

Society of American Business *and* Economic Writers

SABEW Newsletter

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Atlanta Speakers Schedule Firmed

If shivery, snowy, slushy weather isn't enough to get you thinking "Atlanta!" the slate of speakers lined up for this year's SABEW convention certainly should be.

It's impressive.

The program ranges from a look at why companies move to the Sunbelt area to do business, to economic problems of the cities, to what's wrong with business writers.

The lineup of speakers will include: Charles Schultze, the chairman of President Carter's Council of Economic Advisers; John Paul Austin, head of Coca-Cola Co.; top Atlanta real estate developers; and Lewis Foy, the chairman of Bethlehem Steel Corp.

Here's the convention's schedule, as of now:

Sunday, May 7 — Traditional late-afternoon cocktail party and buffet, hosted by Cox Newspapers, publishers of the *Atlanta Journal* and *Atlanta Constitution*.

Monday, May 8 — Greetings from Georgia's governor, George Busbee; a panel on "How to Get Business in the South," with representatives of three firms that moved South—Michelin Tire, Alumax and Marquette Cement; luncheon speaker John Paul Austin, chairman of Coke; "Why Unions Might Follow Companies South," featuring the president of the Amalgamated Textile and Clothing Workers Union, Murray Finley. A panel of economists will close out the afternoon.

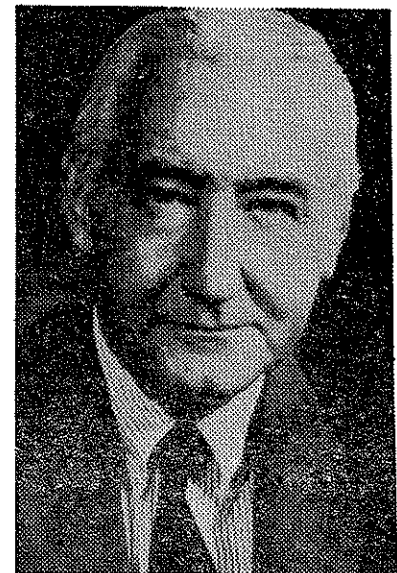
Tuesday, May 9 — A discussion of Atlanta's new rapid-transit system, MARTA, with its general manager, Alan Kiepperly; lunch with the chairman of Bethlehem Steel, Lewis Foy, speaking out on business news coverage; a panel on energy, featuring the president of Southern Co., the utility holding company, and the outgoing chairman of the Tennessee Valley Authority. CEA head Schultze will be the banquet speaker.

Wednesday, May 10 — "What's Going on in Downtown Real Estate," with two top Atlanta developers, John Portman, of Peachtree Center fame, and Maurice Albert, developer of Omni International Convention headquarters. The Omni will be operating normally.

Tom Walker, of the *Atlanta Journal*, reports rooms at the Omni, SABEW convention site, run in the \$38-\$42 range, and that other nearby hotels are in the same price class.



Charles L. Schultze,
chief economic adviser



Lewis Foy,
of Bethlehem Steel

N.Y. Firm To Defend Business

A company has been formed in New York City to "defend reputable business against unfair or hostile treatment" by the media and in the marketplace.

Called Business Advocacy Center, Inc., it is run by a former executive of the Better Business Bureau of Metropolitan New York, Woodrow Wirsig, and by a public affairs counsellor, W. Donald Catterson.

The firm says it monitors media for "instances of unfairness or hostility" and seeks to initiate "corrective action" with publishers, broadcasters, government officials and "activists."

P.R. Publication Lists Mistakes Of Businessmen

"Know thy enemy" might be the motto for business writers and businessmen, although most of the time a patina of cordiality glosses over relations between the two.

Business news reporters have been taking a lot of raps lately from corporate executives. Much of it seems to be a bad rap for the media, because a lot of business people simply don't understand what news is and how the media goes about gathering it.

The next time you run up against a businessman who think you are unfairly skewering him or his company, you might want to point out some of the following mistakes many businessmen seem to make in coping, or not coping, with the media. This material is adapted from an article that appeared in the

Public Relations Journal some time back.

Mistake No. 1: The executive over-rationalizes the irrational. He may apply too much logic to how the media seems to function, when, in fact, perhaps he should rely more on intuition and feeling. Just because he thinks something is news doesn't make it so.

In face, news is what an editor or reporter decides it is, and not much else matters in the end. What is worthy is not necessarily newsworthy.

Mistake No. 2: The businessman complicates the simplistic. If the aim of communication is to convey a clear, ungarbled message then most executives have a special gift for dispensing confusion. The news system is a relentless process of progressive simplification and oversimplification.

Present your message in a simple, straightforward form, from the beginning. And if the media still doesn't understand it, answer all questions clearly and with patience.

Mistake No. 3: The executive falls into the "out-of-context" trap. When a businessman persists in smothering the press with an overexplicated blubber of news, he risks being quoted out of context. This is one of the sillier charges leveled regularly at the news media. The fact is that practically all news is lifted out of some kind of context. That's the norm.

Television reporting is even more ruthless to the context than the print media.

The lesson, again, should be to present the material in as concise and straightforward manner possible, in a form that offers a reasonable prospect of being reported in its entirety. That means that individual paragraphs in news releases should be able to stand alone.

Mistake No. 4: The businessman underestimates the odds. At least 10 times as much information is shoved each day into the news filtering system as sees dissemination. So, the chances of an item getting into print or onto the air waves are pretty slim. The businessman should realize this.

One survey found that in an average day a newspaper business editor throws away 90 percent of the news releases he receives. The business magazines are even more selective. And in TV the odds against broadcast are astronomical.

The message: A story must be pretty significant.

Mistake No. 5: The businessman overestimates the importance of "importance." Just because something is important doesn't make it news. Again, importance is only what an editor deems so.

As Adlai Stevenson once said, "An editor is somebody who separates the wheat from the chaff and then prints the chaff." So the business person looking for media exposure should worry less about how important his item is than how dramatic and full of human interest or conflict it might be.

Mistake No. 6: The executive underestimates technique in news. One fact about news that few businessmen seem to appreciate fully is how artificial much of it is. "News" is the product of a great deal of technique. The better packaged the story, the better its chances to become "news" in the media's eyes.

If information isn't presented to the media with enough lead time, for example, it risks not becoming news. Reporters like to brag about how quickly they can get a news release into the wastebasket.

News also must conform to the structural limitations of the news medium. That means, for instance, that if "hot" news is to come out of a board meeting, it would be better not to hold the meeting at 4 o'clock on a Friday afternoon.

Mistake No. 7: The businessman gets caught in the attribution trap. This is a swampy area where even the most experienced newsmen founder. Businessmen seem especially prone to confusion during press interviews in matters relating to "off the record," "for background only" and "don't quote me."

"Off the record" should mean precisely that; none of the information provided on that basis is to be included "on the record." The information is not to be used in any form.

It is wise for the reporter at the outset to set the guidelines for the interview, so there is no misunderstanding.

The "background only" restriction means that the information may be reported but not attributed to its true source.

"Not for attribution" means that the remarks can be quoted but not as coming from the spokesman himself.

"Don't quote me" is a fuzzy and

'Readers Favor Candor'

It may not help the business reporter much in his next confrontation with a closed-mouthed manager, but it may make the reporter at least feel a bit better to know that most readers favor more candor by business.

According to a recent poll of consumers and managers by Louis Harris & Associates, in association with the Marketing Science Institute, 72 percent of the consumer-readers agree that "business reporters would do a better job if companies were more honest and would cooperate more with them."

But 55 percent of the senior managers polled disagreed. The poll found that 71 percent of the consumers also thought that "most reporters for the news media try to report business and consumer affairs as accurately as possible." But, again, businessmen disagreed.

Only 44 percent of the top managers thought they were getting a fair break in the media.

Consumers and business leaders concurred that "most reporters know that the real news about business is to report the wrongdoings companies are involved in" — possibly the most

surprising result of the poll. About 64 percent of the consumers and 81 percent of the managers supported that view.

At the same time, however, most of the managers and a majority of the consumers thought that good news about business generally gets buried while the bad news often wins front-page headlines, the Harris survey found.

Meanwhile, a new survey of public opinion finds the public holding business in much lower regard than it did a decade ago.

Whereas only one person in five gave business high approval in the 1960s, today that ratio is down to one in thirteen, according to Arthur D. Little Inc., the marketing and research firm that did the surveys.

"Fueling the public's discontent is the discontent people feel with their own sense of financial well-being," a Little executive said. He added that the lesson for business is that it must address itself to a variety of social, environmental and consumer needs.

If it doesn't respond on its own, more government intervention is invited."

Davenport: Dates June 5-30

The University of Missouri School of Journalism is now accepting applications for the 1978 Herbert J. Davenport Fellowships in Business and Economics Reporting. Classes begin June 5 and end June 30.

Editors and reporters with at least five years experience in either print or broadcasting and who seek improved skills in reporting the business and economic scene are prime candidates for the fellowships.

The fellowships pay room, board, tuition, books and travel. Fellows receive a stipend of \$200 to cover incidentals.

The fellowships are funded through educational grants from foundations and private corporations.

Areas covered include: annual reports, market indicators, 10-Ks, 8-Ks, and other economic analyses, with leading business and economics reporters, economists, finance specialists and accountants. Under professors from the schools of journalism, business, accountancy and agriculture and from the departments of economics and finance, fellows look at such issues as inflation, unemployment, taxation, consumerism and energy.

The curriculum is revised to include research and current topics in business and economics reporting. The 1978 curriculum, for example, will include treatment of the intricacies surrounding the farmers' cry for greater federal price supports, the question of quotas and foreign trade and dollar devaluation.

Applications for the Herbert J. Davenport Fellowships must be in the business journalism office by March 24. Notification of selection will be made by April 10. Send the following material with each application:

- A letter of nomination from the editor stating how applicant can benefit from the program.
- Two letters of recommendation.
- A biographical sketch of applicants' Journalism career and future plans. Include date of birth and social security number.
- A listing of educational background (for information purposes only; transcripts must be included if applicant desires credit for the course.)

— A letter from the employer stating that the applicant will have a position with the organization upon completion of the course.

College credit: except for a record of demonstrated reporting ability, no further educational requirements are necessary; however, Fellows have the option of taking the Davenport course for three hours college credit toward a degree or for non-credit. For further information about the fellowships, contact: William McPhatter, director, Business Journalism Program, School of Journalism, University of Missouri, Columbia, Mo. 65281. Or call 314/882-7862.

SABEW Happenings

WILLIAM A. (BILL) DOYLE, a founder and former president of the SABEW, has joined the Newark, N.J., *Star-Ledger* as business and financial editor. Before joining the Minneapolis-based mutual-fund distributor, Investors Diversified Services as vice president/public relations and being a freelance columnist, Doyle was financial editor of the *New York Daily News*. He will continue to write his Q&A investment advice column, "According to Doyle," for the *Star-Ledger* and the *Minneapolis Star*. . . **SYLVIA PORTER** has moved her syndicated business column from the *New York Post* to the *New York Daily News*. . . **JERRY LYST**, business editor and columnist for the *Indianapolis Star*, has been named the winner of the annual Lester M. Hunt Award for excellence in reporting for a four-part series on a savings-and-loan association. . . At the Philadelphia *Evening Bulletin*, **BURTON CHARDAK**, formerly assistant telegraph editor (with a master's degree in economics) becomes economics editor, succeeding Joel Whitaker, who resigned to pursue his law school studies fulltime. Chardak has done reporting on Vietnam and has headed the Bulletin's investigative reporting team. **HERB DRILL**, formerly economics news copy chief, becomes Sunday financial editor. He continues as advertising columnist.

Letter Editor's Lament

Pity the editors of the SABEW's noble experiment in communications, the quarterly newsletter.

The idea, as outlined at the last convention in New York, was to make it as much of an exchange of story ideas, problems and observations as an information bulletin. But, alas, few members have offered items to the rotating editors so far.

The possibility of offering story ideas, tips on their follow-through and problems encountered still seems a particularly good one. Everyone is looking for ideas. So get them down on paper, or simply rip them out of your paper or magazine, and send them along.

And don't forget to let us know about new jobs you've taken or awards you've won, or whatever, for our personnel column.

The next SABEW newsletter is due out in June, which means you should send in your items by April. The editor will be Tom Stundza, at the Gary (Ind.) *Post-Tribune*. Tom's address there is 1065 Broadway, Gary, Ind. 46402. His office phone is (219) 886-5074.

Dick Gibson
Des Moines Register

How to Request FOI Data

Increasingly, reporters are making use of the Freedom of Information Act to pry information out of the government. But a lot of other journalists are uncertain on how to request information, and what to do if they're rebuffed.

Here is a sample of the request letter to use, courtesy of SABEW member Bill Doyle:

Dear.....

Pursuant to the Freedom of Information Act 5, U.S. Code 552, I hereby request access to, or a copy of, the following documents: together with all appendixes and

annexes or other materials attached to the documents.

If any expenses in excess of \$XXX are incurred in connection with this request, please inform me in advance for my approval.

If you determine that some portion of the documents are exempt from release, I request that you provide me with the remainder. I reserve my right to appeal any such decision.

If the request is denied in whole or in part, please inform me of your agency's appeal procedure. If you do not grant my request within 10 working days, I will consider my

request denied.

Sincerely,

.....

An alternative to the above, from the *Washington Post*, includes this language after the initial request paragraphs:

If you regard any records in the foregoing list as exempt from required disclosure under the act, I hereby request that you exercise your discretion to disclose them nevertheless.

I further request that you disclose the listed documents as they become available to you, without waiting until all the documents have been assembled.

I am making this request on behalf of (your medium's name, and brief description thereof). The records disclosed pursuant to this request will be used in the preparation of news articles for dissemination to the public. Accordingly, I request that you waive all fees in the public interest because the furnishing of the information sought by this request primarily will benefit the public.

If, however, you decline to waive all fees, I am prepared to pay your normal search fees (and copying fees if I decide to copy any records), but I request that you notify me if you expect your search fees to exceed \$XXX.

I look forward to hearing from you promptly.

Sincerely,

.....

Here is a copy of the Post's appeal letter format:

Dear (person designated in agency regulations to hear appeals):

On (date) I requested disclosure of certain records of your agency under the Freedom of Information Act, 5 U.S.C. 552. The records sought are listed in the letter of request, a copy of which is attached.

On (date) the request was denied. A copy of the denial is attached.

I hereby appeal from that denial. I also request that you exercise your discretion to disclose any records which you may regard as exempt from required disclosure under the Act.

I look forward to hearing from you promptly.

Sincerely,

P.R. Publication

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inexact term without official standing. Consequently, it should be avoided.

Mistake No. 8: The businessman confuses news with public opinion. A common failing of the business executive is to overreact to news, especially bad news, and to identify what he sees in the headlines with what the public is thinking.

First, the typical businessman isn't terribly objective about what appears in the media about himself or his company. He should remember that news is not public opinion, and that most news leaves public opinion unchanged.

Most executives are all too well aware of what minimal impact their advertising has for the amount of money spent. With some notable exceptions, news doesn't traumatize the public's consciousness much more than advertising.

Mistake No. 9: The businessman mismarkets his news. In this era of precision marketing, when executives try to perceive the problems, needs and psychographics of their customers, they remain curiously lacking in curiosity about the key prospect in the marketing of their "news."

They tend to have a very primitive idea of the role of the newsman in a free society, or for that matter of the free press in a democracy.

When it comes to marketing news,

most businessmen are selling refrigerators to Eskimos. Some executives still commit, without serious qualms, the most heinous of journalistic crimes — passing along a reporter's scoop to the reporter's competitor.

It is important for the businessman to remember that the press is not anti-Establishment. The press is the Establishment. Similarly, the press is not anti-business; the press is business, generally profitable Republican-oriented business.

The executive often feels nervous with a newsman because he thinks the reporter is after some awful truth. The fact is that truth plays a minor role in news because nobody knows what the truth is.

What the newsman wants isn't truth but facts. At the very least, the reporter must come away with some kind of a story. The executive might be less skittish with the press if he recognized how little he really has to give up to provide a story.

Mistake No. 10: The businessman over-delegates communication responsibility. To be effective in his management of news affairs, the executive should assign a higher personal priority to the function.

Public relations can never be much more effective than the capacity of the top man to understand it himself.

Most businessmen would do well to spend much more time studying the communications scene. He also should step up his accessibility to the press.

Reader/Editor Gap Noted

A Louis Harris poll has revealed a serious gap between what readers want and what editors and reporters think they want.

Included in the poll are 1,533 adults, 86 editors and news directors and 76 reporters from across the country.

The editors and writers felt there was little interest in business news. Only 4 percent said the public was very interested in this area. However, 24 percent of the public expressed a deep interest in such news.

The editors and writers generally overestimated the public's interest in sports news and underestimated the public's interest in national, international, science, energy and business news.

Seventy-five percent of the editors think the public is "very interested" in sports news, but only 35 percent of the public expresses such an interest.

Only 34 percent of the newspeople believe the public is "very interested" in national news whereas 60 percent of the public says it is interested in such news.

International news was another area where there was a wide disparity between the tastes of the public and what newspeople thought those tastes were. The editors saw only 5 percent of the public as greatly interested in international news while 62 percent of the public respondents reported such an interest.

The editors were about right in gauging one area of the public's interest. They felt that 18 percent of the public is interested in fashion news and 15 percent of the public expressed such an interest.

The public is a little less interested in local news than is believed by editors and a little more interested in food news.

Bagehot Program Slated

The Walter Bagehot Fellowship Program in Economics and Business Journalism is designed to help supply understanding.

Administered by the Columbia Graduate School of Journalism, the Bagehot Program offers ten fellows a full academic year of study at Columbia and includes courses at the Columbia Business School and other university departments plus special seminars and

informal meetings with prominent guests.

The Bagehot program is open to editorial employees of newspapers, wire services, magazines, and broadcast stations with at least four years experience.

Applicants need not be business specialists, but they should be able to demonstrate that greater knowledge of economics, business, and finance could add depth to their reporting.

The program is funded by several major corporations, though the Columbia journalism school retains control over the curriculum. The fellows receive free tuition and a stipend of \$13,500.

The deadline for the 1978-79 academic year is April 8, 1978. For further information, write to Chris Welles, Bagehot Program Director, Graduate School of Journalism, Columbia University, New York, N.Y. 10027.

Post Editor Cites SEC

The Securities and Exchange Commission appears to be the most active and efficient of the regulatory agencies in Washington, Peter H. Silberman, business editor of the *Washington Post*, told the Financial Communications Society in New York recently.

Silberman said the SEC seems to be "on top" of the activities in the securities area and is willing to take the steps necessary to improve and modernize the operations of the industry.

However, he added that the full effects of some of its actions, such as barring fixed commissions on stock trades, won't be known for some years.

On other matters, Silberman said he as well as other editors are trying to make the business pages more appealing to the general reader. Areas in which he is seeking more coverage are consumer news, banking practices, the subject of "business confidence," white-collar crimes and "how business operates."

Although business people charge from time to time that business reporters often "don't know what they're writing about," Silberman said that more and more new business writers have master's degrees in journalism.