

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

() Check box if no longer subject to Section 16.
 Form 4 or Form 5 obligations may continue. See Instructions 1(b).

() Form 3 Holdings Reported
 () Form 4 Transactions Reported

1. Name and Address of Reporting Person

Watson, Gary L.
 Gannett Co., Inc.
 1100 Wilson Boulevard
 Arlington, Virginia 22234

2. Issuer Name and Ticker or Trading Symbol

Gannett Co., Inc.
 ("GCI")

3. IRS or Social Security Number of Reporting Person (Voluntary)

4. Statement for Month/Year

December 31, 1997

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person to Issuer (Check all applicable)

() Director () 10% Owner (X) Officer (give title below) () Other
 (specify below)
 President/Gannett Newspaper Division

Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security | 2. Transaction Date | 3. Code | 4. Securities Acquired (A) or Disposed of (D) Amount | A/D | Price | 5. Amount of Securities Beneficially Owned at End of Year | 6. Direct (D) or Indirect (I) | 7. Nature of Indirect Beneficial Ownership |
|----------------------|---------------------|---------|---|-----|-------|---|-------------------------------|--|
| Common Stock | | | | | | 36,190 | D | |
| Common Stock | | | | | | 10,484.974 | I | (1) |
| Common Stock | To 09/30/97 | | | | | 1,952.652 | I | (2) |
| Common Stock | | | | | | 24 | I | (3) |
| Common Stock | | | | | | 1,500 | I | (4) |
| Common Stock | | | | | | 1,500 | I | (5) |

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Derivative Security | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date | 4. Code | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) Amount | A/D | 6. Date Exercisable and Expiration Date Date/Date | 7. Title and Amount of Underlying Securities Title and Number of Shares | 8. Price of Derivative Security | 9. Number of Derivative Securities Beneficially Owned at End of Year | 10. Direct (D) or Indirect (I) | 11. Nature of Indirect Beneficial Ownership | |
|------------------------------------|--|---------------------|---------|--|-----|--|--|---------------------------------|--|--------------------------------|---|--|
| Stock Options/Option Tender Rights | \$59.50 | 12/09/97 | A | 55,600 | A | 12/09/01 - 12/09/07 | Common Stock | 55,600 | 0 | 55,600 | D | |

Explanation of Responses:

- (1) Held by the trustee of the Company's Deferred Compensation Plan, The Northern Trust Company.
- (2) Held by the trustee of the Company's 401(k) Plan, Boston Safe Deposit and Trust Company.
- (3) Held by the spouse and/or immediate family member of reporting person. Beneficial ownership is disclaimed.
- (4) Held by the spouse and/or immediate family member of reporting person as custodian for minor children.
- (*) The totals in Column 5 of Table I and Column 9 of Table II have been adjusted to take into account a 2 for 1 stock split that occurred on October 6, 1997.

SIGNATURE OF REPORTING PERSON
 /s/ Gary L. Watson