudryavtsev

Pearson and Dow Jones have agreed to sell their stakes in Russia's Vedomosti newspaper to a local businessman, transferring one of the country's most respected independent business dailies into Russian hands for the first time.

Demyan Kudryavtsev, an Internet entrepreneur and former media manager, confirmed to The Moscow Times he had bought the 33 percent stakes owned by the British and U.S. media groups.

Kudryavtsev already owned the remaining third of Vedomosti after buying it from Finland's Sanoma earlier this year — meaning that the paper has gone from a fully foreign- to fully Russian-owned newspaper in some six months.

The change comes as Russia's media landscape is turned upside down by legislation barring

foreigners from owning more than 20 percent of shares in Russian media firms. The law was passed last year at the height of tensions over the Ukraine crisis and comes into force on Jan. 1, 2016. Seen by many as a way to increase the Kremlin's control of information, the law has seen a flood of foreign publications and television networks, including investigative ones such as Forbes magazine, transferred to local hands.

Kudryavtsev said Friday he did not seek the deal, and would rather have remained partnered with The Financial Times and The Wall Street Journal, the newspapers owned by Pearson and Dow Jones. He said there would be no immediate changes to Vedomosti's staff, and that he "intends to respect" the paper's editorial independence.

Vedomosti was founded in 1999 as a joint venture between the FT, the WSJ and Independent Media, a publishing house owned by Dutch media entrepreneur Derk Sauer. The newspaper's barbed and often anti-Kremlin editorials have not stopped it becoming influential among Russia's elite.

The purchase cements Kudryavtsev as a major player on Russia's media scene. Kudryavtsev, a former CEO of Russian publishing house Kommersant, bought The Moscow Times, National Geographic and Women's and Men's Health, among other titles, from Sanoma earlier this year.

Kudryavtsev said the value of the deal, which is expected to close later this year, is subject to a non-disclosure agreement.

Dow Jones and Pearson said in a joint statement Friday afternoon: "The quality and integrity of the Vedomosti editorial team is outstanding and both the FT and the WSJ plan to continue licensing content to Vedomosti to provide high-quality, international news to readers in Russia."

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