

# THE BUSINESS JOURNALIST

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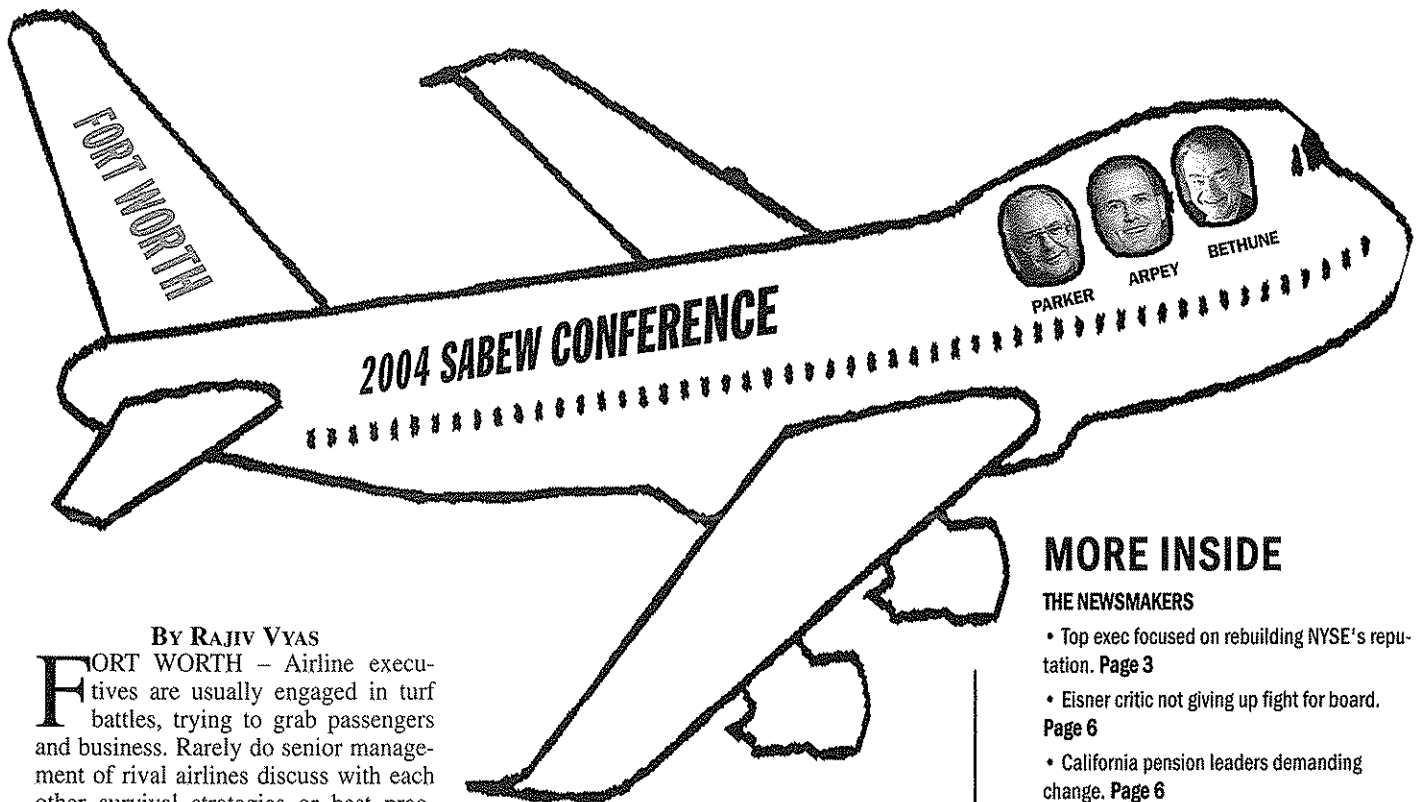
USA Today changes top editors.

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SPECIAL EDITION >> 2004 SABEW CONFERENCE YEARBOOK

# FLIGHT PLAN

*At SABEW conference, airline CEOs make rare appearance together*



BY RAJIV VYAS

**F**ORT WORTH – Airline executives are usually engaged in turf battles, trying to grab passengers and business. Rarely do senior management of rival airlines discuss with each other survival strategies or best practices. At least not at a public gathering.

But for the first time, chief executives of three major airlines – American, Continental and Southwest – participated in a panel discussion at SABEW's annual conference. Scott McCartney, aviation reporter for The Wall Street Journal, was the moderator.

Most of the discussion revolved around the state of the industry, what airlines should do to cope with the downturn in air travel, rising losses and lack of liquidity.

Since the terrorist attacks on Sept. 11, 2001, the airline industry has lost more than \$20 billion. Two major airlines – United and US Airways – have filed for bankruptcy. In early May, Delta Air Lines, the third biggest in the world, hinted that it might seek protection from the bankruptcy court if it did not win pay concessions from its labor union. And US Airways, which emerged from

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# Flight Plan: 'Legacy' airlines might become thing of past



*'I had never operated in an environment without liquidity. Things do begin to spiral.'*

**Gerard Arpey**  
CEO of American Airlines

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bankruptcy, is talking about filing for bankruptcy again.

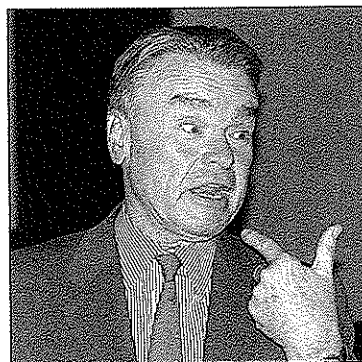
Southwest Airlines, which is among the few profitable ones, is going through its own issues. Its flight attendants are adamant about getting a hefty raise in salary and benefits.

Gerard Arpey, chief executive of American Airlines – the largest in the world – jokingly advised Jim Parker, chief executive of Southwest Airlines, to give 50 percent pay raises to its flight attendants to smooth relations between management and labor.

Arpey, who took over as the CEO in April 2003, said he was surprised at how hard it was to run an airline of its size with no liquidity. "I had never operated in an environment without liquidity," he said. "Things do begin to spiral."

Gordon Bethune, CEO of Continental Airlines, the fifth-largest in the U.S., said planes, the biggest and most expensive asset of the industry, were hard to sell at a reasonable price. He said this was one of the biggest problems with the commercial aviation industry.

In a downturn, airlines park



PHOTOGRAPHS BY CAROLE WINKLER

**Gordon Bethune, CEO of Continental Airlines**



**Jim Parker, CEO of Southwest Airlines**

planes in the desert, he said, "but you still have to make payments." Continental has filed for bankruptcy twice in the past.

Parker stressed the importance of the relationship between labor and management. "We are in a service industry," he said. "Our most important assets are our people."

Besides huge losses, the airline industry is also going through a major transition. Legacy carriers – those who use the hub and spoke model and have high labor and pension expenses – are losing market share to low-fare carriers like Southwest and JetBlue Airways. About 10 percent of domestic travelers used low-fare airlines in the early 1990s. That number now hovers around 25 percent and is likely to go up in the coming years as these airlines buy more planes and fly to more destinations.

The three executives agreed that over time, there would be fewer legacy airlines.

Arpey said that if one of the larger airlines failed and was liquidated, it would be better for the industry.

*Rajiv Vyas covers the airline industry for the Detroit Free Press.*

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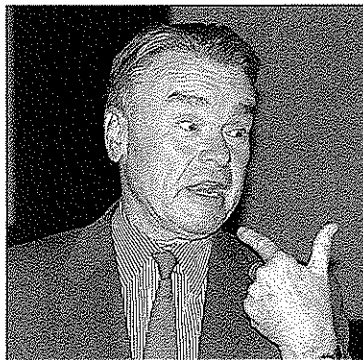
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*'I had never operated in an environment without liquidity. Things do begin to spiral.'*

**Gerard Arpey**  
 CEO of American Airlines

# Thain focusing on rebuilding reputation of NYSE

*New CEO tries to rehab exchange's image in wake of Grasso scandal*

**BY BILL BARNHART**  
 FORT WORTH – Washington is not bullish on the New York Stock Exchange, the exchange's new chief executive, John Thain, told the annual conference of the Society of American Business Editors and Writers.

Asked by Myron Kandel of CNN to describe his two biggest mistakes since taking the helm at the NYSE, Thain said they were over-estimating the reputation of the exchange in Washington, D.C., and underestimating the magnitude of the public spotlight on his job.

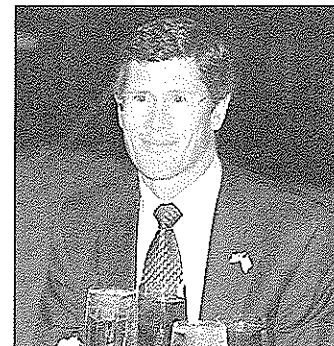
The second mistake is less understandable, given the turmoil at the exchange in the wake of the resignation of former chief executive Richard Grasso. Thain succeeded interim CEO John Reed in January.

"We're like nowhere in Washington," he told reporters after his presentation. "Dick did everything. He was the only guy. When he was not there, there wasn't a presence. Nasdaq has been very aggressive."

Grasso resigned last September in the wake of disclosures that he had a pay package valued at \$188 million.

News of the pay package caused widespread public outrage against Grasso and the NYSE.

In April, the NYSE appointed Margaret Tutwiler, U.S.



**John Thain**

undersecretary of state for public diplomacy and public affairs, to be the exchange's face in the nation's capital. The move is effective July 12.

The exchange is fighting a proposed rule change by the Securities and Exchange Commission. NYSE officials say the proposal would permit traders to trade more quickly by opting out of rules ensuring that they receive the "best price" for their trade. The proposed rule is favored by competing order-execution services, including the Nasdaq stock exchange and electronic order-matching services.

The SEC should not permit competing markets to "put their marketplace ahead of principle," he said. He urged investors to oppose the proposed rule.

*Bill Barnhart is the markets columnist for the Chicago Tribune.*

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**ETHICS IN ACTION**

*Case study explores ethical issues all journalists need to address*

**F**ORT WORTH – Your phone rings. An anonymous caller hints that the CEO of the largest company in town is having an affair and using company money to bankroll his extra-curricular activities.

What do you do with the tip? Do you promise the source you'll never reveal her name if she'll tell you more?

Do you tell your business editor about the call?

That was the starting point of a free-wheeling hypothetical scenario with which real-live journalists wrestled during the Second Annual Gary Klott Memorial Ethics Symposium at SABEW's 41st annual conference in Fort Worth.

Before it was over, the conversation had taken some unexpected turns and slammed into some vexing, yet familiar, questions:

- Can a reporter ask around about a CEO's personal life without defaming him?
- Can he look at company information gleaned from the illegal use of a computer password?
- Should the business editor's pulse quicken when she hears a competitor is on the same trail?
- Should the top editor give his publisher a heads-up about a sensitive story, knowing that the subject is a golfing buddy?

The scenario, composed and emceed by Rex Seline and Mitch Schnurman of the Fort Worth Star-Telegram, was deliberately littered with landmines, some based on real incidents. The whistleblower, played by Dallas television anchor Meredith Land, gave the reporter, played by Kurt Eichenwald of The New York Times, a little more tantalizing information with each call, each morsel sparking new rounds of introspection by the panelists.

While fanciful on some levels, the scenario put in sharp contrast three threads that journalists must weave together to preserve integrity:

- Professional ethics
- The law
- Newsroom standards

**Cast of characters**

Those playing the journalists' roles for the Schnurman-Seline ethics case had not been briefed about the scenario before the Sunday event and took the case's surprises in stride and with good humor.

Kurt Eichenwald's "business editor" was Nancy Barnes, real-life business editor of the Minneapolis Star-Tribune. Her "editor" was Rich Oppel, editor of the Austin American-Statesman, and his "publisher" was Wes Turner, publisher of the Fort Worth Star-Telegram. The CEO was played by Pete Hillan, a former business journalist who is now in public relations. He and Meredith Land, the broadcaster who played the whistleblower, were briefed on the case and their roles before it began.

Interestingly, the stickiest issues emerged in standards, not ethics or law, and the case illuminated the laborious nature of investigative corporate reporting as much as it illuminated the ethical choices of business journalists.

By the end of the 90 minutes, the group seemed a tad frustrated, yet they agreed they still didn't know enough to publish anything – even knowing that the pesky alternative weekly might beat them to the punch. They stuck to the high ground, unanimous that a mere affair by a CEO does not justify invading his privacy, but that possible misuse of company money to disguise the affair might.

And they swiftly resisted breaking the law to obtain information.

But the reporter's unilateral commitment to keep the source's name to himself caused some in the audience to squirm, and there was considerable difference of opinion – on the panel and in the audience – about reporting strategy: Who should we talk to first and why? Can we be less than forthcoming about our intentions when gathering information?

The beauty of a hypothetical is that it allows you to think about difficult issues before they unfold in real life. So that's one clear moral of this exercise: If you

don't know your newsroom's policy about making agreements with sources, ask about it now. Can you ever promise a source you'll never share her name? Not even with your immediate editor?

Another cautionary lesson: Does everyone on your staff know when to stop and talk with a supervisor? When to stop and seek legal advice? Does information flow easily from reporter to supervisor to editor?

Journalism's reputation is suffering today because individuals and their organizations neglected precisely these issues.

Arthur Sulzberger, publisher of The New York Times, is catching some heat for comments about journalists' lapses at a recent meeting of the American Society of Newspaper Editors and the Newspaper Association of America. On an ethics panel at the joint session in Washington, D.C., he said every editor should "go back to your newspaper with the assumption that someone in your newsroom is doing these things."

Some have interpreted that remark as permission for editors to become vigilantes, smoking out newsroom rats before they bring down their newspapers' reputations.

I interpreted it as a smart suggestion for editors to initiate conversations about newsroom practices and policies before something bad happens. Thinking through a hypothetical is a good way to do it. The process uncovers discrepancies in values and assumptions and lets editors clarify expectations and standards.

The alternative is to wait for a reporter to get the tantalizing phone call, and simply hope that everything will work out just fine.

*Pam Luecke is the Donald W. Reynolds Professor of Business Journalism at Washington and Lee University in Lexington, Va. Before taking this position in 2001, she was a newspaper journalist for 25 years. This column is supported by the Gary Klott Memorial Ethics fund.*



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**PRESIDENT'S LETTER**

*Riding in the SABEW car*

**F**ORT WORTH – SABEW exists solely to help you produce a better business news report for your publication, Web site or program.

We dress it up with nobler language in our constitution. But fancy words notwithstanding, our mission is simply stated.

We're about better reporting. Better writing. Better editing. Better design. Better resources. Better management.

And it's for you. Surprisingly, it's easy to lose sight of that. We have such nasty distractions as real news, real deadlines and real work. And within SABEW, we're up against the usual organizational dynamics. We worry about hotel room blocks, cash flow, contest administration, speaker arrangements, panel representation and logistics. And that's just the start of it.

If we're not careful, we can get caught up in the details and forget the big things. It's like worrying all about the accessories on the car, but losing sight of where you're going.

So let's be clear about it: Our destination is better business and financial coverage.

If we apply that notion to the just-completed annual conference, it means that the thrill was not just having big-name newsmakers. Rather, it was about the story ideas you could take home.

Stanley Gold of Shamrock Holdings made an argument for testing corporate directors. How would your local directors do?

William Donaldson, chairman of the Securities and Exchange Commission, spoke about CEO pay. How do your local CEO's stack up? John Thain of the NYSE spoke about changes in trading. Will that affect any of your local listings?

Three airline chief executives discussed their competitive market. What does that mean for air service to your hometown?

By extension, the conference was not just about hobnobbing with journalistic luminaries like Barney Calame, Mike Kandel, Kathy Kristof or Diana Henriques. Sure, dropping a few of those names may impress your boss or colleagues back home. But the point is what you picked up by listening to them, or by paying attention to the questions they asked.

*"If we're not careful, we can get caught up in the details and forget the big things. It's like worrying all about the accessories on the car, but losing sight of where you're going."*

For that matter, the point may be finding resolve in hearing Rich Oppel, editor of the Austin American-Statesman, boil a complex ethical issue down to the essential element: What's the lede on this story? The conference was about getting to know smart people from markets of all sizes so you can call them later when you need help.

And while it's nice to pick up a Best in Business plaque, the real point of the contest is to identify role models so we can shop for ideas or compare resources.

With all that in mind, my goal in the year ahead is to find ways to fund more advanced training opportunities for you through SABEW. I also want to find ways to make SABEW more relevant in your daily work life. And I hope that collectively, we can help business editors navigate the rocky

shoals of their own newsrooms. If you have any ideas or questions that SABEW can help with in the year ahead, let me or executive director Carrie Paden know. We'll see what SABEW can do, or at least try to steer you in the right direction.

**Chair update**

If you'll allow me to belabor the car-destination analogy for one more item, let me talk about the SABEW Chair in Business and Financial Journalism.

Raising money for the endowed chair at the University of Missouri is one of the great achievements in the four-decade history of SABEW. Much of the credit belongs to Randy Smith of the Kansas City Star and Henry Dubroff, now with the Pacific Coast Business Times, with help from Catey Terry at the university.

We spent 10 years dialing for dollars, then made a mad dash to lock it up in time to qualify for funding from the state. Along the way, we toyed with a variety of ideas about what the chair could do. An early vision was to build on the Jimmy Gentry model, with the expectation that the chair might also serve as SABEW executive director. But as the organization grew and the relationship with Missouri matured, it became clear that model wouldn't work.

Some folks thought the chair could serve as the academic voice of business journalism. Others envisioned a mid-career trainer. Missouri, for its part, had some interest in actually teaching students. Go figure.

Truth be told, while we were worrying about the money and "accessories," we never really decided where the car should go. We never got a good fix on what the chair could and should do. Marty Steffens,

CONTINUED ON PAGE 20

## Disney investor wants to change the system

*Eisner top target in effort to reform corporate boards*

By JON ORTIZ

FORT WORTH – Stanley Gold, former Walt Disney Co. director and a leading critic of that company's top management, said he and Roy Disney are targeting Disney CEO Michael Eisner for dismissal.

"If he's not gone by the next meeting, we'll run a slate," Gold said during a discussion about shareholder rights at the second day of the annual conference here.

Gold described the recent vote by 45 percent of Disney shareholders to oust Eisner as "a shot in the fight for corporate board accountability that was heard in boardrooms around the world."

He also said that the company can no longer attract and keep creative talent because it is out of touch with current trends and tastes. As proof, Gold pointed to Disney's split with Pixar Animation Studios, which produced blockbusters such as "Finding Nemo" and the graphically groundbreaking "Toy Story" movies distributed by Disney.

Gold named Apple Computer Chief Executive Steve Jobs, who also heads Pixar, as one person on the "short list of people who could fix this company."

As chief executive of Shamrock Holdings in Burbank, Calif., an investment company owned by the Disney family, Gold and Roy Disney led the call for Eisner's resignation. That effort failed in March but the company's board stripped Eisner of his role as its chairman.

Gold told SABEW members that the Sarbanes-Oxley Act, changes in NYSE listing rules and

the evolving watchdog role of public pension funds such as CalPERS require more independence and greater competence by corporate directors.

To that end, Gold is pushing an agenda for more boardroom reforms, including:

- Testing directors on their ability to interpret financial statements. Gold: "If doctors, lawyers and taxi drivers need licenses certifying their competency, the directors do, too."

- Requiring directors to individually address shareholders and answer questions at corporate annual meetings. Gold: "We should not permit directors to hide behind the rubric of 'the board.'"

- Requiring directors to take courses in areas such as law, marketing and management trends. Gold: "Continuing education is a requirement of every licensed profession. It should be a requirement for every director of a public company."

- Allowing shareholders to call "extraordinary" general meetings to address director malfeasance. Gold: "The ability of shareholders to call to account directors when they have acted improperly will be a significant deterrent against such conduct."

- Changing capital gains tax laws to encourage longer-term shareholding. Gold: "A sliding scale that reduces the amount to tax over time will encourage shareholder/directors to think strategically about the long-term outlook of a company."

- Twice-yearly meetings

CONTINUED ON PAGE 18



CAROLE WINKLER  
Richard Ferlauto, Fred R. Buenrostro and Jack Ehnes

## Pension fund managers take hard line against corporate bad guys

By SAM KENNEDY

FORT WORTH – Derelict corporate boards, unchecked CEO power and exorbitant executive pay will be the focus of the next wave of corporate reform, according to representatives of some of the biggest U.S. pension funds who spoke at the annual conference.

"Corporate governance has evolved over the past three to four years from being what I think was a minor story to something that's really of major interest to readers," said Richard Ferlauto, director of investment policy for the American Federation of State, County and Municipal Employees. AFSCME represents 1.4 million public service employees and invests more than \$1 trillion.

While the Sarbanes-Oxley Act of 2002 mandated a number of important reforms, it did not fix many of the underlying problems that led to scandals and corruption at Enron and so many other disgraced publicly traded companies. "It was half a loaf," he said of the act.

Ferlauto was joined on stage by Fred R. Buenrostro Jr., chief executive of the California Public Employees Retirement System, or CalPERS, and by Jack Ehnes, chief executive of the California State Teachers Retirement System, or CalSTRS.

The session, "The New Power of Pensions," was moderated by out-going SABEW president Kathy Kristof of the Los Angeles Times.

Ehnes said he wasn't out "to make the world a better place" but, rather, to make sure the retired teachers whose money he controls get the best possible return on their investment. "We're all capitalists," he said.

Ultimately, making corporate leaders accountable to shareholders will lead to more efficient and profitable businesses, he said.

While some business leaders may resent the prospect of additional rules and regulations, CalSTRS and other activist pension funds are in step with the general public, according to Ehnes. He cited a recent survey that found 55 percent of investors think that "a lot more" reform is needed.

The panelists echoed many of the themes expressed by former Walt Disney Co. director Stanley Gold during his address to SABEW the previous day. Gold runs Shamrock Holdings, the investment firm of Walt Disney's nephew Roy Disney.

The Disney corporation was repeatedly cited as an example of what's wrong with corporate

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## Better writing starts with clear sense of audience

BY VANDANA SINHA

FORT WORTH – To some, business writing itself may sound like an oxymoron – how do you lighten a story laden with jargon and numbers?

The answer is easier than reporters may realize: leave out the jargon and tone down the numbers; focus on your audience; find the telling details; keep the big picture in sight; and make lively writing a priority.

Putting those words into action takes effort. At SABEW's annual convention in May, a panel of business journalists shared how they do it.

### Find your audience

"Business journalists have a fuzzy sense of who they're writing for," said Pamela K. Luecke, a business journalism professor at Washington and Lee University. "If you don't have a clear sense of audience, the story may fail in a fundamental way."

She recalled utility stories she mistakenly wrote years ago for sources in the know, rather than consumers who needed to learn more. That audience, whether investor, executive or employee, will guide the story's direction and tone.

### Good reporting feeds good writing

Report until you know everything. But write like you understand nothing. The former gives your writing authority. The latter brings it clarity.

"I like to write with a sense of curiosity," explained Thomas Lee, business reporter at The

Star-Tribune in Minneapolis. Don't feel the need to attribute proven statements of fact, he said, and give the story an expanded view with historical and national context.

### What does jargon mean?

If sources spout jargon, stop and ask what it means. Reporters who pretend to know will sputter when editors inevitably ask that at deadline. Worse yet, they won't fully explain the gibberish to readers.

"Assuming your audience understands something is probably our biggest flaw," said Gail DeGeorge, the Sun-Sentinel's business editor, who lobbied passionately against allowing the phrase "amortization and depreciation" onto her paper's front page.

Often, Luecke said, graphics can act as jargon translator. A pull-out box defining "dutch auction," for instance, would have served a Google IPO story well, she said.

### Down with numbers

Often at the heart of business stories, numbers can also block the flow of copy. No more than three numbers should dot each sentence. The more complicated the topic, the simpler the sentences should be.

Luecke recommended using metaphors. She once heard an accounting professor explain revenue recognition by walking through the process of ordering cake at a local grocer's bakery.

### Details about the details

Take note of the Mickey Mouse ties or nervous fidgeting. Describing an executive's personality gives personality to the piece. Conflict often brings color. Interview in person and find details that don't travel through telephone lines.

"Does something give insight into a person or place?" Lee asked. "If it can speak to something about how he or she does business, then tell it."

### Say it out loud

This is the tip that could come from kindergarten class. DeGeorge suggested reading stories aloud to make sure the words flow smoothly and evenly.

### Make good writing a mandate from above

Editors must encourage writers to attend conferences, and then use what they've learned.

"You as a manager have to value good reporting and writing," DeGeorge said. She urged editors to peruse the month's sections for oft-repeated anecdotal ledes or transitions, and be specific when giving advice. They should push reporters to read good fiction writing and, once in a while, pull on a pair of reporter's shoes and write themselves.

Vandana Sinha is the project manager and associate Web editor at the Donald W. Reynolds National Center for Business Journalism.

## Pension: Rise of the 'imperial CEO'

CONTINUED FROM PAGE 6

governance. Despite falling profits and an unprecedented shareholder revolt against him, Michael Eisner has managed to maintain control of the company.

Ferlauto described corporate boards as entrenched and self-perpetuating. He criticized their use of corporate funds to pay for re-election campaigns – something that Gold said was done at Disney.

Ehnes called for a limit to the number of boards on which directors may sit to ensure their attention isn't spread too thin. "Sitting on 10 or 15 boards certainly isn't something a normal human can

do," he said.

Many institutional investors, such as pension funds, cannot do what other investors might – sell their stock – when unhappy with how a company is run, Buenrostro noted. "We're permanent owners," he said. "We can't do the Wall Street walk."

Pension fund managers therefore have a "solemn duty and, in fact, probably a legal obligation" to push for corporate reforms on behalf of the retirees they serve, he said.

One of the most serious problems of American corporate governance, Ehnes said, is that the CEO often serves as chairman of the

board of directors, which is supposed to hire and fire the CEO and set the CEO's pay. In other countries, such as England and Australia, the CEO and chairman are rarely one and the same.

This co-mingling of powers has given rise to what Ferlauto called the "imperial CEO."

As result, Buenrostro said CEO pay is grossly inflated and often has little relation to company performance. In the United States, CEOs earn 282 times the pay of normal production workers, while in Japan CEOs earn 22 times as much and in Germany 16 times as much, he said.

"There's something way, way

out of kilter in this country," he said. "We want companies to reign in abusive compensation."

Buenrostro also called for auditor independence. Auditors, he said, should not be working in other capacities, such as software consultants, for their clients. "We've drawn a line in the sand," he said. "We think they should audit, period."

"This is not about a few bad apples," Ehnes said, referring to the companies and individuals who've gained notoriety in recent years. "Business can have a better set of rules. Change is often precipitated by gross misconduct. I think that's what's happening."

Sam Kennedy is a reporter at The Morning Call in Allentown, Pa.



BECKY BISBEE

From left, Ken Howe of the San Francisco Chronicle, Alan Anspaugh of The Wall Street Journal, Dave Allen of the Newark Star-Ledger and Brad Skillman of the Associated Press discuss agate options in session moderated by Jonathan Lansner of the Orange County Register.

## The Art of Agate

Every business editor's challenge

BY TBJ STAFF

FORT WORTH – We've all heard the questions asked by our publishers: When can we get rid of the stock agate? When can we either cut that space or do something more valuable with it?

For the business editors who take the phone calls from readers wanting to know where they can find the listing of their new favorite stock or mutual fund, the answers may range between "not during my tenure" and "yeah, sure we can cut it, but someone else will have to answer the phones when we do."

More business editors, however, are getting creative in their agate package, daring to trim substantially and winning over readers in the process.

"Don't even think about replacing agate unless you are going to give your readers something better," advised Dave Allen of the Newark Star-Ledger.

More than two years ago, the Star-Ledger chucked the traditional agate listings for several pages of tailored charts and listings that reported the day's news on Wall Street.

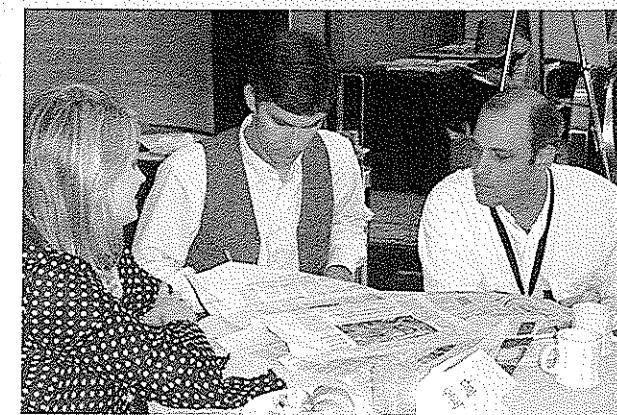
He said research shows that readers who used to just read the cover of the Business section are now going inside the section to read the improved content.

Here are some ways to approach modifying your agate report:

*'Don't even think about replacing agate unless you are going to give your readers something better.'*

Dave Allen  
Newark Star-Ledger

CONTINUED ON PAGE 18



BECKY BISBEE

Bonita Burton, Business design director at the San Jose Mercury News, offers advice to Grove Potter, of The Buffalo News, and Trif Alatzas, of The Baltimore Sun, during the Driveby Design Session the day after the panel discussion.

## 10 tips for better business design

BY BONITA BURTON

FORT WORTH – Business stories are rich with some of the most compelling life-and-death subject matter, exploring the intersection of power and money and what all that means to John and Jane Doe.

But the visual storytelling in most Business sections still does not reflect this energy or excitement. What can Business sections do to break through the perception that they're boring, dry, hard to understand, too mathematical and just plain dull?

Here are 10 tips for breathing more life into the design of your Business pages:

### Online

Point your browser to [www.newspage designer.com](http://www.newspage designer.com) and browse the Business Design category to see work from Business designers around the world.

1) Ask: What does it feel like? A well-designed Business section aims every day to connect emotionally with readers. What does it feel like to be caught cooking the books? What does it feel like to run out of money before your children start college? And remember: One of the easiest ways to connect with readers is to make them laugh.

2) Come face to face with readers. Nothing grabs our attention more than another human face. You can never go wrong by putting more faces in your sections.

3) Pump up your photojournalism. Talk with your photo team. The visual groundwork should begin when the writer starts gathering information – not after the story is written. Make sure the pho-

CONTINUED ON PAGE 18

## Donaldson worried about hedge funds

*Says SEC should have oversight of unregulated industry*

**BY MATTHEW CROWLEY**  
FORT WORTH – Securities and Exchange Commission Chairman William Donaldson told the Society of American Business Editors and Writers that he and the commission are bent on prevention – spotting potential rules violations and financial-market chicanery early and stopping them.

Donaldson, who became SEC boss in 2002, gave the opening-day keynote address at SABEW's 41st annual conference at the Renaissance Worthington Hotel.

He identified hedge funds, which are now involving more average investors through pension funds, as a potential area for future problems. He proposed requiring hedge funds to register with the SEC. Scrutiny is necessary, he said, because hedge funds, though developed for wealthy investors, can now affect average people on "the other side of the market."

Donaldson took over the SEC at the height of the Enron and WorldCom accounting scandals. He replaced Harvey Pitt, who resigned under pressure, accused of too-close ties to former law clients in the accounting industry.

Donaldson said when he took over the SEC, he faced a public disillusioned with both regulators and the market itself. He said the ever-faster pace of the late 1990s bull market created an environment in which even hon-

est business people were tempted to cheat, driven by the argument that "everyone else was doing it."

"It's something like what happens when a band plays faster and faster," he said. "Something is going to slip."

Donaldson said the Sarbanes-Oxley Act, the 2002 law designed to combat corporate fraud and punish corporate wrongdoers, was passed in anger by Congressmen frustrated with the erosion of ethics. He said the

act has gone a long way to setting regulations for financial accountability.

In fiscal 2003, Donaldson said, the SEC filed 679 enforcement actions, more than in any previous year, including 199 for financial fraud. The SEC has been going after not only the "poster chil-

dren," such as Enron, WorldCom and Tyco, Donaldson said, but also companies that aided and abetted those companies.

Donaldson said the commission is working to improve disclosure to mutual fund investors about the fees they pay and improve corporate governance. He said, for example, he wants to encourage the shift of power from the "almighty CEOs" that rose during the boom and back to boards of directors.

"It's not the CEO's board," he said. "It's the board's CEO."

Donaldson said he's keeping

CONTINUED ON PAGE 18



CAROLE WINKLER  
William Donaldson

## Consumers are king

*Retail offers lots of opportunities to reporters*

**BY MATTHEW CROWLEY**  
FORT WORTH – Maybe the fastest way to a business-section reader's heart is through his shopping bag.

Neiman Marcus Chief Financial Officer James Skinner, who joined a panel discussion about covering the retail sector beyond the holidays on the second day of the conference, said retailing is the universal business-reporting genre. Readers can always relate, he said, because everyone shops.

Retailing is also a big-picture economic issue. As wire-service economy stories oft repeat, consumer spending accounts for roughly two-thirds of all economic activity in the United States.

"It's a great barometer of the economy overall," Skinner said. "As the economy goes, so goes the consumer."

Other panel members included: David Szymanski, director of Texas A&M University's Center for Retailing Studies; Associated Press reporter Anne D'Innocenzio; Dallas Morning News reporter Maria Halkias; and moderator Cathie Anderson, business editor of The Sacramento Bee.

Topic diversity makes retailing universal for reporters, too, Szymanski suggested. It has everything: customer-service innovations, entrepreneurial risk-taking, and always-changing products and styles.

"It's a segmentation type of business (for retailers)," said Skinner. "If you don't adapt and change, you'll die," he said. "It's getting harder and harder

to keep your advantage. And you can't do it unless you keep up with your customers."

A core challenge for retailers, and trend-spotting retail reporters, is guessing how Americans will fill their shopping bags. It's hard, Skinner said, because markets fracture and fragment.

And, said Szymanski, consumers just won't behave.

"We're seeing extreme behaviors," he said. "Young people are acting old, old people are acting young."

What's ahead? The panelists saw five basic trends.

1) Trading up, trading down.

*'We're seeing extreme behaviors. Young people are acting old, old people are acting young.'*

**David Szymanski**  
Director of Texas A&M University's Center for Retailing Studies

discounters such as Target, Kmart and Wal-Mart are offering designer-label goods and upscale in-house brands, allowing consumers to "trade up."

Taken to an extreme, Skinner said, these trends could create problems. "When every brand is in every market segment, what then?"

2) Upside-down demographics.

Trying to gauge shoppers by demographics alone is a recipe for failure. "We want everyone to act 'right' and they won't," Skinner said. "People don't

CONTINUED ON PAGE 19

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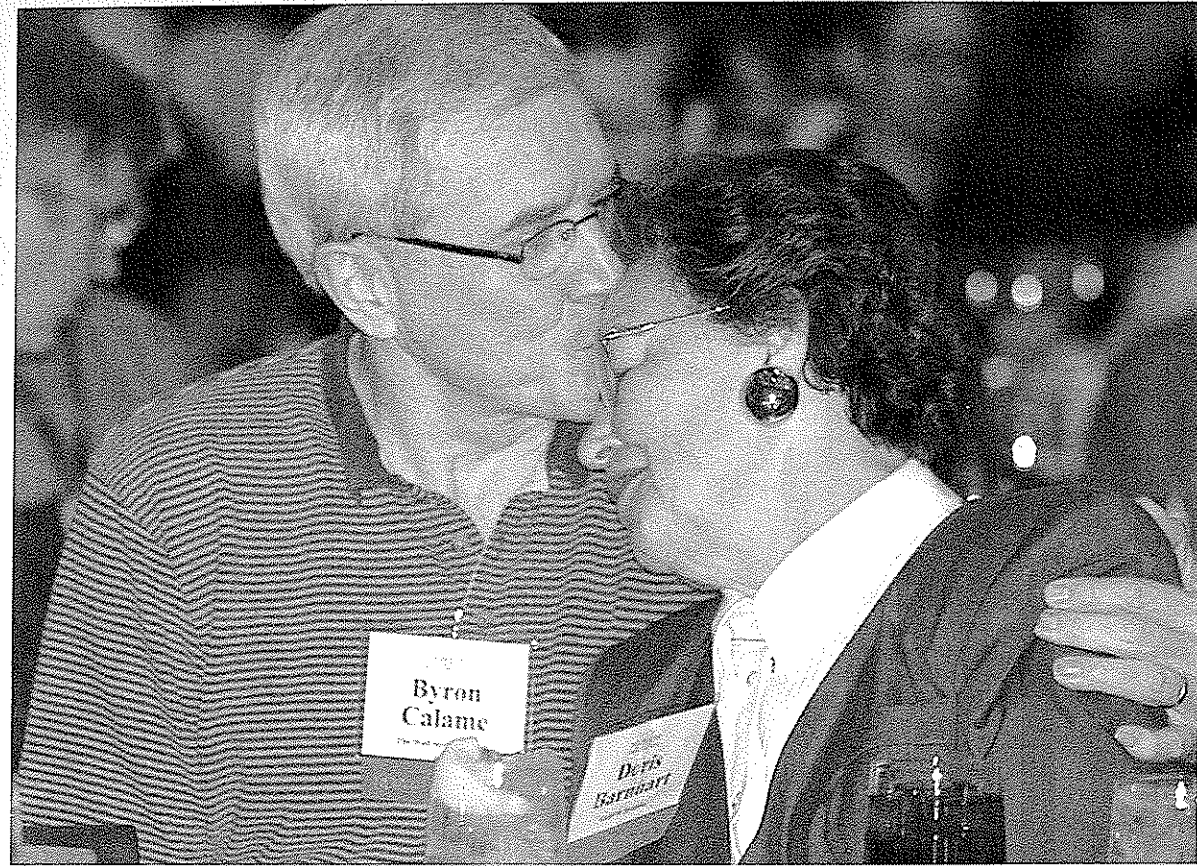
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**A FOND THANK YOU**

Byron "Barney" Calame of The Wall Street Journal expresses his thanks to Doris Barnhart for her years of service working in the SABEW office.



CAROLE WINKLER

**WHEN IN TEXAS . . .**

Get a hat, just like the one outgoing President Kathy Kristof received from her successor, Rex Seline.



CAROLE WINKLER



CAROLE WINKLER

**IS IT LIVE?**

You bet, when it comes to belting out the Best in Business entertainment with Dave Kansas of The Wall Street Journal.

*Have a great summer!*

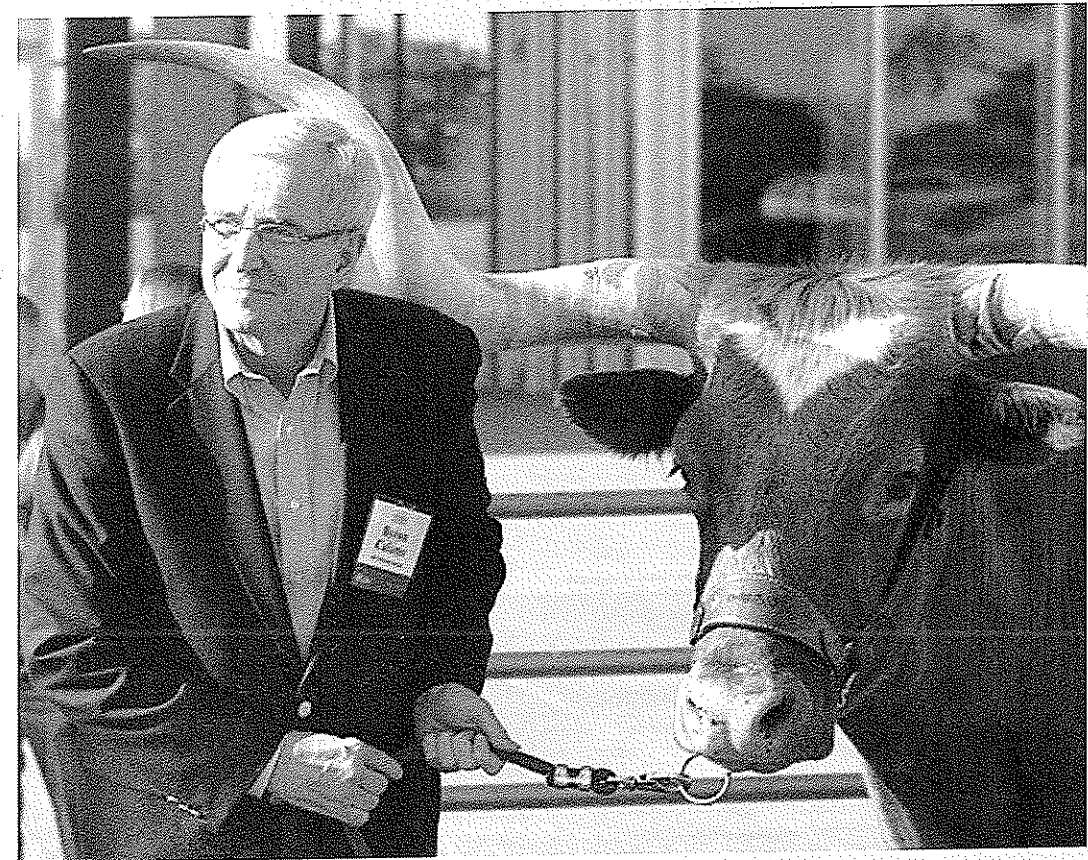


BECKY BISBEE

**TEXAS TOAST**

Kathy Warbelow of the Austin American-Statesman, Dan Serra of The (Colorado Springs) Gazette and James Madore of Newsday at the Monday night reception.

*Remember Forth Worth!*



CAROLE WINKLER

**BULL MARKET**

City slicker Barney Calame, above, takes a turn with Rusty the Longhorn from the Fort Worth Star-Telegram.

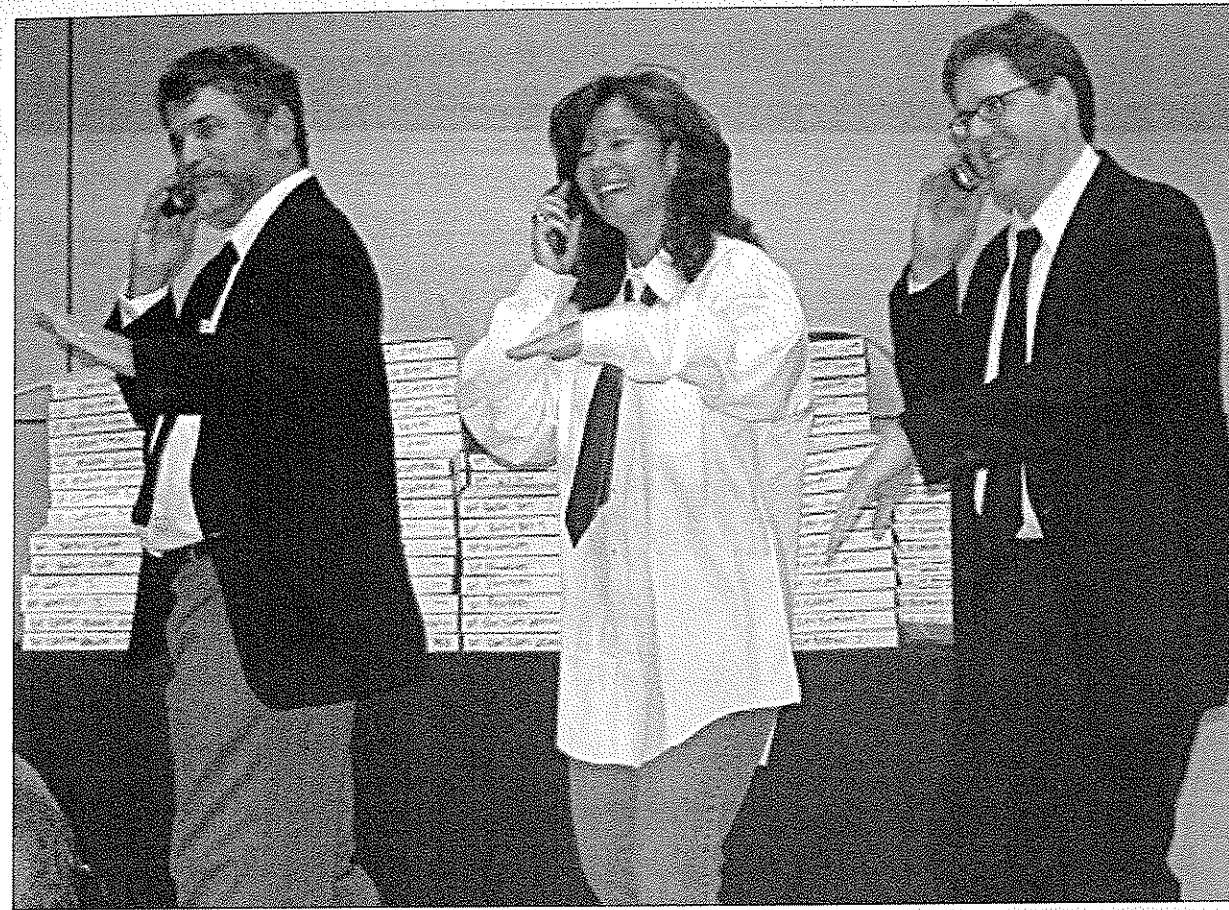
At right, Alex and Jackie Klott, the children of Sandra Duerr and the late Gary Klott, take their turn with Rusty before the Best in Business awards ceremony.

*Best friends always!*



CAROLE WINKLER

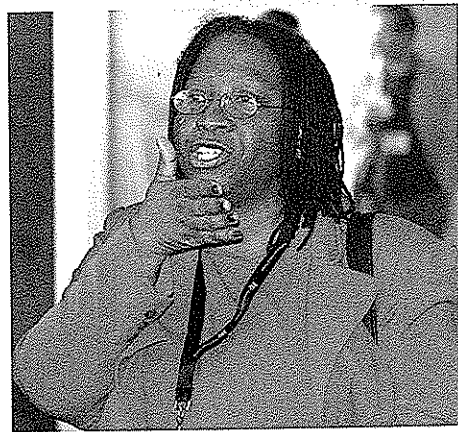




PHONE TAG

Executive committee members Jon Lansner, Kathy Kristof and Rex Seline strut their stuff at the Best in Business awards presentation.

CAROLE WINKLER



CAROLE WINKLER

**SPEAKING UP**  
Board member Gertha Coffee of the St. Louis Post-Dispatch



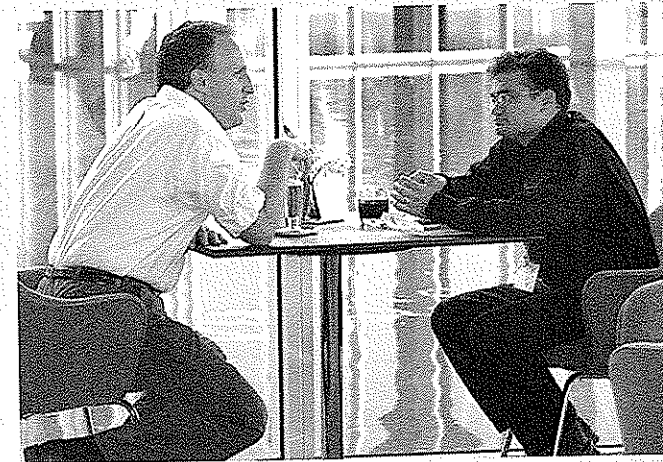
CAROLE WINKLER

**A REAL WINNER**  
President Kathy Kristof congratulates Neal Lipschutz of Dow Jones News Service for being a Best in Business winner

*Happy winners!*

POWER CHAT

Neal Chase of CBSmarketwatch.com and Rajiv Vyas of the Detroit Free Press.



CAROLE WINKLER



BECKY BISBEE

FRANKIE AND THE HOOVERITES

Frank Brill, of The (White Plains) Journal News, joins in with the contingent from Hoovers, Tim Walker, Dave Woodruff, Valerie Pearcy, Margaret Claughton and Kathleen Kelly at the Monday night reception.

*see you in Seattle!*

BECKY BISBEE



**FOYER CON FAB**

Vickie Elmer of The Indianapolis Star and Andrew Leckey from API

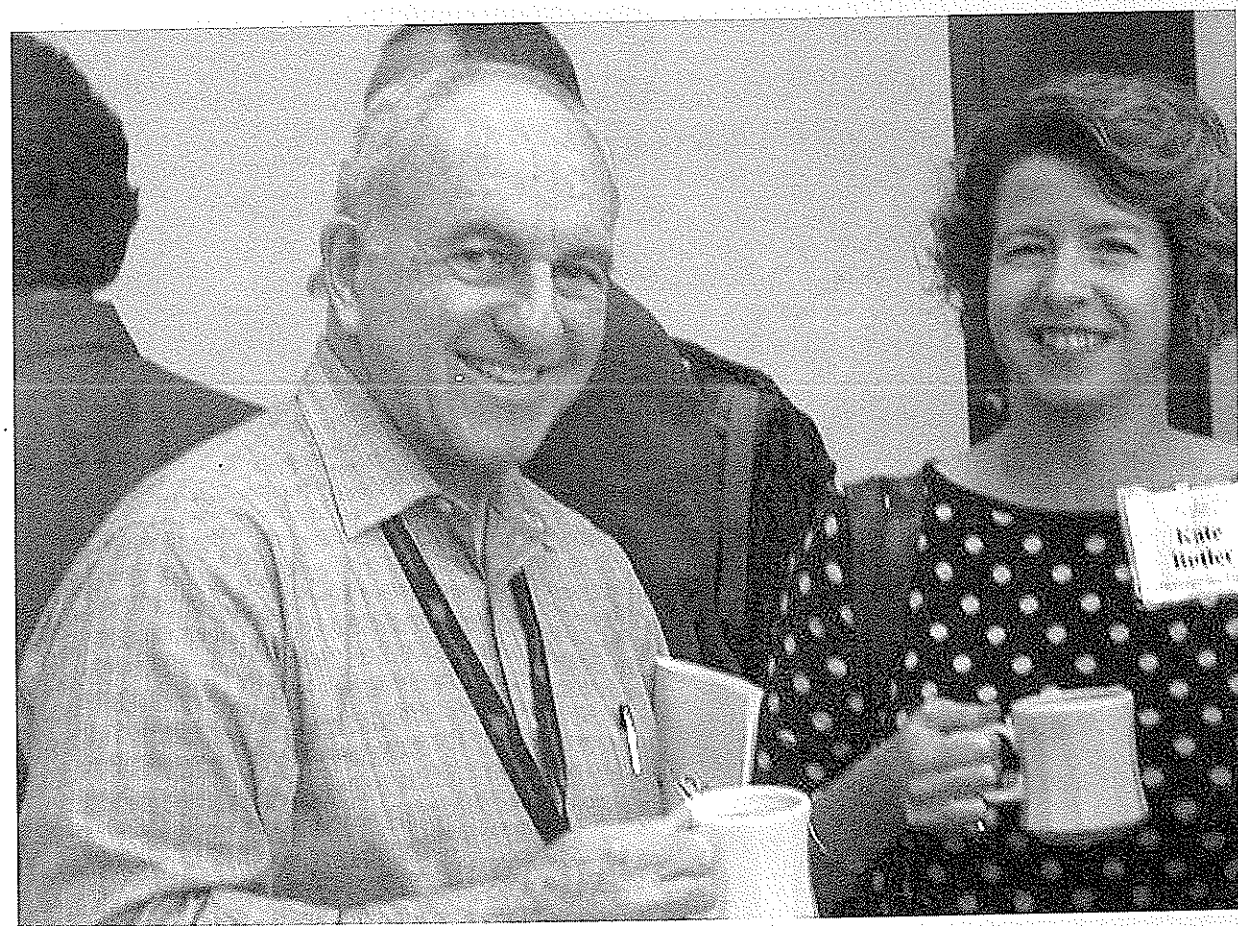
*We got Bizzy!*



BECKY BISBEE

**ALL SMILES**

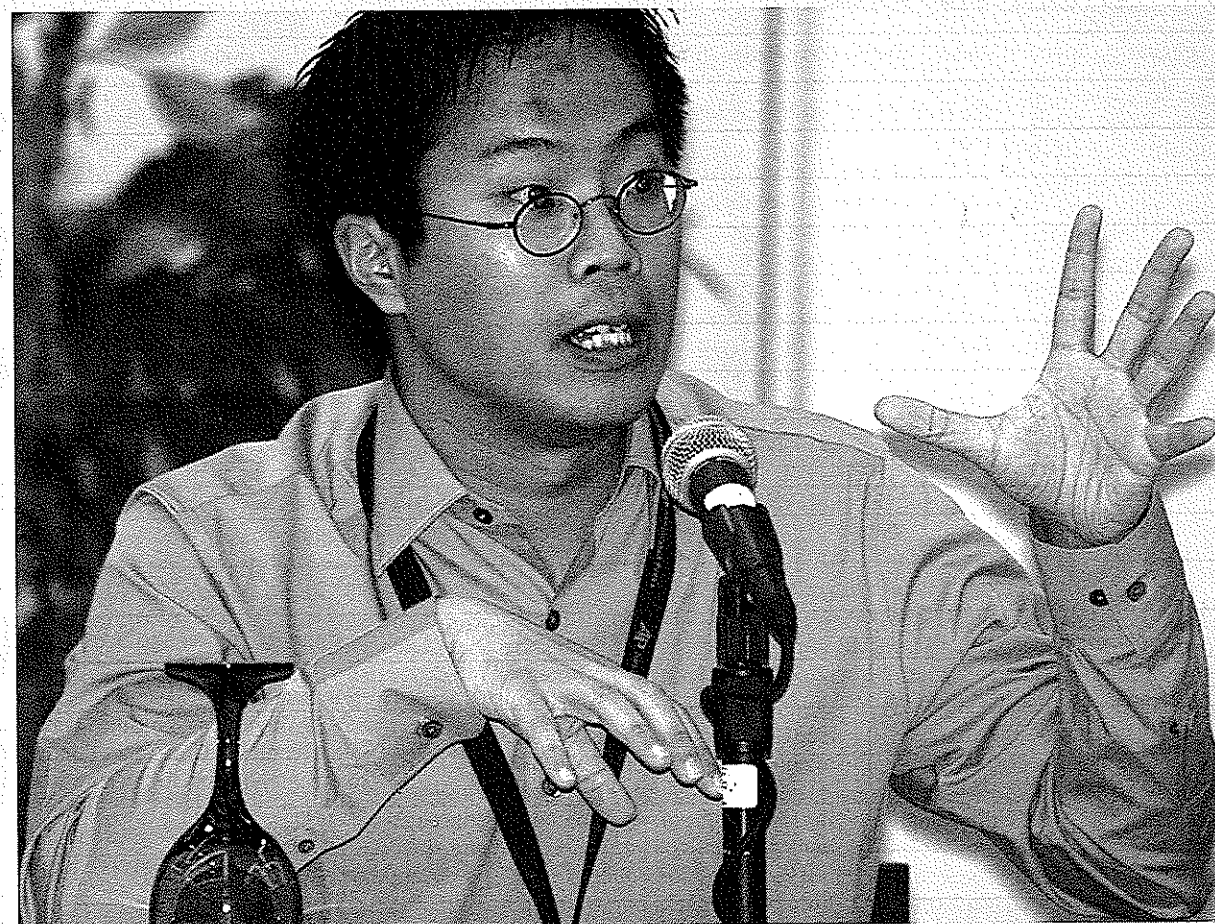
Catherine Atkinson of the Waco Tribune-Herald, Distinguished Achievement Award recipient Linda O'Bryon from Nightly Business Report and Sam Black of the St. Paul Business Journal



BECKY BISBEE

**CUPPA JOE**

Myron Kandel of CNN and Kate Lee Butler of the Orange County Register



CAROLE WINKLER

**A WRITER'S WRITER**

Thomas Lee of the Minneapolis Star-Tribune emphasizes writing with authority and a sense of curiosity



CAROLE WINKLER

**BIZ BEST**

Board member Gail De George of the Sun-Sentinel helps emcee the awards ceremony

*Keep up the good work!*

## Donaldson: Hedge funds 'growing like a weed'

CONTINUED FROM PAGE 10  
A particular eye on hedge funds. In the past, he said, hedge funds, which invest primarily in publicly traded securities or financial derivatives, had been open just to wealthy investors and institutions, and had gone mostly unregulated.

But the industry is growing quickly. It's an \$800 billion industry headed toward \$1 trillion, he said.

"It's growing like a weed," he said. "(And) we don't know

enough about what hedge funds are doing because we don't have the authority to go in and look at them."

Donaldson's words at SABEW echoed sentiments from the SEC's September 2003 staff report "The Implications of Hedge Funds."

"The commission's inability to examine hedge fund directors has the direct effect of putting the commission in a 'wait and see' posture vis-à-vis fraud and other misconduct."

Furthermore, the report said, the commission, as it stands, often can act on hedge-fund fraud only after receiving information from third parties, and only after significant losses have already occurred.

Donaldson proposed mandating hedge-fund registration with the SEC to let the agency spot potential rule violations. Donaldson said the SEC isn't interested in regulating where the funds invest.

In a question-and-answer ses-

sion, Donaldson said the biggest mistake in his tenure so far had been the SEC's lateness in catching market-timing in the mutual fund industry. Market-timing, profiting through quick in-and-out trades, isn't technically illegal, but many funds have policies prohibiting it because it skims profits from longer-term shareholders.

*Matthew Crowley is a business copy editor at the Las Vegas Review-Journal.*

## Agate: Blend the three major exchanges

CONTINUED FROM PAGE 9

- Replace gray listings with trend charts and highlight boxes, stocks in the news.
- Beef up phone information service or Web page to help readers find information.
- Make smart cuts. Start with eliminating single state bond funds outside of your market, mutual funds run by large banks outside of your market, mutual funds with less than 1,000 shareholders or less than \$100 million in assets.
- Blend the three major exchanges; consider running just the S&P 500 and stocks of local interest and the 150 largest mutual funds.
- Introduce rotating fields. Most readers will be satisfied with seeing the information, such as price-to-earnings ratios and dividends, once a week as long as they know when it will appear.
- Have a well-conceived plan that you are comfortable with and can sell to your publisher.

## Design: Don't settle for weak photo

CONTINUED FROM PAGE 9

tographer has all of the pertinent information. Avoid asking the subject when they're free to be photographed. Photographers want to shoot people when they are busy.

4) Think beyond photography. Don't settle for running a weak photo. Dig through your pockets, your desk drawer, your glove box and scan something. Invest in a decent library of stock photo images. Surf the Internet for visuals and graphic ideas. Think about how to create something out of nothing.

5) Brainstorm something new. Nail down your focus. Make a list of key words and phrases, and sketch simple icons for each item. Combine the strongest images and take the words away. Take the combination a step further by distorting size, emotion or repetition. Don't underestimate the power of a good metaphor.

6) Examine the macro and micro views.

Examining the micro view is particularly interesting in stories that deal with large numbers and broad trends.

7) Travel through time. Timelines give a story context. Think about "now and then" themes and look for wacky historical connections.

8) Help readers digest the data. Take the complicated stuff and serve it up in bite-size bits.

9) Learn the language. Visual journalists should ask questions about business vocabulary. Build an environment where no question is inappropriate.

10) Think like a reader, not like a designer. Business designers need to edit their work from journalistic perspectives as well as aesthetic angles, to think critically as well as creatively.

*Bonita Burton is Business design director at the San Jose Mercury News. This is an abbreviated version of her presentation at the conference.*

## Gold: Wants to establish 'public director' position on boards

CONTINUED FROM PAGE 6

between directors and shareholders without senior management present. Gold: "Directors are usually isolated from the business ... they hang together in a corporate cocoon and hear only what management tells them."

- Establishing "public director"

positions on boards to ensure representation of a wider circle of stakeholders in the boardroom. Gold: "This would bring a much-needed dimension to the boardroom in terms of the greater social purpose of the company."

- Campaign spending limits on the amount that companies can

spend on the re-election of directors. Gold: "Companies spend out of the corporate treasury to defeat the will of the shareholders."

To reinforce that last point, Gold talked about the campaign he and Roy Disney lost to oust Eisner.

"In the recent Disney withhold campaign, the Roy E. Disney fam-

ily spent between \$3 million and \$5 million," he said. "My best guess is that the Walt Disney Company spent over \$35 million to re-elect Michael Eisner and George Mitchell."

*Jon Ortiz is a development reporter at The Sacramento Bee.*

## Retail: Internet makes customers more informed

CONTINUED FROM PAGE 10  
want to be grouped."

When a mother and her young daughter shop for jeans, who buys what may be surprising, he said.

A 50-something woman who's worked out a lot, for example, may favor the low-rise jeans marketed to her daughter. Szymanski said retailers that tailor products too tightly to traditional demographic profiles risk missing audiences. What's a 20-something woman looking for business attire to do when there doesn't seem to be anything for her, Szymanski asked. She doesn't want to dress like a teenager, and she doesn't want to dress like her mother, either.

3) Technology's creep. D'Innocenzio said ever more

'(RFID) is bleeding-edge technology; I think it's about 10 years off. Some of the (coverage) of this is probably a little ahead of itself.'

**James Skinner**

Neiman Marcus Chief Financial Officer

retailers are using automation software to manage inventory. The software, she said, helps retailers decide when to promote goods heavily and when to start discounting them aggressively.

Although automation-software use is growing, Skinner suggested the hyped radio-frequency ID tags (RFID) are a way off. Wal-Mart has started testing the tags, which will identify merchandise and, the retailer said, offer better inventory control.

But Skinner said: "(RFID) is bleeding-edge technology; I think it's about 10 years off. Some of the (coverage) of this is probably a little ahead of itself."

4) Wal-Mart's continued influence.

The Big Blue Elephant, as Szymanski called the Bentonville, Ark., megamerchant, isn't necessarily evil. Wal-Mart, he said, has forced companies to be more efficient, quickly abandoning failing products, or

practices. Smaller rivals will do well to watch what Wal-Mart does, Szymanski said. What works on a grand scale for Wal-Mart may work on a smaller scale for them.

5) Changing customer service needs.

D'Innocenzio said the Internet has made customers more informed.

They know the item they want and what they can expect to pay for it before ever entering the store. Therefore, Szymanski suggested, floor help should consistently be able to help customers quickly find what they want.

"Competency may matter more than knowledge," he said.

*Matthew Crowley is a business copy editor at the Las Vegas Review-Journal.*

## Commentary, resources and training for those who write about business

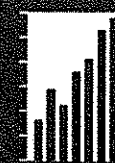
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Funded by a grant from the Las Vegas, Nevada-based Donald W. Reynolds Foundation.

## Seline takes over as SABEW president

Choyke, Haj, Henriques, Madore, Jordan Spitz join board

BY TBJ STAFF

FORT WORTH – SABEW members elected eight members to the Board of Governors at the annual conference.

### WINNING FIRST TERMS



**BILL CHOYKE**  
Business editor of The Virginian-Pilot in Norfolk, Va.



**GEORGE HAJ**  
Assistant managing editor for business at the Houston Chronicle.



**DIANA HENRIQUES**  
Financial reporter for The New York Times.



**JAMES T. MADORE**  
Media writer for Newsday (Long Island, N.Y.).



**JILL JORDEN SPITZ**  
Business editor of the (Tucson) Arizona Daily Star.

### THREE INCUMBENTS RE-ELECTED



**BECKY BISBEE**  
Business editor of The Seattle Times.



**HENRY DUBROFF**  
Editor and founder of the Pacific Coast Business Times.



**BERNIE KOHN**  
Night business editor for The Washington Post.

### THEY JOIN



**REX SELINE**  
Managing editor for News and Business at the Fort Worth Star-Telegram, who became president.



**JONATHAN LANSNER**  
Business columnist for The Orange County Register, who moved up from secretary-treasurer to vice president.



**DAVE KANSAS**  
Money and Investing editor at The Wall Street Journal, who joined the officer ladder as new secretary-treasurer.

### AND CURRENT GOVERNORS

Gertha Coffee and Andre Jackson of the St. Louis Post-Dispatch, Gail DeGeorge of the South Florida Sun-Sentinel, Mary Flannery of The Philadelphia Inquirer, George Gombossy of The Hartford Courant, Sandy Gonzalez of Bloomberg News, Greg McCune of Reuters America, Josh Mills of Baruch College, Craig Schwed of Gannett News Service, and Christian Wihl of The Register-Guard (Eugene, Ore.).

### GOING OFF THE BOARD ARE...

Kathy Kristof, a reporter and columnist for the Los Angeles Times, who as past president becomes an ex-officio board member; governors Charley Blaine of MSN Money, Floyd Norris of The New York Times, Mark Calvey of the San Francisco Business Times, Darrell Christian of the Associated Press, and Barney Calame, of The Wall Street Journal, who finished his three-year term as an ex-officio board member.

## Seline: Thanks for help at conference

CONTINUED FROM PAGE 5

as the inaugural chair, has been tested by SABEW's interests, Missouri's needs and various other demands.

My predecessor, Kathy Kristof, sensed the potential conflicts and wisely called in counsel. Randy stepped back in to work with Barney Calame of The Wall Street Journal, and Dean Mills, dean of the Missouri School of Journalism, to take a look.

They have proposed the creation of a blue-ribbon panel to work with the school to map out a realistic destination. The SABEW board's executive committee quickly endorsed that proposal. We expect the panel to take at least the next year to sort things out for all parties. In the meantime, Dean Mills has agreed to tap the chair's funds to offset some SABEW administrative staff compensation costs, reflecting SABEW's intent when it raised money for the chair.

We'll keep you posted on developments.

### Conference thank yous

Finally, thanks to all of you who attended the annual conference in Fort Worth. I hope you enjoyed our Texas hospitality. Carrie and the SABEW staff worked tirelessly to make it happen. Special thanks to the speakers, moderators, panelists and organizers who contributed their time and insight.

And an extra thanks to some folks who did tremendous work, largely behind the scenes. Josh Mills, a SABEW board member from Baruch College, was our "sheriff," contributing ideas and keeping people moving. Cheryl Hall of The Dallas Morning News made sure the keynote speakers were tended to. Stephanie Owen of the Star-Telegram worked out the local logistics.

And who can forget Pete Hillan as the ethically challenged CEO? Not exactly typecasting, but it worked. It wouldn't have happened without them.

And for those looking to book Dave Kansas for weddings, bar mitzvahs, birthdays or anniversaries, please contact him directly at The Wall Street Journal. His rates are reasonable.

### SABEW executive director's report

From SABEW Executive Director Carrie Paden

MEMBERSHIP: 3,215  
 NET REVENUE 2003: \$50,571  
 BEST IN BUSINESS ENTRIES: 735  
 WEB SITE HITS IN 2003: 2.1 million



**Marty Steffens**

SABEW Chair in Business and Financial Journalism

steffensm@missouri.edu  
 573-884-4839

### Resources

Check out [www.sabew.org](http://www.sabew.org)

## CHAIR'S CORNER

# Story ideas for the picking

Some even found outside the conference

FORT WORTH – Michael Hirsch, business editor of The (Allentown, Pa.) Morning Call, was scrunched over a compilation of newspaper clippings, furiously scribbling notes.

He was fascinated by a story on state taxes, a Best in Business winner from The (Eugene, Ore.) Register-Guard. Hirsch says one plus of attending a SABEW annual conference is gleaming story ideas, and Best in Business winners are a great source.

Many editors button-holed assistant business editor James Overstreet of The (Memphis) Commercial Appeal to ask about the paper's winning series on Habitat for Humanity homes. The series looked at the high rate of bankruptcy and foreclosure at the homes built for low-income residents. The series uncovered predatory lending abuses that often evicted these Habitat homeowners from the houses they helped to build.

Overstreet said the local Habitat agency was cooperative, supplying the list of homes built in the community. As a result of the series, Habitat created an ongoing education program in personal finance for Habitat residents.

In looking over the conference program, Mary Flannery, senior editor for Newsroom Initiatives for The Philadelphia Inquirer, circled the session on energy as a must-see. After last year's blackout that crippled

her city, she was intent on bringing back new ideas for energy coverage.

After listening to industry experts, she came away with plans to look into shortages of natural gas and synthetic options.

As a former editor, I couldn't resist making my own list of story ideas gleaned in Fort Worth.

• The Fair Fund. SEC Chairman William Donaldson led off the conference, bringing editors and reporters up to date on enforcement issues. As a result of the Sarbanes-Oxley Act, a fund was created that would pour SEC fines into a pool to reimburse defrauded shareholders. What is the status of that fund, and how will funds be distributed? Since the defrauders could also be major shareholders, will they be excluded?

• Independent directors. Stanley Gold of Shamrock Holdings talked about his tenure on the Disney board, and reminded us of the need to strengthen corporate governance. How have local companies achieved the goal of hiring more independent directors? Have they changed length of terms? What are the backgrounds of these directors?

• Dual-listed stocks. NYSE Chairman John Thain said his exchange, with its tradition of using specialists for auction trading, offered less volatility in stock prices than their all-electronic rival, NASDAQ. Are any of your local stocks listed on more than one exchange? If so, how have the prices

compared? • Building sources in commercial real estate. On our chairs at the Distinguished Achievement banquet were copies of the Dallas Business Journal. A special annual section on commercial real estate, complete with listing of the status of large properties, reminded me of a great source-building tool. Such sections put you in touch with the people who are at the front-lines of expansion and contraction of your job market. Cultivating these sources and their information stream is a great way to serve readers.

• Status of Community Reinvestment Act credits. At the session on Fannie and Freddie, we were reminded that local lenders were allowed to resell their CRA loans to other mortgage institutions. Both the seller and the buyer, then, could earn the needed credit for the loans, which are made to higher-risk borrowers, mostly in inner-city areas. For the borrower, it may mean their loan is resold several times. Track a loan and see

what problems occur for the borrower. • Check-Out Blues. Panelists in the session on retail talked about Wal-Mart's next big push – shortening checkout lines through technology. How are consumers liking the new self-checkout stations not only in discount stores, but also in markets. Do they really save time? Not all the ideas were inside the building. • The downtown Outlet Square is all but vacant. Once a monument to our bargain-crazed culture, it's all but vacant, save a shoe store, a card shop and some restaurants. What's happening with outlet malls in your area? Have they survived the slump, and if so, how were they successful? Another note: Thanks for taking the math survey in last month's TBJ. The results will surprise you. Look for an upcoming report in a future issue.

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**BIZ BUZZ**

*USA Today's newsroom leadership changes in wake of Kelly scandal*

**T**HE JACK KELLY SCANDAL at USA Today created some move-up-the-ladder opportunities for a pair of biz eds.

**John Hillkirk** was promoted to executive ed, the No. 2 spot in the newsroom, from his seat as managing ed of the paper's Money section. **Jim Henderson**, Hillkirk's deputy, took his old boss' spot.

Hillkirk has been with USA Today since its inception in 1982 as a writer and ed. Previously, he was a biz reporter in Rochester, N.Y., and Pittsburgh and has co-authored three books.

Henderson joined USA Today in 1984 as a personal finance reporter. He then became personal finance ed before his promotion to deputy managing ed in 1991.

**ON THE BEAT**

CNBC's **Maria Bartiromo** gives up her post reporting from the floor of the New York Stock Exchange. She'll concentrate on other duties at CNBC and NBC, including her own weekly show. **Alexis Glick** takes over the NYSE beat.

Speaking of CNBC, **John Bradshaw Layfield** of World Wrestling Entertainment fame switches his stock market insights from Fox to CNBC's "Bullseye" show with **Dylan Radigan**.

**AT THE MAGS**

**Bob Safian** is moving from chief of Money mag to executive ed of Time. That means that **Eric Schurenberg** becomes new managing ed of Money, moving from the job of deputy ed of Business 2.0. Schurenberg spent 13 years at Money starting in 1984.

**THE WEST**

At the Rocky Mountain News in Denver: **Jamie Paton** is a new finance reporter from Reuters. He

replaces **Allison Linn**, who's off to The Associated Press in Seattle. **Joanne Kelley**'s a new general assignment reporter after being an ed for Context magazine. Kelley replaces **Heather Draper**, who's staffing the Dow Jones News Service's Denver bureau. **Chris Walsh** is a new high-tech reporter, after leaving The (Colorado Springs) Gazette. He replaces **Steve Caulk**, who's now a corporate spokesman. And **David Milstead** got the title of finance ed. ... Gazette high tech reporter **Paul Beebe** recently spent a week in Bangalore, India, on a project on outsourcing jobs.

In Seattle, editor **Rami Grunbaum** leaves the Puget Sound Business Journal after 15 years to become deputy biz ed at The Seattle Times.... **Mike Rogoway** joins The Oregonian to cover telecom after receiving MBA from the University of Washington. Rogoway previously wrote for The Columbian in Vancouver, Wash.

**James Temple**, formerly a real estate reporter for the San Francisco Business Times, joined the Contra Costa Times as its consumer affairs reporter. ... **Andrew Simons**, tech reporter for the Orange County Business Journal, moved to sister paper, the Los Angeles Business Journal, to cover the entertainment industry.

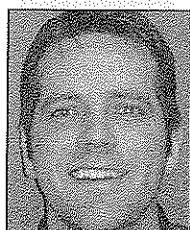
**THE MIDWEST**

The Southern Business Journal in Illinois' new ed is **Steve Binder**. ... After 20 years associated with the Fort Wayne (Ind.) News-Sentinel, biz ed **Lynne McKenna Frazier**

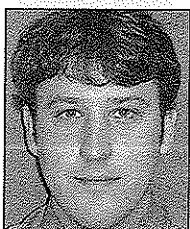
accepted a position as director of corporate and foundation relations at the University of Saint Francis. She was biz ed the last seven years.

**Bryce Hoffman** joins The Ann Arbor News to cover automotive, manufacturing and banking/finance. He previously worked for the Contra

Costa Times, ANG Newspapers and ReCap IT magazine. The News is looking for a retail/real estate reporter. ... Former Columbus Dispatch biz ed **Jeffrey Sheban** returns to biz news as a reporter covering retailing. He most recently covered the state house for the paper.



**Chris Walsh**



**Jamie Paton**

**THE SOUTH**

The Houston Chronicle adds a biz columnist, **Loren Steffy**, who leaves Bloomberg News after 12 years. He knows Texas. He's a graduate of Texas A&M and worked as a biz reporter for the Dallas Times Herald, the Dallas Business Journal and the Arlington Daily News. ... **Andre Salvail** joins The (Shreveport) Times in northwest

Louisiana as biz ed. He previously spent four years as ed of Bayou Business Review. ...

At the South Florida Sun-Sentinel, **Ian Katz** joins to cover technology and telecom. He was formerly ed of WorldCity, an international biz pub in Miami. **Niala Boodhoo** moves to the Sun-Sentinel to cover workplace and airlines from Reuters. **Kathy Bushouse** will watch insurance and banking after working a municipal beat in the Sun-Sentinel's Palm Beach County bureau. **Alexandra Navarro Clifton** is the

CONTINUED ON PAGE 23

**BIZ BUZZ** CONTINUED

new general assignment biz reporter in Palm Beach County. She previously was with the Palm Beach Post.

At The Virginian-Pilot: **Battinto Batts**, who was an assistant metro ed at the St. Pete Times, returns to cover commercial real estate and economic development. **Benita Newton** changes jobs at The Times to cover small biz, nonprofits and general assignment.

**THE NORTH**

**Matthew Kauffman**, a veteran Hartford Courant biz reporter, is leaving the biz desk in June to join the Courant's investigative team. ... At the Newark Star-Ledger, sports and biz AME **Kevin Whitmer** becomes the new managing editor for enterprise.

**THE ENVELOPE, PLEASE**

The UCLA Anderson School of Management's Loeb Awards will give its 2004 Lifetime Achievement Award next month to **Louis Rukeyser**, the long-time TV Wall Street commentator. **Michael Siconolfi**, senior ed for financial investigative projects of The Wall Street Journal, will receive the 2004 Lawrence Minard Editor Award for the best behind-the-scenes work.

CIO mag was the grand winner for the second-straight year for the Neal Awards for biz-to-biz publications. Other winners were: Best Article: CSO, Bio-IT World and CIO; Best Series: Editor & Publisher, Commercial Carrier Journal, IndustryWeek; Best Editorials: Editor & Publisher, Chain Leader, IndustryWeek; Best Department or Column: CSO, Sales & Marketing Management, The American Lawyer; Best How-To Article/Series: Contemporary Pediatrics, Heavy Duty Trucking, Medical Economics; Best News Coverage: Editor & Publisher, Washington Technology, Aviation Week & Space Technology; Best Single Theme Issue: CSO, Building Design & Construction, The American Lawyer; Best Single Issue: CSO, Workforce Management, CIO, Nation's Restaurant News; Best Web site: PCWorld.com.

CNET News.com has won a National Magazine Award for general excellence online. And a deadline reporting award from the Society of Professional Journalists for its coverage of the "MSBlast" worm.

**CONFERENCE REVISITED**

**Jon Ortiz**, a writer at The Sacramento Bee who won a scholarship to attend the SABEW convention from the Donald W. Reynolds Center National Center for Business Journalism, had this observation about the event: "Beyond the organized events, the greatest benefit of the three-day conference was meeting other business journalists. Some, like myself, are new to the game. Rubbing elbows, sharing stories and laughs was a great way to re-energize and see the power of business journalism - and the possibilities for my career."

**AND FINALLY**

This is my last BizBuzz. After five years as the executive ed then gossip scribe for The Business Journalist, I'll be concentrating on the chores of being SABEW's vice president for the next year. Please give your new BizBuzz author, **James Madore** of Newsday, a hand by sending him any newsy personnel or product tidbits at james.madore@newsday.com.

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Next Issue: Fall Workshop Preview