PRIMEDIA INC
Form 10-K/A
April 28, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K/A

(Amendment No. 1)

(Mark One)

x **Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the fiscal year ended December 31, 2010

¨ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
Commission file number: 1-11106

PRIMEDIA Inc.

(Exact name of registrant as specified in its charter)

Delaware	**13-3647573**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**

3585 Engineering Drive, Norcross, Georgia 30092

(Address of principal executive offices) (Zip Code)

(678) 421-3000

(Registrant s telephone number including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Securities:	**Exchanges on which Registered:**
Common Stock, $0.01 par value per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act) Yes ¨ No x

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No x

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ¨ No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ¨	Accelerated filer ¨
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ¨ No x

The aggregate market value of the voting common equity of PRIMEDIA Inc. (PRIMEDIA) which is held by non-affiliates of PRIMEDIA, computed by reference to the closing price as of the last business day of the registrant s most recently completed second fiscal quarter, June 30, 2010, was approximately $50.8 million. The registrant has no non-voting common stock. As of April 1, 2011, 44,567,928 shares of PRIMEDIA s Common Stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.

EXPLANATORY NOTE

PRIMEDIA is filing this Amendment No. 1 on Form 10-K/A (this Amendment) to its Annual Report on Form 10-K for the fiscal year ended December 31, 2010, originally filed on March 7, 2011, for the purpose of including certain information required by Part III of Form 10-K. In addition, PRIMEDIA is also including as exhibits to this Amendment powers of attorney and the certifications required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Because no financial statements are contained within this Amendment, the registrant is not including certifications pursuant to Section 906 of the Sarbanes-Oxley Act. Except as set forth herein, the registrant is making no other changes to its Annual Report on Form 10-K for the fiscal year ended December 31, 2010.

References to we, us, our, PRIMEDIA and the Company in this annual report on Form 10-K refer to PRIMEDIA Inc.

PART III

Item 10. Directors, Executive Officers and Corporate Governance
Directors

Brief biographical information with respect to each of our current directors is provided below, together with the specific experience, qualifications, attributes or skills that led to the conclusion that each of them should serve as a director of the Company on an individual basis:

David A. Bell Age: 67	Mr. Bell became a director in May 2001. He currently serves as Chief Executive Officer of Slipstream Communications, a Pegasus Capital Advisors, L.P. portfolio company and a Senior Advisor to AOL Inc. From March 2006 until March 2007, he was Chairman Emeritus of the Interpublic Group of Companies, Inc., or IPG. From January 2005 until March 2006, Mr. Bell was Co-Chairman of IPG. From February 2003 until January 2005, he was the Chairman and Chief Executive Officer of IPG. He was the Vice Chairman of IPG from July 2001 to January 2003, and the Chairman of the Board and Chief Executive Officer of True North Communications Inc. from 1999 through 2001. Since April 2003, Mr. Bell has served as a director of The Warnaco Group, Inc. and as a member of its Compensation Committee and its Nominating and Corporate Governance Committee. He served as Chairman of Warnaco s Compensation Committee from 2004 until November 2008. Since October 2007, Mr. Bell has served as a director of Lighting Science Group Corporation and as a member of its Audit, Compensation and Executive Committees. Mr. Bell is Chairman of our Nominating and Corporate Governance Committee and a member of our Audit Committee and Executive Committee. The Board of Directors believes Mr. Bell s executive experience as a former Chief Executive Officer of various international businesses, combined with his specialized knowledge of advertising, marketing practices and digital media, accounting and finance, corporate governance, risk management and strategic management qualify him to serve as a director.
Beverly C. Chell Age: 68	Ms. Chell became a director in March 1992. She currently serves as a consultant to private equity firms and privately held companies. From 1991 through November 2005, Ms. Chell was Vice Chairman, General Counsel and Secretary of PRIMEDIA. Ms. Chell also served as Vice Chairman and Chief Financial Officer of PRIMEDIA from December 2005 through June 2006. From July 2006 until December 2008, Ms. Chell provided occasional consulting services to PRIMEDIA. Ms. Chell is a member of our Compensation Committee. The Board of Directors believes Ms. Chell s extensive executive management experience with the Company and industry knowledge with an emphasis on digital media, together with her strong skills in corporate accounting and finance, operations management, strategic planning and public company executive compensation qualify her to serve as a director.
Daniel T. Ciporin Age: 53	Mr. Ciporin became a director in July 2006. He is currently a partner in Canaan Partners, a venture capital fund specializing in early stage companies. From July 2005 until March 2007, Mr. Ciporin provided independent consulting services. From January 1999 until June 2005, Mr. Ciporin was Chairman and CEO of Shopping.com, Ltd. From November 2005 until November 2008, Mr. Ciporin served as a director of Vistaprint N.V. and a member of its Audit Committee. From April 2007 until January 2010, Mr. Ciporin served as a director of Corel Corporation and a member of its Audit Committee. Mr. Ciporin is a member of our Audit Committee.

The Board of Directors believes Mr. Ciporin s accounting and finance background, together with his industry knowledge and experience leading technology and e-commerce-oriented companies and strategic planning expertise qualify him to serve as a director.

Meyer Feldberg

Age: 69

Professor Feldberg became a director in January 1997. He is currently serving as a Senior Advisor to Morgan Stanley, which he joined in March 2005. Professor Feldberg is a Professor of Leadership and Ethics at the Columbia University Graduate School of Business, or the CUGSB. He is also Dean Emeritus of the CUGSB. From 1989 to 2004, Professor Feldberg was the Dean and a Professor at the CUGSB. Since October 1990, Professor Feldberg has served as a director or trustee of 30 investment companies, consisting of 59 portfolios of UBS Global Asset Management and served as the former Chairman of its Audit and Nominating and Governance Committees. Since June 1992, Professor Feldberg has served as a director of Macy s, Inc. and currently serves as Chairman of its Compensation and Management Development Committee and is a member of its Nominating and Corporate Governance Committee. Since February 1997, Professor Feldberg has served as a director of Revlon, Inc. and a member of its Audit Committee and the current Chairman of its Nominating and Corporate Governance Committee. Since March 2002, Professor Feldberg has served as a director of Sappi Limited and is Chairman of its Compensation Committee, a member of its Nomination and Governance Committee and is the Lead Director. Professor Feldberg is a member of our Audit Committee and our Nominating and Corporate Governance Committee.

The Board of Directors believes Mr. Feldberg s academic experience (including having served for 15 years as Dean of the Columbia Business School), his civic experience (including serving as President of NYC Global Partners), his business experience (including serving as Senior Advisor at Morgan Stanley), as well as his public company board experience (including at Macy s, Revlon, Sappi and UBS Funds) and his familiarity with the Company qualify him to serve as a director.

Perry Golkin

Age: 57

Mr. Golkin became a director in November 1991. He is a General Partner of KKR Associates and an advisory partner of KKR & Co. L.P., or KKR. From February 1998 until March 2007, Mr. Golkin served as a director of Bristol West Holdings, Inc. From February 2001 until April 2007, Mr. Golkin served as a director of Willis Group Holdings Limited and as a member of its Executive and Compensation Committees. From 2000 until November 2008, Mr. Golkin served as a director of Rockwood Holdings Inc. Mr. Golkin is Chairman of our Compensation Committee and a member of our Executive Committee.

The Board of Directors believes Mr. Golkin s strong background in corporate and portfolio management and accounting and finance, with extensive experience in mergers and acquisitions, including in a private equity context, risk management, public company executive compensation and strategic planning qualify him to serve as a director.

H. John Greeniaus

Age: 66

Mr. Greeniaus became a director in June 1998. He has served as President of G-Force, Inc., a financial services company, since 1998. He was previously Chairman and Chief Executive Officer of Nabisco, Inc. from 1993 until 1997. Since December 2001, Mr. Greeniaus has served as a director of the Interpublic Group of Companies, Inc. and as a member of its Audit Committee since 2003, its Compensation Committee since 2001 and as a member of its Finance Committee from 2002 until 2006. Mr. Greeniaus is a member of our Compensation Committee, our Audit Committee and our Nominating and Corporate Governance Committee.

The Board of Directors believes Mr. Greeniaus executive experience as the former Chairman and Chief Executive Officer of Nabisco, as well as other previous executive management roles at PepsiCo, Inc., J. Walter Thompson, The Procter & Gamble Company and G-Force provide him with extensive executive management experience, with strong skills in corporate accounting and finance, corporate governance matters, risk management, public company executive compensation and strategic planning and qualify him to serve as a director.

Dean B. Nelson

Age: 52

Mr. Nelson became a director and Chairman of the Board in April 2003 and served as President and Chief Executive Officer of PRIMEDIA from October 2005 to September 2007. Mr. Nelson founded and has served as chief executive officer of Capstone Consulting LLC, or KKR Capstone (a consulting group that works exclusively with KKR s portfolio companies) since March 2000. From August 1985 to February 2000, Mr. Nelson was employed by Boston Consulting Group, Inc., a strategic consulting firm, where he was a Senior Vice President from December 1998 to February 2000 and held various other positions from August 1985 to November 1998. Since April 2004, Mr. Nelson has served as a director of Sealy Corporation. Since March 2011, Mr. Nelson has served as a director of Del Monte Foods Company. Mr. Nelson is a member of our Executive Committee.

The Board of Directors believes Mr. Nelson s long tenure at the Company, where he has served as Chairman since 2003 (and President and Chief Executive Officer from October 2005 to September 2007) has provided the Company with stable long-term leadership, critical insight and a wealth of industry knowledge. In addition, the Board of Directors believes Mr. Nelson s experience with digital media, together with his strong skills in corporate accounting and finance, operations management and strategic planning, qualify him to serve as a director.

Kevin J. Smith

Age: 56

Mr. Smith became a director in July 2006. He currently serves as a consultant to private equity firms and privately held companies. From April 2004 until March 2005, he was the Executive Vice President and Chief Financial Officer of R.R. Donnelley & Sons Co. From January 2002 until March 2004, he was Chief Financial Officer of Heidrick & Struggles International Inc. Mr. Smith is Chairman of our Audit Committee.

The Board of Directors believes Mr. Smith s executive management experience, particularly his substantial expertise in financial, risk management and strategic planning matters gained from his service as Chief Financial Officer of R.R. Donnelley and Heidrick & Struggles, qualify him to serve as a director.

Charles J. Stubbs

Age: 38

Mr. Stubbs has served as President and Chief Executive Officer of PRIMEDIA and a director since May 2008. From November 2004 to May 2008, he was the President and CEO of YellowPages.com. Prior to that time, Mr. Stubbs served as President of BellSouth IntelliVentures, the electronic media division of BellSouth Advertising and Publishing Group. Before joining BellSouth, Mr. Stubbs was Executive Vice President of Infospace, a Bellevue, Washington-based entity that develops and markets Internet and wireless solutions for wireless operators and content sites.

The Board of Directors believes Mr. Stubbs brings critical perspective to our Board of Directors through his service as Chief Executive Officer of the Company. As our Chief Executive Officer, Mr. Stubbs possesses a unique insight and understanding of our operations and business strategy. Further, the Board of Directors believes Mr. Stubbs extensive background in digital media qualifies him to serve as a director.

Thomas C. Uger

Age: 36

Mr. Uger became a director in September 2005. He is currently a Director of KKR. He joined KKR in 1998 and from June 2005 through December 2006 was a Principal of KKR. Mr. Uger is a member of our Compensation Committee and Executive Committee.

The Board of Directors believes Mr. Uger s strong background in corporate and portfolio management and finance, particularly in related industries, together with his extensive experience in mergers and acquisitions and strategic planning qualify him to serve as a director.

Executive Officers

Our current executive officers, other than Messrs. Nelson and Stubbs, are:

Kim R. Payne Senior Vice President and Chief Financial Officer Age: 42	Ms. Payne has served as Senior Vice President and Chief Financial Officer since August 2007. Previously, she had served as Chief Financial Officer of our operating subsidiary since August 2006. She joined us as an accountant in 1991 and during her tenure has served in various finance management roles at our operating subsidiary, including Financial Analyst, Director of Analysis and Planning, and Vice President of Finance.
Arlene Mayfield Senior Vice President and President, Apartment Guide and New Home Guide Age: 48	Ms. Mayfield has served as Senior Vice President since December 2007 and President of the Apartment Guide and New Home Guide businesses since October 2005 and November 2008, respectively. Previously, she had served as Vice President of the New Home Guide from September 2003 through October 2005. She began her career with us in 1993 as the Publisher of the Albuquerque Apartment Guide. Ms. Mayfield was promoted to Publisher of the Orlando Apartment Guide in 1997 and subsequently to Regional Director for the Eastern Region in 1999.
Keith L. Belknap, Jr. Senior Vice President, General Counsel and Secretary Age: 53	Mr. Belknap has served as Senior Vice President, General Counsel and Secretary since March 2007. Mr. Belknap also is responsible for oversight of our legal and corporate and business development functions. From February 2006 to March 2007, he served as Assistant General Counsel of PPG Industries, Inc. From April 2003 to February 2006, he served as a Principal Counsel to Georgia-Pacific Corporation. Prior to April 2003, Mr. Belknap was Counsel at Skadden, Arps, Slate, Meagher & Flom LLP.
J. Michael Barber Senior Vice President and Chief Accounting Officer Age: 44	Mr. Barber has served as Senior Vice President and Chief Accounting Officer since May 2008. Prior to joining us in October 2007, Mr. Barber served as Executive Vice President and Chief Accounting Officer of HomeBanc Corp. from September 2004 through October 2007. HomeBanc filed for bankruptcy protection in August 2007. From 2001 to August 2004, he served as Senior Vice President/Manager of Accounting Policy and Reporting with Union Planters Corp., a bank holding company. Prior to 2001, Mr. Barber worked with PricewaterhouseCoopers LLP, where he was a Senior Manager in that organization s banking practice. Mr. Barber is a certified public accountant.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers and persons who own more than 10% of our registered equity securities to file reports with the SEC of ownership and reports of changes in ownership of these equity securities. To our knowledge, based solely on a review of copies of such forms filed with the SEC, as well as written certifications from these individuals, we believe that the filing requirements for these reporting persons were complied with during 2010.

Code of Ethics

We strongly believe that our business practices should reflect the highest standards of honesty, fair dealing and ethics. Toward that end, the Board of Directors has adopted a Code of Ethics, which applies to all of our directors, officers and employees. The Code of Ethics is available in the Governance section of our website located at www.primedia.com. It is also available in print by writing to our Corporate Secretary. Any modifications to the Code of Ethics will be reflected on our website. We also have an Ethics Committee, which investigates allegations of unethical or inappropriate behavior, as well as a toll-free Ethics Help Line, which employees and others may use on a confidential basis to, among other things, notify the Audit Committee if they become aware of any questionable accounting practices.

Stockholder Recommendations or Nominations for Director

Our Nominating and Corporate Governance Committee is responsible for identifying qualified candidates to serve on the Board of Directors and recommending nominees to be submitted to the stockholders for election. The Committee considers director candidates recommended by current directors, officers, employees and third parties. The Nominating and Corporate Governance Committee also will consider stockholder recommendations for director candidates for the Board. Stockholders should send their recommendations to our Corporate Secretary. Nominations must conform to the procedures set forth in our By-Laws, a copy of which is available without charge upon request to our Corporate Secretary. Director candidates recommended or nominated by stockholders are evaluated against the same criteria used to evaluate all candidates.

In evaluating candidates, the Committee considers a variety of qualifications, attributes, experiences and skills, and recognizes that a diversity of knowledge, viewpoints and experience can enhance the effectiveness of the Board. Accordingly, the Committee takes into account how a candidate s background, experience, qualifications, attributes and skills may enhance the quality of the Board s deliberations and decisions. The Committee has not formalized this practice into a written policy. As specified in our Corporate Governance Guidelines, the Board considers whether individual directors possess the following personal attributes: integrity, accountability, informed judgment, financial literacy, mature confidence and high performance standards. Directors also should have broad business, governmental, non-profit or other professional experience, including experience as a director of a public company, that indicates the director will be able to make significant and immediate contributions to the Board s discussions. Candidates should be able to devote sufficient time and energy to the performance of the duties of a director.

Our Corporate Governance Guidelines also specify that the Board as a whole should possess certain core competencies, with each director contributing knowledge, experience and skills in at least one area. The Committee and the Board have concluded that, as a group, the nominee directors described on pages two through four above have substantial knowledge, experience and skills in all of these areas, including accounting and finance (Mr. Bell, Ms. Chell, Mr. Ciporin, Mr. Feldberg, Mr. Golkin, Mr. Greeniaus, Mr. Smith and Mr. Uger); operations management (Mr. Bell, Ms. Chell, Mr. Ciporin, Mr. Feldberg, Mr. Greeniaus, Mr. Nelson, Mr. Smith and Mr. Stubbs); leadership (all of the nominees); corporate governance (Mr. Bell, Mr. Feldberg, Mr. Greeniaus and Mr. Nelson); industry knowledge (Ms. Chell, Mr. Nelson, Mr. Stubbs and Mr. Uger); digital media (Mr. Bell, Ms. Chell, Mr. Ciporin and Mr. Stubbs); marketing (Mr. Bell, Mr. Ciporin, Mr. Feldberg, Mr. Greeniaus and Mr. Stubbs); risk management (Mr. Bell, Mr. Feldberg, Mr. Golkin, Mr. Greeniaus, Mr. Nelson and Mr. Smith); public company executive compensation (Ms. Chell, Mr. Golkin, Mr. Greeniaus, Mr. Nelson and Mr. Uger); corporate development (Mr. Ciporin, Mr. Golkin, Mr. Nelson and Mr. Uger); and strategic planning (all of the nominees).

The Board s review of a director candidate is typically based on any written materials provided with respect to the potential candidate, personal references, interviews and such other factors as the Board determines are pertinent in light of the then-current needs of the company. In the future, the Nominating and Corporate Governance Committee will use these and other materials approved by the Board and the Nominating and Corporate Governance Committee to evaluate potential candidates. In 2010, we did not pay a fee to any third party to identify director candidates.

Audit Committee

The primary purpose of our Audit Committee is to assist the Board in overseeing our accounting, auditing and financial reporting practices. Its duties include selecting and overseeing our independent auditor, reviewing the scope of the audit to be conducted by the independent auditor, including the results of such audit, reviewing our internal audit function and our disclosure and internal controls procedures, approving audit and other services to be provided by our independent auditor and overseeing our financial reports, including our annual report, and the critical accounting policies and estimates used in preparing such reports.

The charter of the Audit Committee requires that the Audit Committee be comprised of at least three directors, each of whom must be independent under the NYSE listing standards. In addition, each member of the Audit Committee must be financially literate within the meaning of the NYSE listing standards, and at least one member must have accounting or related financial expertise as determined by the Board. The Board has determined that each of the Audit Committee members is independent and financially literate and that each of Messrs. Smith, Bell, Ciporin and Greeniaus qualifies as an audit committee financial expert and, as a result, has accounting and related financial management expertise within the meaning of the NYSE listing standards.

Item 11. Executive Compensation

Compensation Discussion and Analysis

Introduction and Overall Compensation Philosophy

Our executive compensation programs are designed to attract, retain and motivate top executive talent, while aligning the interests and compensation of such executives with the interests of our stockholders. To that end, our compensation packages have historically included both cash and stock-based compensation that are designed to recognize and reward individual contributions as measured against established short-term and long-term financial and operational goals. Further, we believe our compensation programs are designed to avoid excessive risk-taking. The goals for our incentive compensation reflect a balanced mix of performance measures based on our business plan, avoid excessive weight on a single performance measure and limit overall potential payments for any of our executives.

This section describes our 2010 compensation programs for our named executives, which, for purposes of this discussion, are the individuals listed in the Summary Compensation Table on page 12.

Role of Compensation Committee

The Compensation Committee is responsible for reviewing and overseeing our executive compensation programs, including risks that may arise from compensation programs, policies and practices. In connection with its duties, the Compensation Committee periodically reviews executive compensation programs and evaluates the relationship between the programs and performance. The Compensation Committee considers, among other things, the following factors in making decisions regarding executive compensation:

- Our compensation philosophy;
- Our financial and operational performance relative to peers and industry standards;
- Aligning of executive interests with stockholder interests; and
- Total compensation and the combination of compensation elements.

The Compensation Committee also develops the individual and corporate goals and objectives relevant to the compensation of our Chairman and Chief Executive Officer. The Compensation Committee, together with our Chairman and Chief Executive Officer, reviews the compensation components for our other executive officers.

Role of Management

Management assists the Compensation Committee in making compensation determinations in various ways. Our Chairman and Chief Executive Officer assess the performance of the other named executives and make recommendations regarding their compensation to the Compensation Committee. In addition, our Chairman, with the assistance of the Human Resources department, develops proposals regarding changes in compensation for review and approval by the Compensation Committee and assists the Compensation Committee in making compensation decisions by providing data necessary to evaluate and implement compensation proposals and programs.

The Compensation Committee has established a pool of stock options and has delegated to our Chairman and our Chief Executive Officer, acting jointly, the authority and discretion to make grants from such pool not exceeding 10,000 shares of Common Stock per grant. Our Chairman is required to periodically report these grants to the Compensation Committee. During 2010, no options to purchase shares of Common Stock were granted from this pool to non-executives.

Role of Compensation Consultant and other Advisors

Neither we nor the Compensation Committee has any contractual relationship with any compensation consultant. Periodically, however, we have engaged Hewitt Associates to assist with specific requests regarding equity compensation packages. We did not engage a compensation consultant during 2010. In addition, from time to time, we seek advice from legal counsel regarding current developments in laws and regulations relating to compensation matters.

2010 Executive Compensation Components

During 2010, our primary compensation programs were comprised of the following components:

- Base Salary

Annual Incentive Awards

Long-Term Incentive Awards

Base Salary. Base salaries for our named executives depend on the level of responsibility of the position, experience of the executive, performance of the executive and company objectives. In making compensation decisions, the Compensation Committee from time to time may use market data to assess whether our pay practices (including regular merit increases as discussed below) are competitive with companies against which the Compensation Committee believes we compete for executive management personnel. The Compensation Committee does not have a formalized set of data it may review and, to the extent any such data is used, it is most often obtained through publicly available sources. Accordingly, the Compensation Committee does not target compensation (that is, benchmark) at a specific percentile or within any targeted range based on any established peer group. Any data the Compensation

Committee may review is merely one of a variety of factors the Committee may consider in setting base salaries along with the level of responsibility of the named executive s position, the experience of the executive, the executive s performance and the achievement of Company objectives.

The Compensation Committee regularly reviews base salaries, and adjustments generally are made based upon Company and executive performance and, if applicable, changes in position and responsibilities. The process, which is effectuated through an internal merit review of each member of the Company s management team, generally is based on a number of qualitative and quantitative factors, including the level of responsibility of the position, the experience of the executive, the executive s performance and the achievement of Company objectives.

The process for determining changes to 2010 base salaries was subjective and non-formulaic, and the Compensation Committee did not review competitive market data or apportion any particular percentage of any salary increase to either performance or competitive pay levels; rather, the Compensation Committee placed a particular emphasis on the Chief Executive Officer s performance assessments and recommendations with respect to each of our other named executives. To that end, it was the Chief Executive Officer s view that each such officer had performed satisfactorily during 2010, and thus he recommended, and the Compensation Committee concurred, that it would be appropriate that each officer s base salary (other than the base salaries for Messrs. Nelson and Stubbs) be increased slightly upward, notwithstanding the difficult operating environment the Company faced during 2010. Messrs. Nelson and Stubbs requested that the Compensation Committee not consider an increase in their base salary for 2010. Ms. Payne s base salary was increased by 2.34%, Ms. Mayfield s base salary was increased by 1.75% and Mr. Belknap s base salary was increased by 2.00%.

Annual Incentive Awards. During 2010, each of our named executives participated in our Executive Incentive Compensation Plan, or EICP. The EICP is an annual cash incentive program that provides cash awards that are contingent and based on pre-established financial targets. Awards are based on a percentage of the executive s earned base salary during the calendar year in which they participate in the EICP.

Each year, as part of our annual budget process, the Compensation Committee determines the components of the financial portion of the EICP for the next bonus period and sets the threshold, target and maximum levels for each component, as well as the weighting of each component respective to the total award. The Compensation Committee considers specific circumstances relating to our current operations when determining the threshold, target and maximum levels.

For 2010, the Compensation Committee determined that 80% of each named executive s EICP target award would be based on achievement of financial objectives relating to consolidated net revenue, EBITDA and net free cash flow (each as defined below), with each component accounting for 20%, 40% and 20%, respectively, of the total financial portion. The remaining 20% would be discretionary. Specific financial objectives and results for 2010 were:

- *Net Revenue*: Total product and services revenue, excluding barter and intercompany revenue, which includes cross-promotion revenue. For 2010, the objective upon which bonuses were based was approximately $229.3 million. The actual result was approximately $233.3 million.

- *EBITDA*: EBITDA, which for these purposes represents earnings before interest, taxes, depreciation, amortization, non-cash compensation, provision for restructuring costs and other, and any non-operating adjustments approved by the Committee. For 2010, the objective upon which bonuses were based was approximately $56.3 million. The actual result was approximately $71.9 million.

- *Net Free Cash Flow*: EBITDA, plus/minus changes in working capital, non-cash EBITDA items and acquisition reserve payments. For 2010, the objective upon which bonuses were based was approximately $26.6 million. The actual result was approximately $38.9 million.

Bonus payments can range from no payment to 150% of an executive s target bonus, though historically they have ranged from 50% to 150%, and are contingent upon the extent to which pre-established objectives are met:

- No payment for a particular financial objective of the EICP award unless the threshold performance level (90% of the Net Revenue objective; 85% of the EBITDA and Net Free Cash Flow objectives) is achieved;

Payment of at least 50% but less than 100% of the target bonus for a particular financial objective of the EICP award determined on a pro rata basis if the threshold performance level for that objective is achieved or exceeded, but the objective is not met;

Payment of at least 100% but less than 150% of the target bonus for a particular financial objective of the EICP award determined on a pro rata basis if the target performance level for that objective is achieved or exceeded, but the maximum performance level (110% of the Net Revenue objective; 115% of the EBITDA and Net Free Cash Flow objective) is not achieved; and

Payment of 150% of the target bonus for a particular financial objective of the EICP award if the maximum performance level for that objective is achieved or exceeded.

Following the completion of the audit of our consolidated financial statements for the prior year, the Compensation Committee, with the assistance of the Human Resources and Accounting departments, reviews actual performance in relation to each of the pre-determined financial objectives to determine financial achievement.

Historically, discretionary awards for participants in the EICP, including the named executives, have most often been determined by applying the weighted-average financial award percentage to the discretionary award target amounts. For 2010, a discretionary award percentage equal to the weighted-average financial award percentage (139.7%) was applied to the 20% discretionary component for all EICP participants. Payment of EICP bonuses is generally made as soon as practicable following the plan year. The following table summarizes the total target awards and payments for each of the named executives for 2010:

Name	2010 EICP Target (%)	2010 EICP Target ($)	2010 EICP Payment ($)
Dean B. Nelson	50	140,000	195,515
Charles J. Stubbs	65	325,000	453,873
Kim R. Payne	50	131,125	183,120
Arlene Mayfield	50	131,000	182,946
Keith L. Belknap	50	150,987	210,858

Restricted Stock and Stock Option Awards

Our named executives are eligible to receive either stock options or restricted stock under the PRIMEDIA 1992 Stock Purchase and Option Plan, as amended, which we refer to as the 1992 Plan. The Compensation Committee approves all grants of stock options or restricted stock, except for the pool established for our Chairman and our Chief Executive Officer acting jointly.

Long-Term Incentive Program Awards. During 2008, the Compensation Committee approved a Long-Term Incentive Program for the 2008 through 2010 calendar years, under which individual restricted stock awards were granted for each year of the program to members of senior management, including our named executives. For each year of the program, the extent to which the restricted stock award vests, if at all, is contingent upon the extent to which we achieve the applicable consolidated target EBITDA (as defined under the EICP referenced above) for such year. The award for such year is forfeited if less than 90% of the target is achieved.

For 2010, the target EBITDA was approximately $56.3 million, and the actual result was approximately $71.9 million, or 127.8% of target. Because 100% of the target was achieved, all 2010 awards were fully vested. In addition, on February 23, 2010, the Compensation Committee approved supplemental, performance-based grants of restricted stock under the 1992 Plan to certain members of management, including each of our named executives, for the 2010 calendar year. Vesting of these awards was based on the same conditions as the Long-Term Incentive Awards described above; therefore, these awards also were fully vested.

Other Stock and Cash Awards. At a meeting of the Compensation Committee on February 23, 2010, in connection with its review of 2009 results, the Compensation Committee determined to grant special restricted stock and cash awards to certain employees, including the named executives, taking into account, among other factors, more subjective individual performance results, including leadership in the face of continued extremely difficult economic and industry conditions, incumbent experience, retention concerns and an employee s ability to impact future results for the Company.

As a result, the Compensation Committee approved special grants of restricted stock under the 1992 Plan to certain employees, including each of the named executives. For each of these named executives, the restricted stock award would vest with respect to one-half of the shares of Common Stock underlying the award on each of March 31, 2010 and March 31, 2011. The Committee also granted special cash awards to certain employees, including each of the named executives. All of these awards are now fully vested.

Also on February 23, 2010, the Compensation Committee approved an additional grant of 138,500 shares of restricted stock to Mr. Stubbs. This grant will vest as to 100% of the shares of restricted stock on December 31, 2013, so long as Mr. Stubbs remains employed by the Company through such date. This grant is subject to earlier vesting as more fully described under Employment Agreements with Named Executives and Potential Payments Upon Termination or Change in Control; Retention Agreements below.

The following table summarizes the total awards for each of the named executives under our various 2010 restricted stock award programs:

Name	2010 LTIP Shares (#)	Other 2010 Vested Shares (#)	Other 2010 Unvested Shares (#)	2010 Cash Awards ($)
Dean B. Nelson	57,120	33,000		60,060
Charles J. Stubbs	125,580	72,552	138,500	132,045
Kim R. Payne	21,420	8,250		15,015
Arlene Mayfield	28,560	16,500		30,030
Keith L. Belknap	11,424	6,600		12,012

Stock Option Awards. Stock options can provide a means to align the interests of executives with our stockholders, and the vesting schedule of option grants encourages executive retention. The Compensation Committee considers a number of factors when considering a grant of stock options, including the employee s base salary, performance and value of the options, as well as recommendations from management. No stock options were granted to any executives during 2010.

Retirement Benefits

All of our employees are eligible to participate in the PRIMEDIA Thrift & Retirement Plan, which we refer to as the 401(k) Plan, first of the month following date of hire. The 401(k) Plan is a defined contribution, tax-qualified retirement savings plan pursuant to which all eligible highly compensated employees, as defined in the 401(k) Plan, including the named executives, are able to contribute, on a before-tax or after-tax basis, up to the limit prescribed by the Internal Revenue Service, or IRS. All other eligible employees are able to contribute the lesser of 50% of their annual base salary or the limit prescribed by the IRS. We match 100% of the first 3% of base salary that is contributed to the 401(k) Plan by employees and 50% of the next 2% of base salary that is contributed. All employee contributions and PRIMEDIA contributions to the 401(k) Plan are 100% vested upon contribution. Other than the 401(k) Plan, we do not operate any pension or retirement plan that receives contributions or provides any additional retirement benefits specifically to our named executives.

Personal Benefits and Perquisites

We do not have a personal benefits and perquisite program. However, from time to time, we have provided named executives with limited perquisites and other personal benefits that we believe provide economic value to the executive and assist us in attracting, retaining and motivating key executives. These perquisites and other personal benefits have included reimbursement of certain relocation expenses (including tax gross-up payments), use of corporate apartments and parking allowances. During 2010, our named executives received the same benefits as provided to other employees. We report the costs of personal benefits and perquisites for our named executives in the Summary Compensation Table on page 12.

Severance Payments

We believe that it is important to provide reasonable severance benefits to senior management both to remain competitive in the market for executive talent and in acknowledgement that it may be difficult for these employees to find comparable positions in a short period of time. Generally, each member of our senior management (other than our Chairman) is entitled to severance payments in the event that he or she is terminated by us without cause, as defined in his or her employment or severance agreement. For additional information, please see Employment Agreements with Named Executives and Severance Agreements with Named Executives and Potential Payments Upon Termination or Change in Control; Retention Agreements below.

Tax and Accounting Implications

In overseeing our executive compensation program, the Compensation Committee reviews and considers the effect of Section 162(m) of the Internal Revenue Code, which provides that a company may not deduct compensation of more than $1 million that is paid to certain individuals. The Compensation Committee seeks to preserve the tax deductibility of compensation; however, it has authorized, and will continue to retain the right to authorize, compensation that may not meet deductibility requirements if it determines that such compensation is in the best interests of our stockholders. The Compensation Committee believes it must retain flexibility to exercise its judgment in assessing executive performance and that compensation for executive officers should be governed by our overall executive compensation philosophy and the interests of our stockholders, notwithstanding the effect of such compensation on deductibility in any given year.

Securities Trading Policy

Executives may not engage in any transaction in which they may profit from short-term speculative swings in the value of PRIMEDIA securities. This prohibition includes short sales (selling borrowed securities that the seller hopes can be purchased at a lower price in the future) or short sales against the box (selling owned, but not delivered, securities), put and call options (publicly available rights to sell or buy securities within a certain period of time at a specified price or the like) and other hedging transactions designed to minimize an executive s risk inherent in owning PRIMEDIA securities, such as zero-cost collars and forward sale contracts. In addition, this policy is designed to ensure compliance with all insider trading rules.

Stock Ownership Guidelines

We do not currently have a formal stock ownership requirement for executives, but each of our named executives owns shares of our Common Stock.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Amendment.

COMPENSATION COMMITTEE

Perry Golkin, Chairman

Beverly C. Chell

H. John Greeniaus

Thomas C. Uger

The foregoing Compensation Committee Report shall not be deemed to be soliciting material or to be filed with the Securities and Exchange Commission and should not be deemed incorporated by reference by any general statement incorporating by reference this Amendment into any filing under the Securities Act of 1933, as amended, or under the Securities Exchange Act of 1934, as amended, except to the extent that PRIMEDIA Inc. specifically incorporates this information by reference and shall not otherwise be deemed filed under such acts.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee is currently comprised of four directors, Messrs. Golkin (Chairman), Greeniaus and Uger and Ms. Chell. None of Messrs. Greeniaus, Golkin or Uger has been an officer or employee of PRIMEDIA. Mr. Golkin is an advisory partner of KKR and a General Partner of KKR Associates and a member of KKR 1996 GP LLC. KKR Associates and KKR 1996 GP LLC together own approximately 58.83% of the outstanding Common Stock of PRIMEDIA. Mr. Uger is a director of KKR. In such capacities, Mr. Golkin and Mr. Uger may be deemed to share beneficial ownership of the Common Stock beneficially owned by KKR Associates and KKR 1996 GP LLC; however, each of them disclaim any beneficial ownership of such shares. See Stock Ownership for additional information. Ms. Chell is a former Vice Chairman and General Counsel of PRIMEDIA and also served as Chief Financial Officer during 2006. Ms. Chell retired from the Company in 2006.

Summary Compensation Table

The following table sets forth information with respect to the compensation of each individual who served as our Chief Executive Officer or Chief Financial Officer during 2010 and our three other most highly compensated officers as of the end of 2010. These individuals are collectively referred to as our named executives.

Name and Principal Position(1)	Year	Salary ($)	Bonus ($)(2)	Stock Awards ($)(3)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(4)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings ($)	All Other Compensation ($)(5)	Total ($)
Dean B. Nelson	2010	280,000	99,163	316,829		156,412		7,350	859,754
Chairman	2009	280,807	18,129	93,600		72,518		7,350	472,404
	2008	425,576	41,665	114,600		166,660		11,700	760,201
Charles J. Stubbs	2010	500,000	222,820	1,269,103		363,098		71,194	2,426,215
President and Chief	2009	500,000	42,086	517,978		168,345		56,661	1,285,070
Executive Officer	2008	296,153	207,015	1,744,476		228,062		344,613	2,820,319
Kim R. Payne	2010	262,158	51,639	104,126		146,496		7,259	571,678
Senior Vice President and	2009	256,177	36,625	23,400		66,367		6,370	388,939
Chief Financial Officer	2008	250,000	21,929	57,300		87,716		7,044	511,289
					87,300				
Arlene Mayfield	2010	261,931	66,619	158,414		146,357			
Senior Vice President and	2009	257,413	30,996	46,800		66,691			
President, Apartment Guide	2008	247,461	26,336	114,600		105,346			
and New Home Guide					174,600				