

# The Business Journalist

Volume 28

Society of American Business Editors and Writers

April 1990

## Some painful lessons from being a victim of hoax by 'source'

By Larry Werner

The newspaper business is like a long-term illness: You have good days and bad days.

One of the worst days in my 21 years as a professional journalist was Feb. 16, when I was quoted in the Wall Street Journal saying the Star Tribune business staff printed a false story based on an interview with an impostor. Any more days like that and I won't see my 22nd anniversary in this wonderful business of ours.

Because of the coverage that hoax received — not only in the Journal but in the New York Times, USA Today, the Chicago Tribune, on the wires and in trade publications — many of you probably read about my bad day.

Star Tribune publishes a story quoting Richard L. Thomas, president of First Chicago Corp., saying First Chicago is interested in acquiring First Bank System of Minneapolis. The story, based on a call to the newspaper from someone who identified himself as Thomas, sends First Bank's stock up \$2.

After the story runs, Richard Thomas calls to say he didn't call the Star Tribune. Star Tribune retracts the story.

The incident was a horrible experience, a business journalist's worst nightmare: Someone managed to use my newspaper to manipulate the price of a stock and, in the process, did serious damage to the paper's most precious asset, its credibility.

What makes it even more horrible is it happens every day on business pages, including the pages of the Wall Street Journal, but doesn't cause the stir our story did. That's because many of these false stories are portrayed as "rumors" and are attributed to anonymous sources who don't ask for retractions. But the effect is the same: The stock is moved by a report that isn't based in fact.

"Every day? It's happening every hour," says John Crudele, the syndicated financial columnist for the New York Post. "We're overly competitive, and we're too lax."

For those of you who didn't read about our hoax, here's a brief summary:

At about 5:30 p.m. Feb. 14, a call came to Anthony Neely, our development reporter. The call probably was intended for Neal St. Anthony, our banking reporter, but ended up with Neely because of the similarity in their names. Someone who identified himself as Thomas said he had called to talk about a story St. Anthony had written dealing with First Chicago's rumored interest in acquiring Midwest Federal, an insolvent Minnesota thrift.

Anthony tried to transfer the man to Neal, who had written that story, but the caller said he didn't have time to be transferred, that he simply wanted to pass along some information. He said First Chicago had no interest in Midwest, but it was no secret First Chicago would like to acquire First Bank. However, he (See MEDIA, Page 7)



Carla Hills



Carl Reichardt

## Convention to look into '90s

Business journalism in the '90s will receive much of the attention at SABEW's annual convention. The meeting will be April 29-May 2 at the Fairmont Hotel in San Francisco.

The convention will begin with a relaxing and informative trip into the California wine country on Sunday, April 29.

The action formally begins on Monday with a series of sessions examining changing America, the audiences for newspapers, the changes business editors are making to adapt for the '90s and concurrent workshops on business columns and the job market.

The day will end with a boat tour of San Francisco Bay.

On Tuesday, members will visit Apple and Intel computer facilities on a swing through Silicon Valley. That will be followed by the annual membership meeting.

Executives and newsmakers also are on the schedule, including Carla Hills, U.S. trade representative; Joan Claybrook, president of Public Citizen; John F. McDonnell, chairman of McDonnell Douglas Corp., and Carl Reichardt, CEO, Wells Fargo.

Convention registration information went out to members in early March. If you have not received convention materials and need them, call SABEW administrative offices at 314-882-7862.

Convention schedule, speaker bios on Pages 4-5

## Editors develop tactics to involve readers

By Dale Buss

Business editors face a universal problem: Increasing competition.

From weekly business papers to local television stations, more media in each market are taking an interest in daily business news that once was the exclusive stock in trade of local dailies.

And if you're the Milwaukee Journal, or the San Jose Mercury-News, the Detroit Free Press or one of a number of other metro dailies around the country, you've got another problem: Business people don't usually care for you.

Add to that your paper's long neglect of news of the business community, or your

aggressiveness in reporting news that sometimes doesn't reflect favorably on local executives, or any other factors, and you'd face a challenge with your market's business community even if you had no competition at all.

How do business editors handle these challenges?

More and more, they're actively reaching out to the business community, drawing executives into influencing — and actually participating in — what ends up on their pages.

Without compromising their standards, editors are actively building bridges to the business community.

If business people get more exposure

to the news professionals who cover them in "non-news" settings, and if executives see their own ideas somewhat reflected in the paper, the reasoning goes, they're more likely to believe they're getting a fair shake.

"Our mission is to objectively report on the news," says Cathy Taylor, business editor of the Orange County (Calif.) Register.

"But there's nothing wrong with knowing the business community better. It's just a matter of saying you're more interested in them than they may have thought."

Editors are personally going into the business community as the newspaper's representative, and inviting business peo-

ple themselves to take a bit of shared authorship in business sections.

They also are making a concerted effort to explain to readers how the business section operates and how to communicate with the business staff.

Here's a rundown of some of the ways that business editors are tackling the challenges:

■ Baltimore Sun: Philip Moeller, business editor, recently wrote a Sunday column in which he patiently, carefully explained how his operation works and who does what.

He did it out of the conviction, as he wrote, that "the communication process (See BUSINESS, Page 6)

### Bowing out

After 28 years at the St. Petersburg Times, including 10 1/2 as business editor, Elizabeth Whitney has retired. Sandra Duerr profiles Whitney on Page 2.

### Exposing myth

When the Treasury Department readies for its quarterly auction, "experts" worry that the securities might be a hard sell. On Page 3 learn why the concerns are overstated.

### Quality check

The Morning Call of Allentown devised a quality survey to assess its performance. The result: Better reporting and better relationships. Story on Page 6.

### New job feature

For more than a year, job listings have been a favorite feature of The Business Journalist. With this issue we add a jobs wanted category. Listings on Page 7.

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Subscription to The Business Journalist is included in the annual \$40 membership dues. Membership is restricted to persons engaged as their principal occupation in reporting, writing or editing business or financial or economic news for newspapers, magazines, newsletters, press or syndicate services, radio or television, or teachers of journalism or business subjects at recognized colleges or universities.

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James K. Gentry, Executive Director; Doris Barnhart, Administrative Assistant; Linda Bosley, SABEW Fellow; and Laura Holson, Assistant Editor, TBJ.

### SABEW Purpose

Members of the Society have joined together in the common pursuit of the highest standards of economic journalism, through both individual and collective efforts. Recognizing that economic freedom is inextricably linked to political freedom and that an informed citizenry can ensure that these freedoms are sustained, it is the Society's mission as an independent, not-for-profit organization to encourage comprehensive reporting of economic events without fear or favor and in a manner in keeping with the proud heritage of American journalism.

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# Whitney calls end to career as a 'tenacious' journalist

By Sandra Duerr

NAME: Elizabeth Whitney

PERSONAL: Whitney, a native of Geneva, Ohio, has a bachelor's degree in journalism from Ohio State University, where she was editor in chief of the campus daily, the Ohio State Daily Lantern. She is single with sons Jim, who owns a property management company in Tampa, and Ken, who owns a real-estate appraisal business in Gainesville.

EXPERIENCE: Until retiring March 9, Whitney spent nearly 28 years at the St. Petersburg Times — the last 10 1/2 years as business editor. During her tenure as business editor, the business staff grew from four to 15 people. Whitney also covered urban affairs, medicine, religion, white collar crime and real estate for the Times and was an editorial writer.

AWARDS: Whitney has received numerous state and national honors. Among them: the Florida Society of Newspaper Editors' grand prize for the "best single piece of work by a Florida newsman"; runner-up in the Heywood Broun Investigative Reporting Competition; an American Political Science Association Award for public affairs reporting; and seven first-place national journalism awards in specialized fields. Her work also was nominated by the St. Petersburg Times several times for the Pulitzer Prize.

HOW OTHERS VIEW HER: "She's very much of a doer," says Larry Birger, publisher of Runways Southern California and former editor of Business Monday at the Miami Herald. "She's very tenacious, a bulldog type of reporter ... you put her on the scent and she went right after it," Birger said.

Cheryl Hall, business editor at the Dallas Morning News, says Whitney has "always taken her responsibilities very seriously — in terms of reporting and editing, as well as professional interests industrywide."

HOW BUSINESS COVERAGE HAS CHANGED SINCE 1980: It's much more comprehensive, Whitney says. "The fact that with all the new tools we have — our stock information service, research facilities in our own newspaper, NEXUS searches, the fax machine, express mail and all that — you can get so much more complete stories and be more timely." Also, "practically all the newspapers have more space and tremendously more staffing."

WHAT'S RIGHT WITH BUSINESS JOURNALISM: "We're better equipped to do a better job. When I first came into this, most people in it were self-taught, and it was very hard to get a job applicant who actually had experience writing business news or (who had) college training in business journalism. Now, so many have had experience or have come through very good programs."

"Plus, business journalism is coveted now. In the 10 1/2 years I've been business editor here, business news has gone from the beat almost no young journalist wanted to the one they all want. That in itself means you get many of the best job candidates. Plus, newspapers are holding economic reporting in higher regard; that in itself improves the work."

WHAT'S WRONG WITH BUSINESS JOURNALISM: "I don't see all of the papers. I suppose it depends on the part of the country. I feel here we have not covered agriculture as well as we should."

"I'm sure this may not be true everywhere, but often times we've (business journalists) been so concerned with covering big stories — the public companies — that I think we haven't done enough about small business and the private companies. It's harder to get information there, and yet I think readers really can relate to people who start a business in their garage."

WOMEN IN BUSINESS JOURNALISM: "I can't say I encountered any open hostility or anyone who didn't treat me well. There were some readers who would call in to complain about the stock tables."

"One of them once said: 'You mean you have a woman business editor? No wonder it's (the tables)

all messed up.'

"Just as a journalist going back-aways, to a point it (being a woman) can be an advantage because men you were interviewing started out not taking you all that seriously, so they might not be as discreet as they would be with men, so they might be surprised to see comments in the paper about things they didn't intend to reveal."

BIGGEST CHALLENGE FACING WOMEN IN THE NEWSROOM: "I think probably to move into management. I think it's a two-pronged thing. I think one thing is to keep some pressure on management to ask women to take those positions and to give them the opportunity, and I think the other thing is for women to accept them, knowing those jobs might not be as much fun."

"Even in reporting, I feel very strongly that women need to be covering the difficult beats — business and science and government, for example."

ON SABEW: Since 1980, the biggest change in the organization undoubtedly has been its growth, Whitney says, and the decision to base its administrative headquarters at the University of Missouri School of Journalism. "I think that's just a giant step forward."

Also, "I think initially — about the time I joined it was changing — SABEW was an organization for writing editors of small departments, so they were primarily interest in having newsmakers" at the annual convention. Now, Whitney says, "the business news administrator types are concerned primarily" with issues such as personnel questions, managing, layout, stock tables and how to approach certain stories.

"I enjoyed being a part of SABEW really more than any professional organization I was ever in — and I've been in quite a few. I've enjoyed the people. I've enjoyed the meetings, and I'm sorry it has to end."

MOST MEMORABLE NATIONAL STORIES/EVENTS SINCE 1980: "The deregulation of the banking and airline industries. I guess transportation, too, and the ever-increasing globalization of industry and the one-world economy."

WHAT NEXT? "I really don't know. My thought is just to climb another mountain — to try writing a book, but not fiction. It might be business but there are just so many issues that I find fascinating."

Like what? "I've written extensive series recently on the economic impact of the baby boom; on privatization; on the congested airways and airports; on the changing nature of our labor unions. And then I'm also interested in various kinds of social history — the Depression era I find quite interesting."

HOW SHE'D LIKE TO BE REMEMBERED BY COLLEAGUES AND READERS: "An editor once said when I turned in a story, 'I'll say this for you, Whitney, you don't duck the tough ones.' If there would be a journalistic epithet, I'd be happy with that one."

Sandra Duerr is business editor of the Louisville Courier-Journal.

## SABEW offering student fellowship

A fellowship offered by the Society of American Business Editors and Writers is available to a graduate student interested in studying business journalism at the University of Missouri-Columbia.

The fellowship waives tuition and provides a stipend of \$2,000 per semester to the successful candidate.

The SABEW Fellow assists in administration of the 500-member organization, researches and writes articles for the society's bimonthly journal, The Business Journalist, and assists in production of the journal.

Experience as a business journalist is helpful but is not essential.

To apply or to obtain more information, contact James K. Gentry at 314-882-7862.



Whitney

# Challenging the myth of Treasury auctions

The following piece, from the Feb. 11 issue of the New York Times, explains why periodic worries over the quarterly refinancing of the federal debt are overstated. Louis Uchitelle is an economics reporter for the Times.

By Louis Uchitelle

Four times a year, the Treasury Department sells billions of dollars in notes and bonds to raise money to finance the budget deficit.

Before each auction, the cry goes out that the securities could be hard to sell because the Japanese may be reluctant buyers, either because they are annoyed with Americans or are attracted to better investments elsewhere.

And four times a year, the handwringing turns out to be unwarranted.

That was very evident in early February at the Treasury Department's auction of \$30 billion in long-term securities.

The four major Japanese brokerage houses — Daiwa, Nomura, Yamaichi and Nikko — offered to buy their 30 percent and, just in case they faltered, cash-rich American investors turned out in strength as eager buyers.

The Treasury's auctions, in fact, often run counter to the prevailing view that Americans have wastefully spent more money than they possess and therefore must rely on foreigners to help cover the shortfall.

Despite the handwringing over the Japanese, many economists say foreigners have no choice but to participate in the Treasury auctions. If they did not, they would end up hurting themselves more than the United States.

And even if foreign lenders — and in particular the Japanese, who are the biggest outside buyers of Treasury securities — didn't show up, Americans have enough idle cash in their bank accounts to have purchased all \$30 billion in 3-year, 10-year and 30-year securities auctioned that week in February.

The only question, just before auction, was how high interest rates might have to go to get Americans to do all the buying, without Japanese help.

The answer from many experts was that the pre-auction rates of 8.5 percent or so on 10-year notes and 30-year bonds was high enough. Indeed, the American interest made the bidding at the auction unusually heavy, experts say.

Between \$1.80 and \$3 was offered for each dollar of securities auctioned.

Such strong interest in buying Treasury securities reflects the fact that Americans are flush with lending power, in large part because a weak economy has reduced the demand for loans to finance commercial investment.

Data put together by Salomon Brothers and by Henry Kaufman, an economics consultant, for example, show that business borrowings — corporate bonds, high-risk "junk bonds," bank loans and commercial paper sales — have fallen to \$9 billion in January, from \$20 billion a month on average in 1989.

Consumer borrowing is also softening. "The demand for credit in the United States is clearly slowing," Kaufman said.

Still, even if Americans did not have the wherewithal to finance their own spending, the Japanese — and the Europeans, for that matter — would have found themselves constrained to purchase Treasuries.

They have accumulated billions of surplus dollars from the sale of their exports to Americans.

Their only alternative to investing the surplus money within the United States is

## How Uchitelle did this story

Louis Uchitelle wanted to explore two themes in this story on the Treasury Department's quarterly auction.

He examined if America needs Japanese investment in long-term securities and whether or not Japanese investors would pull out of the auction.

"The fact is they don't pull out," said Uchitelle.

The issues comes up frequently he said, and he used the auction as a news peg to explain the Japanese pattern of investing.

He interviewed 15 to 20 sources and used investment data, such as that pro-

vided by the Bureau of Economic Analysis and the Bureau of Labor Statistics, to complete the story. It took four days to do.

"I talked to people in the industry who have expertise and I went to people who represent different viewpoints," said Uchitelle.

Uchitelle said there is a need to explain these issues to readers.

"This is essential reporting," said Uchitelle. "It was fairly standard reporting. Anyone with a beat must deal with complicated issues that need explanation," he said.

Laura Holson

to convert it into Japanese yen or West German marks.

But that would drive down the value of the dollar and in turn, the value of their growing American assets.

Suddenly, a German-owned company such as Hoechst Celanese would be forced to reduce the value in marks of its textile fiber factories in the American South.

And Rockefeller Center, purchased by Japan's Mitsubishi Estate Company, would be worth fewer yen.

The landmark was recently acquired for \$840 million, or \$119 billion yen, when the dollar was worth about 142 yen, but would be worth only 100.8 billion yen if the dollar fell, to say, 120 yen.

"To say that the rest of the world may stop lending to us is to misdescribe that situation," Francis M. Bator, an economist at Harvard University's Kennedy School of Government, wrote recently in Foreign Affairs.

"Literally, it cannot. As long as it sells to us more than it buys from us, it is stuck with lending back to us the excess dollars."

So why all the fuss by Wall Street analysts and the media over Japanese intentions? Milton Friedman, the Nobel laureate in economics, says they are simply perpetuating a myth.

David R. Jones, senior economist at Aubrey G. Lanston, a bond brokerage house, says the reasons are mostly psychological and political.

"I guess in some sense there is this perception that this Japanese money can't stay here forever, and the next auction is the one where we are going to lose it," he said. "It is a real fear."

That concern was greater than usual before February's three-day auction.

Interest rates on Japanese and West German bonds, which compete for the same pool of capital as American securities, have risen sharply.

While the 10-year United States Treasury note, for example, yielded 8.3 percent in February, the similar German security had risen more than one percentage point since Christmas, to 7.9 percent. The Japanese 10-year bond was up a similar amount, to 6.3 percent.

Such sharp increases raised concern that the worldwide pool of savings — European, Japanese and American — might be drawn away from this country.

That prospect helped push the interest rates in the United States Treasury securities.

The 10-year Treasury note, for example, rose from less than 8 percent at Christmas. "A big factor in this sharp rise was fear that the Japanese would not participate in the Treasury auction," said Sam Nakagama, of Nakagama & Wallace,

a Wall Street investment firm.

But other factors besides comparative interest rates affect investment decisions. A major one is whether inflation will eat away at interest payments.

Wall Street's views change constantly, but some current thinking maintains that inflation may be peaking in America while it rises in Germany and in Japan, making United States securities more attractive.

If that weren't enough to ease the fears over Japanese intentions, the mechanics of the auction itself should have been.

Neither the Japanese nor the American brokerage houses bidding at these auctions retain much of what they buy. Seeking quick profits, they resell most of their new holdings as fast as possible to all comers, regardless of nationality.

Daiwa Securities America Inc., for example, purchased \$900 million worth of 10-year notes and quickly resold between \$300 million and \$400 million of them to Americans, according to William Brachfeld, Daiwa's executive vice president.

The goal of this trading is not to preserve for Japanese investors the 30 percent share of the Treasury securities purchased by the four Japanese trading houses, but to resell, say, a \$100 bond purchased at a discount of perhaps \$99, for \$99.12 or \$99.24.

Strong demand made such profits possible.

Because of this trading, it is difficult to assess the participation of the Japanese or any other investors.

For instance, Salomon Brothers, a major American bidder at the Treasury auction, resells securities to the Japanese.

And those Treasury securities that are resold to Japanese back home often end up in the hands of Tokyo bond dealers

who resell them internationally, said Michael Moran, chief economist at Daiwa.

"I think there is a lot of malarkey out there about what is going on and what is not going on," said David Resler, chief economist at Nomura Securities Inc.

"At any moment, we simply never know how much of the securities we acquire are in Japanese hands or in foreign hands."

Notwithstanding all the shuffling, some foreigners do end up holding Treasury securities over the long term.

Brachfeld estimates that about \$1.2 billion of the \$10 billion in 10-year notes auctioned on one day will find a home with a Japanese household or corporation. (The 10-year note is the most popular Treasury issue among Japanese.)

That pattern roughly mirrors the percent of all United States Treasury securities held by foreigners, a share that has remained almost unchanged through most of the 1980s, despite all the concern over foreign participation in the quarterly auctions.

Of the \$3.47 trillion in outstanding Government securities at the end of last year's third quarter, foreigners held \$384.6 billion, or 11.1 percent, the Federal Reserve reports.

That is up only slightly from 10 percent in 1983. And though the British were big foreign investors at the Treasury auctions in the early 1980s, the Japanese have been since 1985.

Rather than worry about whether the Japanese, the British, the Germans or any other foreign buyers will continue to purchase Treasury securities, helping to finance the budget deficit, the real issue is actually whether the United States is becoming too dependent on foreign holdings of all its financial assets — stocks, corporate bonds, government securities, corporate commercial paper, some bank deposits and the like.

The nation's pool of these assets totaled \$9.7 trillion as of last September, with foreign holdings accounting for \$748.1 billion, or 7.7 percent.

That is almost double the 4.3 percent in 1983, but still a small enough sum to disappear without much notice if these foreign holdings were liquidated slowly, over a period of several years, said Russell Scholl, a Commerce Department economist.

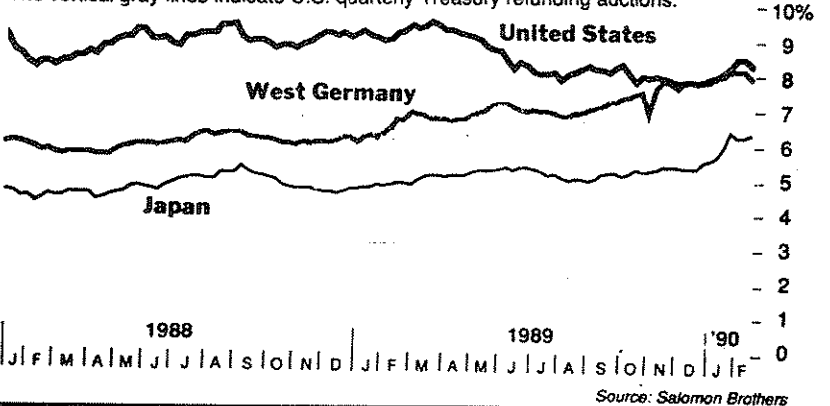
"If foreigners tried to pull out their money quickly, they would have no trouble creating a disaster," Scholl said.

"The motive might be to hurt the United States, but the Japanese and Europeans would end up also shooting themselves in the foot."

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### Rising Yields Abroad

Yield on 10-year treasury notes of the U.S., West German and Japanese Governments. Weekly closes for U.S. and Japanese data and weekly averages for German data. The vertical gray lines indicate U.S. quarterly Treasury refunding auctions.



Source: Salomon Brothers

This chart accompanied Uchitelle's analysis



## Convention '90

# Variety of speakers spices meeting fare

## Barlow

**NAME:** Jim Barlow  
**TITLE:** Business columnist, Houston Chronicle

**EDUCATION:** Bachelor's degree in journalism and political science, University of North Texas

**EXPERIENCE:** At current position since February 1987. For 10 years previously, was a general assignment reporter for the Houston Chronicle, covering state and national political campaigns and conventions. Specialized in investigative reporting.

Began his career as a television newsman, then worked as a reporter for radio, newspapers and the Associated Press before joining Chronicle.

## Baron

**NAME:** Martin D. Baron  
**TITLE:** Business editor, The Los Angeles Times

**EDUCATION:** Bachelor's degree in journalism and a master's of business administration from Lehigh University, Bethlehem, Pa. Phi Beta Kappa

**EXPERIENCE:** Became Los Angeles Times business editor in February 1984. Previously had served as assistant business editor, staff business writer in the Times' New York bureau and in the Los Angeles newsroom. Before joining the Times, was a staff writer at the Miami Herald.

## Behr

**NAME:** Peter Behr  
**TITLE:** Assistant managing editor-

/financial news, The Washington Post  
**EDUCATION:** Graduate of Colgate University; Neiman Fellow at Harvard University.

**EXPERIENCE:** Before assuming his current position, was editor of the National Weekly edition of The Washington Post. Previously served as a business reporter, news editor and senior writer with the Post's business section. Before joining the Post, was news editor and economics reporter for the Baltimore Sun in the Washington bureau.

Before that, he was a Washington correspondent and White House reporter for the Gannett newspaper chain. While at Gannett's Rochester Times Union, he reported from South Vietnam and covered trade and economic summits abroad.

## Carabet

**NAME:** Denise A. Carabet  
**TITLE:** Assistant managing editor-sports/financial, The San Diego Union

**EDUCATION:** A graduate of San Diego State University, she majored in journalism and minored in economics. Graduate studies in economics at Princeton University under an Alfred P. Sloan Fellowship

**EXPERIENCE:** At current position since January 1989. Previously was executive assistant to the editor, assistant city editor-special projects and business columnist with the Union. In 1980, became the founding editor of The San Diego Business Journal. From 1976 to 1980, was a financial writer and columnist with the Union.

Began career in 1973 at the San Diego Daily Transcript.



## Claybrook

**NAME:** Joan B. Claybrook  
**TITLE:** President, Public Citizen  
**EDUCATION:** Law degree from Georgetown Law Center, Washington, D.C.

**EXPERIENCE:** Became president of Public Citizen in 1982. From 1977 to 1981, served as administrator of the National Highway Traffic Safety Administration of the U.S. Department of Transportation. Was appointed by President Carter. Prior to that, served as director of Public Citizen's Congress Watch, which she founded in 1973.

Had joined Ralph Nader projects in 1970. Co-author of two books—Retreat from Safety: Reagan's Attack on America's Health and Freedom from Harm: The Civilizing Influence of Health, Safety and Environmental Regulations — and author of numerous newspaper articles.

## Crudele

**NAME:** John T. Crudele  
**TITLE:** Nationally syndicated columnist for the New York Post  
**EDUCATION:** Master's degree from New York University and a bachelor's degree from Syracuse University

**EXPERIENCE:** Also has served as commentator for radio station WMCA in New York. Previously was a contributing editor and financial columnist for New York Magazine, a business reporter with The New York Times, a financial reporter with Reuters and senior editor of Electronic News, a Fairchild/Capital Cities publication.

Also has worked as a general assignment reporter with the Staten Island Advance and as a free-lancer for Changing Times, Financial World and United Features Syndicate.

## Flanigan

**NAME:** James Flanigan  
**TITLE:** Business columnist, Los Angeles Times

**EDUCATION:** Graduate of Manhattan College in history and English

**EXPERIENCE:** Flanigan's twice-weekly column is syndicated and appears in such papers as Newsday, the Chicago Sun-Times, The Houston Chronicle, St. Louis Post-Dispatch and the Dallas Times Herald. Prior to joining the Times, he worked at Forbes, serving as assistant managing editor and bureau chief in Washington, D.C., Los Angeles, London and Houston.

Previously, Flanigan was a business writer for the New York Herald Tribune, working in New York and Paris.

## Garcia

**NAME:** Philip J. Garcia  
**TITLE:** Business writer, The Sacramento Bee

**EDUCATION:** Bachelor's degree in journalism, University of Kansas

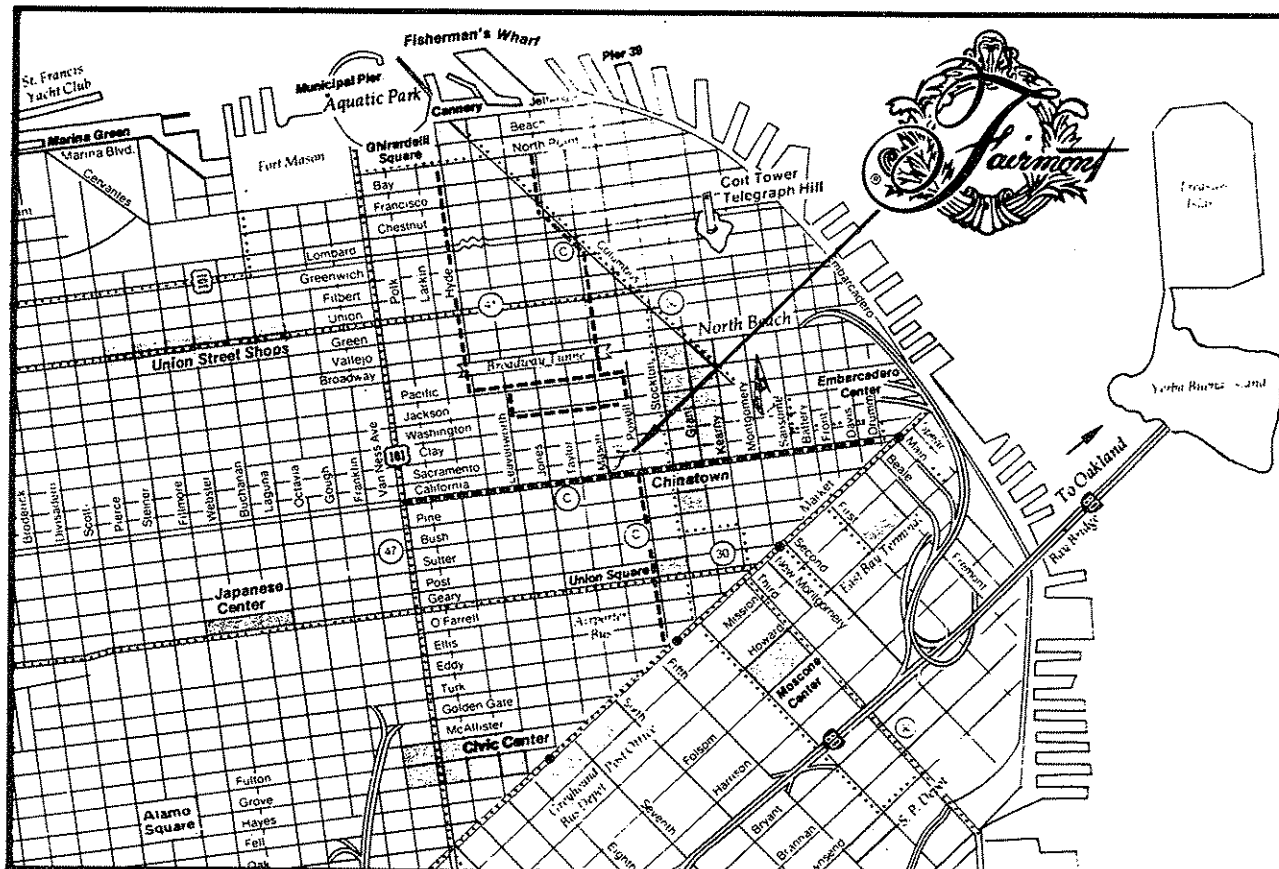
**EXPERIENCE:** At current post since 1988. Covers state regulatory agencies and business issues in the California legislature. Previously was a Capitol Hill correspondent and justice department correspondent in the Washington bureau of UPI.

Prior to that, had been a congressional reporter for an independent defense industry newsletter group, Space Business News/SDI Monitor. In 1985-86, was a Congressional fellow with the American Political Science Association. Previously had served as a staff writer with The San Diego Union and the Arizona Daily Star.

While on leave from the Arizona Daily Star, held a fellowship with the Inter American Press Association. During his college career, held reporting internships at The Boston Globe, The Wichita Eagle and The News-Journal, Wilmington, Del.

## Graziano

**NAME:** Joseph A. Graziano  
**TITLE:** Senior vice president and chief financial officer, Apple Computer, Inc.



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**EXPERIENCE:** Flanigan's twice-weekly column is syndicated and appears in such papers as Newsday, the Chicago Sun-Times, The Houston Chronicle, St. Louis Post-Dispatch and the Dallas Times Herald. Prior to joining the Times, he worked at Forbes, serving as assistant managing editor and bureau chief in Washington, D.C., Los Angeles, London and Houston.

Previously, Flanigan was a business writer for the New York Herald Tribune, working in New York and Paris.

**EDUCATION:** Bachelor's degree in journalism, University of Kansas

**EXPERIENCE:** At current post since 1988. Covers state regulatory agencies and business issues in the California legislature. Previously was a Capitol Hill correspondent and justice department correspondent in the Washington bureau of UPI.

Prior to that, had been a congressional reporter for an independent defense industry newsletter group, Space Business News/SDI Monitor. In 1985-86, was a Congressional fellow with the American Political Science Association. Previously had served as a staff writer with The San Diego Union and the Arizona Daily Star.

## Garcia

**NAME:** Philip J. Garcia  
**TITLE:** Business writer, The Sacramento Bee

**EDUCATION:** Bachelor's degree in journalism, University of Kansas

**EXPERIENCE:** At current post since 1988. Covers state regulatory agencies and business issues in the California legislature. Previously was a Capitol Hill correspondent and justice department correspondent in the Washington bureau of UPI.

Prior to that, had been a congressional reporter for an independent defense industry newsletter group, Space Business News/SDI Monitor. In 1985-86, was a Congressional fellow with the American Political Science Association. Previously had served as a staff writer with The San Diego Union and the Arizona Daily Star.

While on leave from the Arizona Daily Star, held a fellowship with the Inter American Press Association. During his college career, held reporting internships at The Boston Globe, The Wichita Eagle and The News-Journal, Wilmington, Del.

## Graziano

**NAME:** Joseph A. Graziano  
**TITLE:** Senior vice president and chief financial officer, Apple Computer, Inc.

**EDUCATION:** Bachelor's degree in journalism, University of Kansas

**EXPERIENCE:** At current post since 1988. Covers state regulatory agencies and business issues in the California legislature. Previously was a Capitol Hill correspondent and justice department correspondent in the Washington bureau of UPI.

Prior to that, had been a congressional reporter for an independent defense industry newsletter group, Space Business News/SDI Monitor. In 1985-86, was a Congressional fellow with the American Political Science Association. Previously had served as a staff writer with The San Diego Union and the Arizona Daily Star.

While on leave from the Arizona Daily Star, held a fellowship with the Inter American Press Association. During his college career, held reporting internships at The Boston Globe, The Wichita Eagle and The News-Journal, Wilmington, Del.

**EDUCATION:** Bachelor's degree in journalism, University of Kansas

**EXPERIENCE:** At current post since 1988. Covers state regulatory agencies and business issues in the California legislature. Previously was a Capitol Hill correspondent and justice department correspondent in the Washington bureau of UPI.

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**EDUCATION:** Bachelor's degree in journalism, University of Kansas

**EXPERIENCE:** At current post since 1988. Covers state regulatory agencies and business issues in the California legislature. Previously was a Capitol Hill correspondent and justice department correspondent in the Washington bureau of UPI.

## Convention '90

### Meeting schedule

Events and speakers planned at presstime. Schedule is subject to change. The convention is headquartered at the Fairmont Hotel, atop Nob Hill.

#### Saturday, April 28

2 p.m. - Board of Governors meeting

#### Sunday, April 29

9 a.m. - 3 p.m. - Trip to wine country will include a briefing by a panel of experts and lunch.

#### Monday, April 30

8 a.m. - Registration, continental breakfast

8:30 - 9:30 a.m. - John F. McDonnell, chairman and CEO, McDonnell Douglas Corp.

9:45 - 10:50 a.m. - The environment of the '90s

• Changing America: Tom Mandel, senior management consultant, SRI International

• Who reads business sections: James K. Gentry, SABEW executive director

• Changing audiences for newspapers: Jean Gaddy Wilson, executive director, New Directions for News

11 a.m. - 12:15 p.m. - How business sections are changing for the '90s: Marty Baron, business editor, Los Angeles Times; Peter Behr, business editor, Washington Post; Cathy Taylor, business editor, Orange County Register; John Lawrence, vice president, New York Stock Exchange

12:30 - 2 p.m. - Lunch. Carl Reichardt, CEO, Wells Fargo, speaker

2:10 - 3 p.m. - Norman Pearlstine, managing editor, The Wall Street Journal

3:15 - 4:45 p.m. - Concurrent workshops

• Business columns of the '90s - Herb Greenberg, San Francisco Chronicle; Jim Flanagan, Los Angeles Times; Jim Barlow, Houston Chronicle; John Crudele, New York Post

• Business job market of the '90s - Marty Baron, business editor, Los Angeles Times; Denise Carabet, assistant managing editor/financial and sports news, San Diego Union; Philip J. Garcia, business reporter, Sacramento Bee; Calvin Stovall, assistant to the managing editor, Atlanta Journal & Constitution

6 - 8 p.m. - Boat ride and cocktails

#### Tuesday, May 1

7:30 a.m. - 3:30 p.m. - Silicon Valley tour with stops at Apple and Intel. Meetings with Joseph Graziano, CFO, Apple; Andy Grove, CEO, Intel

4 - 5 p.m. - Annual business meeting

6:30 - 8 p.m. - Reception sponsored by the San Francisco Chronicle, the San Jose Mercury News and the Sacramento Bee

8 p.m. - Annual banquet, installation of officers. Keynote speaker: Joan Claybrook, president of Public Citizen and former director of the National Highway Traffic Safety Administration

#### Wednesday, May 2

8 - 9 a.m. Brunch.  
9 - 10 a.m. Carla Hills, U.S. trade representative, speaker  
10:30 a.m. - Convention ends

Bachelor's degree in Merrimack College, Mass.

Before assuming his title, Graziano was vice president at Sun Microsystems, where he held key financial positions. He served as an auditor and consultant as controller of Valley technology. He joined Apple in 1981 as chief financial officer.

Greenberg is a senior advisor, San Francisco

graduate, University

At current post, calculation and analysis. His column is syndicated prior to joining the firm at a year as an analyst for an arbitrage firm. He worked for the Chicago Tribune and the New York financial press as a financial writer.

he Tribune, Greenberg is senior editor of Crain's and as a business reporter with the St. Paul Pioneer Press and the Boca



S. Grove is president and chief executive officer of

Bachelor's degree in engineering from City College, Ph.D. from the University of California, Berkeley; master's degree in science from the University of New York. Named CEO in 1987. He has held the positions of chief executive officer, vice president and director

ted in the founding of the company. He holds several patents relating to surface-conductor devices. Writes the "Ask the Engineer" and "Answer" column.

ved as the basis for the book, One-on-One with

Andy Grove: How to Manage Your Boss, Yourself, and Your Coworkers.

### Hills

**NAME:** Carla A. Hills

**TITLE:** U.S. trade representative

**EDUCATION:** Bachelor's degree from Stanford University; law degree from Yale University; studied at Oxford University

**EXPERIENCE:** Hills was sworn in as U.S. Trade Representative Feb. 6, 1989. Before joining the Bush administration, Hills was co-managing partner of the law firm of Weil, Gotshal & Manges. She served as secretary of the United States Department of Housing and Urban Development in the Ford administration.

In 1974-75, she was assistant attorney general, civil division, U.S. Department of Justice. Until recently, Hills served on the boards of International Business Machines Corp., the Federal National Mortgage Association and Chevron Corp., among others.

### Lawrence

**NAME:** John F. Lawrence

**TITLE:** Vice president/speech and policy writing for the New York Stock Exchange

**EDUCATION:** Graduate of Oberlin College

**EXPERIENCE:** Before joining the NYSE in Oct. 1989, he was senior editor at Fortune. In 1987-88, he was a fellow at the Gannett Center for Media Studies where his research included an examination of the media's coverage of the stock market and of economic statistics.

Lawrence spent 19 years at the Los Angeles Times, where he was Washington bureau chief and assistant managing editor/economic affairs. From 1956-68, he was a writer and editor for the Wall Street Journal and was in charge of the Pacific Coast Edition for several years.

### Mandel

**NAME:** Thomas F. Mandel

**TITLE:** Senior management consultant, SRI International

**EDUCATION:** Bachelor's degree in Futuristics from the University of Hawaii, graduate studies in cybernetic systems and leisure studies, San Jose State University

**EXPERIENCE:** Mandel does futures research for strategic management and planning as well as macroenvironmental analyses of social, political, economic and technological futures. He creates decision-focused scenarios and scenario methods for planning, new business development and other uses.

Among his assignments at SRI have been projects concerning future developments in print media, advertising and electronic substitutes for paper as well as future developments in information technologies.

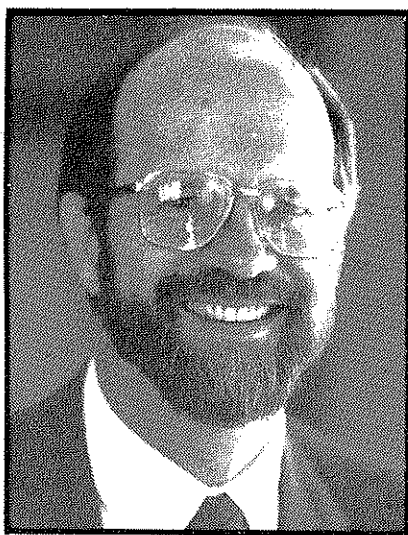
### McDonnell

**NAME:** John F. McDonnell

**TITLE:** Chairman and chief executive officer, McDonnell Douglas Corp.

**EDUCATION:** Bachelor's and master's degrees in aeronautical engineering from Princeton University

**EXPERIENCE:** Was elected to current posts in 1988. Previously has



served as chief operating officer, president, executive vice president. Joined the board of directors in 1973, after serving as corporate vice president for finance and planning, and as vice president of the subsidiary McDonnell Douglas Finance Corporation.

Began his career with McDonnell as a strength engineer after receiving his graduate degree.



### Pearlstine

**NAME:** Norman Pearlstine

**TITLE:** Vice president and managing editor, The Wall Street Journal

**EDUCATION:** Graduated from Haverford College in 1964 and earned a law degree in 1967 from the University of Pennsylvania

**EXPERIENCE:** Named to current posts in 1983. In 1982, had been appointed editor and publisher of The Wall Street Journal/Europe, located in Brussels. Prior to that, Pearlstine had been national news editor, based in New York.

From 1978 to 1980, he was executive editor of Forbes magazine. From 1976-1978, Pearlstine was managing editor of The Asian Wall Street Journal in Hong Kong. Was named Tokyo bureau chief in 1973. Before moving to Tokyo, he had served in the Los Angeles, Detroit and Dallas bureaus of the Wall Street Journal.

### Reichardt

**NAME:** Carl E. Reichardt

**TITLE:** Chairman and chief executive officer of Wells Fargo & Co. and of its principal subsidiary, Wells Fargo Bank

**EDUCATION:** Bachelor's degree in economics from University of Southern California

**EXPERIENCE:** Was named to current posts in 1983. Prior to 1983, he had served as president of Wells Fargo Bank, president of Wells Fargo & Co., and executive vice president of Wells Fargo & Co. with responsibility for the company's non-bank subsidiaries.

Joined Wells Fargo in 1970 as president of Wells Fargo Mortgage and Equity Trust and Wells Fargo Realty Advisors. Previously, he had been with Union Bank in Los Angeles for 10 years.

### Stovall

**NAME:** Calvin Stovall

**TITLE:** Assistant to the managing editor, Atlanta Journal and Constitution

**EDUCATION:** Bachelor's degree in political science, San Jose State University, 1976

**EXPERIENCE:** Until joining the Atlanta Journal and Constitution in February 1990, Stovall had been business editor of The Detroit News. Before being named business editor in October 1988, had served as day city editor and assistant city editor with the News.

Prior to joining the News, had served as metro editor and assistant metro editor at the Fort Wayne (Ind.) News-Sentinel. Began his career as a reporter with the San Jose Mercury News covering police, housing, city government and education.

### Taylor

**NAME:** Cathy Taylor

**TITLE:** Business editor, The Orange County (Calif.) Register

**EDUCATION:** Graduated with honors from University of Southern California

**EXPERIENCE:** Was promoted to business editor in 1988 after having served as assistant business editor and business writer (covering banks and savings and loans, corporate finance, economy and personal finance) at the Register.

Before joining the Register, she was assistant editor of the Los Angeles Business Journal. She also has co-authored a book, Entrepreneurism in America, and has written for London-based Euromoney and American Banker, in New York.

### Wilson

**NAME:** Jean Gaddy Wilson

**TITLE:** Executive director, New Directions for News

**EDUCATION:** Bachelor's degree in journalism, University of Missouri-Columbia. Graduate studies in journalism also completed at the University of Missouri-Columbia School of Journalism

**EXPERIENCE:** Has been executive director of New Directions for News, a journalism research and development institute for innovation based at the University of Missouri-Columbia, since 1988.

Previously served as interim director and liaison officer for NDN. Has been on the faculty of Missouri's School of Journalism since 1984. Has researched the role of women in media and currently is completing a master's thesis on women in the media before the 21st century.



# Business editors make strong effort to reach community

(Continued from Page 1)

could be improved if you knew more about who we are and what we do, at least so far as business news is concerned."

Moeller also daily publishes a staff box that lists each member and his or her phone number individually.

■ **Hartford Courant:** Louis Golden, business editor, runs a "How we can help you?" box daily.

Inviting readers to communicate with his staff, Golden lists the specific duties and beats of each of his editors and reporters.

■ **Kansas City Star:** Randy Smith, assistant managing editor-business, saw the recent merger of the afternoon Star with the same company's morning Times as an ideal opportunity to make sure the newspaper would give its readers what they want.

So he convened focus groups of general readers and business executives.

The focus groups showed that readers wanted to see opinions about business issues.

So Smith started a weekly opinion page that presents guest columnists from the local business community, and letters to the business editor.

Smith also recruits as regular column writers people in the business community who have expertise in areas such as time management and health-care issues.

Also, out of his belief that "there should be many windows into the paper," Smith has put together a detailed listing of the Star business section's regular features — such as its small-business profiles — and the paper's own guidelines for decisions on the subjects of those features.

He passes out copies of the criteria sheet when he makes public appearances.

■ **San Jose (Calif.) Mercury-News:** John Epperheimer, assistant managing editor, has found that the business section's own profile-raising activities have dovetailed nicely with a corporate initiative by Knight-Ridder, its parent chain, to "put readers first."

The business staff is among those offering readers specific evenings to phone in questions and complaints to editors and staff members.

"It's amazing how many people call and are glad they did," Epperheimer says.

"Even if they feel strongly opposed to something, they're just so glad that you're willing to set aside the time that the conversation is much more constructive than the sporadic contact you have with people otherwise."

The Mercury-News business section has an opinion page, including letters to the editor and commentaries by executives.

Epperheimer also has made a special effort to get readers' input on how the paper covers technology, the hotly competitive beat that is crucial to understanding the Bay Area economy.

When Executive Business Editor Bill Roberts makes speeches, he hands out a survey asking attendees how they rate the paper's technology coverage. The paper publishes a similar survey for readers.

■ **Orange County (Calif.) Register:** Taylor is reviving the paper's advisory committee of local executives who make suggestions that may be reflected in the paper's coverage or may evolve into specific stories.

Register reporters also use committee members as a sounding board for reactions to general business news such as federal budget proposals.

■ **Washington Post:** Peter Behr, assistant managing editor-business, distributes widely in the business community a list of who does what in his department.

The Post also hosts an annual luncheon for about 100 members of the business community, who are treated to a speech by a heavy-hitting Washingtonian.

■ **Allentown (Pa.) Morning Call:** Charles Jaffe, business editor, holds a series of three or four sessions every few months to which he invites as many as 200 local executives and public relations people just to chat about the paper's business coverage.

He says a majority of those attend enthusiastically.

"We had a lot of work to do," he says. "We started out with a lot of people who didn't even know, for instance, that reporters don't write headlines."

As for myself, I've tackled this task in two markets: St. Petersburg and Milwaukee. In my 2 1/2 years of managing the business sections of the St. Petersburg Times and the Milwaukee Journal, I've found a number of tactics effective:

■ **Write a column.** It's great to have reporters or other staffers write regular

## The Courant

### How can we help you?

We invite readers to write, call or visit to share their opinions, ideas for news stories and letters to the editor. The business-news office is located at 285 Broad St., Hartford, and is open Monday through Friday from 9 a.m. to 5 p.m. Telephone: 241-6736 or toll-free, 1-800-524-4242, Ext. 6736.

■ **Louis J. Golden,** business editor, oversees all business sections. He can be reached by calling 241-3857 or toll free, 1-800-524-4242, ext. 3857. News releases may be sent to him at 285 Broad St., Hartford, CT 06115.



Louis J. Golden  
Business Editor

■ **James Doody,** deputy business editor/news, supervises the business sections that appear Tuesday through Saturday. He can be reached by calling 241-3907 or toll free, 1-800-524-4242, ext. 3907.

■ **Patricia E. McNerney,** deputy business editor/weekends, supervises the Sunday business section and Business Weekly. She can be reached by calling 241-3850 or toll free, 1-800-524-4242, ext. 3850.

■ Many of the business reporters cover specific industries. They may be reached directly by calling 241-6736 or toll free, 1-800-524-4242, ext. 6736. They are:

|                    |                                       |
|--------------------|---------------------------------------|
| W. Joseph Campbell | Manufacturing, foreign trade, economy |
| Mary Agnes Carey   | Inside Business                       |
| Deborah Duffy      | Utilities                             |
| Pamela Klein       | Retailing                             |
| Diane Levick       | Insurance                             |
| Lawrence B. Rasie  | Real estate                           |
| Michael Remez      | Labor, workplace issues               |
| Peter H. Stone     | Banking                               |
| Robert Weisman     | Defense industries, aerospace         |
| Stephen Williams   | Personal finance, marketing           |

■ **Freelance submissions:** Freelance articles and proposals should be submitted to Patricia E. McNerney, deputy business editor/weekends at 241-3850 or toll free, 1-800-524-4242, ext. 3850.

■ **General information:** The Courant publishes several lists in Business Weekly each Monday, including business appointments, coming events, new businesses and marketing news. To submit information for these lists, please call Patricia E. McNerney, deputy business editor/weekends, at 241-3850 or toll free, 1-800-524-4242, ext. 3850.

### Hartford Courant box gives readers plenty of information

columns.

But there's something special to business readers, I've found, about the business editor writing a column. Perhaps that's because they know you're the "official" voice of the business section.

And to the extent that you seem to reflect, or at least respect, their point of view, your section gains esteem in their eyes.

A Milwaukee businessman offered another reason for the business editor to produce a regular column: It draws the editor further into the business community, an essential practice of he or she is to form firsthand judgments about coverage.

"Few business people are going to call you in your role as business editor, simply because many of them don't understand your influence — and also because, if they don't see you get stuff into the paper, they don't think of you as someone who can reflect their ideas in the paper,"

the businessman said.

"But if you've got a column, they know about the outlet. They call you with ideas. They respond to your opinions. You set up a dialogue."

I've also found, working for a newspaper with a long tradition of liberalism, that local business people appreciate my column as a friendly island in a publication that, overall, they frequently disagree with.

And I don't necessarily have to adopt sharp-edged positions, like the Wall Street Journal editorial page, to appeal to them. I just need to have an attitude that is willing to grant that doing business profitably as well as responsibly is a general societal good — all by itself.

To most business people, seeing a newspaper admit that is stunning in itself.

■ **Make lots of personal appearances.** Business people, on the whole, are fast (See LOCAL, Page 7)

## Quality survey can provide valuable information

By Charles A. Jaffe

Executives have long memories.

Ask their opinion of your coverage and they'll bring up an error made 10 years ago and say that the paper never gets anything right.

That's why most journalists don't spend much time asking sources about particular stories. Traditionally, no news is good news when it comes to feedback.

But there's a lot to be gained from asking sources about performance. Studies have shown that, in other businesses, "report cards" score high marks with customers, increasing consumer confidence both in the company's ability to do the job and to straighten things out when a mistake is made.

With that in mind, our paper, the Morning Call of Allentown, Pa., surveyed virtually all sources named in stories written by the business staff during the first half of 1989.

Each source was sent a copy of the story he or she was mentioned in, an eight-question survey, a return envelope and a letter asking for participation.

In all, 136 surveys were mailed. In most surveys, a 30 percent response would be outstanding; in our case, 109 were returned for an 80.15 percent response rate.

The response to our effort was overwhelmingly positive; executives were, at times, shocked that we'd ask their opinion on how we did our job.

While the staff and I sometimes winced

at the returns, we learned a lot about the quality of our work; we greatly improved our relationship with sources in the process.

One important note: we did not use the survey results in our personnel evaluations.

Here are the questions and results:

1. Does the accompanying story fairly and accurately report the event?

Response: 96.2 percent yes, 3.8 percent no.

Many of the complaints in this category involved errors of omission, which we will return to later.

2. Is the headline accurate?

Response: 96.2 percent yes, 3.8 percent no.

3. If you were quoted, were you quoted

accurately?

Response: 97.1 percent yes, 2.9 percent no.

Again, more than half of the problems involved omissions, such as quotes the source felt should have been included for a balanced presentation.

4. Were the quotes or information you provided for us used in their proper context?

Response: 95.2 percent yes, 4.8 percent no.

Complaints in this area tended to involve technical information where, in the source's opinion, our explanation lacked sufficient detail.

5. Are you aware of any errors of fact or omission?

(See QUALITY, Page 8)

## Job listings

"Job listings" is a service of The Business Journalist. To list a job, free of charge, fax a three- to five-paragraph announcement to 314-882-9002.

### Dow Jones report

Professional Investor Report, a real-time electronic newswire that follows the intraday moves of individual stocks, is accepting applications for anticipated openings in its New York office.

The report is a service of Dow Jones & Co. Applicants should have at least two years reporting experience, preferably including coverage of business-related topics. In addition to an interest in business reporting, applicants should have a desire to grow with the product.

For more information, contact: Timothy Andrews, managing editor, Professional Investor Report, Dow Jones & Co., 200 Liberty St., 12th Floor, New York, NY 10281, 212-416-2460.

### Palm Beach Review

The Palm Beach Review, one of three daily newspapers in South Florida specializing in thorough business, legal and real estate coverage, is looking for two enterprising, investigative reporters. One will cover business, the other real estate.

Candidates should have a minimum of five years experience with an eye for unconventional stories, who get a kick out of digging for that last, tough detail that nails their subject.

Small but aggressive Time Warner-affiliated papers offer high-caliber editing and the kind of freedom to pursue difficult stories not enjoyed by many colleagues at larger dailies.

To apply, send resume and clips to Deborah Petit Lowe, executive editor, Palm Beach Review, 328 Banyan Blvd., West Palm Beach, Fla. 33401.

### Asbury Park Press

The Asbury Park Press, one of the Northeast's leading regional newspapers, has two openings in its 10-person business department.

The paper is seeking a business editor to continue its leadership in local, regional and state business coverage. Candidates should have a keen eye for identifying trends, sound editing skills and strong managerial abilities. Column-writing skills a plus.

Paper also is seeking a reporter to cover news of local, regional and statewide businesses that affect prime circulation area. Candidates should have four or five years reporting experience; preferably two or three years in business news.

Send resume and section or writing samples to Raymond J. Tuers, senior managing editor, Asbury Park Press, 3601 Highway 66, Box 1550, Neptune, N.J. 07754-1551.

### Las Vegas Sun

The Las Vegas Sun is seeking a self-starting business writer with at least three years experience. The person would cover community-oriented business issues and be able to relate national breaking news to the Las Vegas community.

Send resume and clips to Art Nadler, business editor, Las Vegas Sun, 121 S. Martin Luther King Blvd., Las Vegas, Nev. 89106. No phone calls, please.

### Business journal

The Washington Business Journal, D.C.'s award-winning business newspaper, is seeking high-tech and banking reporters. Looking for bright, sharp-edged reporters who cherish enterprise stories.

Call or send resume to Mark Pawlosky, editor, WBJ, 2000 14th St. North, # 500, Arlington, Va. 22201, phone 703-875-2200.

### Cahners newspapers

Cahners Business Newspaper Division is seeking full-time reporters for its operation based in North Carolina. Candidates should have a strong interest in specialized business journalism.

Rapid development of both new and existing publications offers significant opportunities for career growth. North Carolina headquarters, in Greensboro/Winston-Salem/High Point, is an ideal spot for relocation.

Send resume to: Business Reporter, P.O. Box 2754, High Point, N.C. 27261.

### News-Press/Gazette

The St. Joseph (Mo.) News-Press/Gazette is seeking a business editor. Paper's circulation is 45,000 daily, 50,000 Sunday. Chance to head four-person business staff and guide growing emphasis on biz/ag news. Come to liveable, family city of 75,000 located 50 miles from Kansas City metroplex.

Join new Pulitzer Prize-winning executive editor who has great plans for this independent daily. Salary and fringes competitive.

Send written inquiries only to George Lockwood, executive editor, P.O. Box 29, St. Joseph, Mo. 64502.

### Editor in chief

Editor in chief wanted by national publishing firm. Salary \$45,000-\$60,000, depending on experience. Key position with established national publisher of management newsletters (160,000 subscribers).

Excellent career move for energetic, skilled individual who enjoys writing, editing and supervising writers. Requires journalism degree, 10 years experience, desktop publishing and knowledge of management.

Thirty-minute commute from Sioux City (population 100,000). Moving subsidy. Low cost of living, quality schools, nearby university.

(See JOBS, Page 8)

# Local appearances part of editor's job

(Continued from Page 6)  
cinated by the media.

They're particularly interested in putting faces on the local newspaper that, often, seems to have as much to say about the fate of the community — and often seems inimical to business interests.

So in both Florida and Wisconsin, I've made every speech, participated on every panel, attended every meeting to which I've been invited.

The groups get a speaker. What does my paper get out of these appearances?

I score some points for my business section because, inevitably, I can't be as objectionable to business people as a live human being as is their perception of the newspaper. And I hear some great chatter and meet potential sources.

What's more, I've found that making lots of appearances isn't as much of a strain as it might seem it would be.

For one thing, I find two or three stock speeches, adapted extemporaneously to fit the day and occasion, to be plenty of forensic ammunition.

That's because, in most cases, business people just want to get a look at you.

And I find that the speeches needn't be long — usually a maximum of 15 minutes.

My audiences tend to be much more interested in asking their own questions of me, about business and about the newspaper, anyway.

■ Toot your own horn. We believe that the perception of our newspaper in the local business community calls for some special profile-raising initiatives.

One is that we've joined as a cosponsor of an annual award to the "business leader of the year" with our state's Harvard Business School Alumni Club.

Naturally, we've covered the award and its recipients extensively.

Another special effort for us this year will be involvement in Inc. magazine's annual national Conference on Growing Companies, which will convene in Milwaukee in June and bring more than 500 CEOs from across the country to Wisconsin.

■ Give them a peek. I've started a regular habit of inviting business executives to sit in with the Journal for a morning.

Many are news hounds in the first place and are fascinated by how the media work.

Just as important as raising your sec-

tion's profile in the business community is encouraging executives to raise their own visibility in your pages.

I've tried a number of tactics:

■ Roundtables. We've had success with the first two incarnations of a format we intend to continue: a roundtable business representatives battling around an issue.

Then we publish an edited transcript of their remarks.

Our first topic was changes in the retailing industry.

After learning some things, such as how setting up natural conflicts among such a group would enhance the discussion, our second session was better.

For it, we gathered about 10 executives, civic leaders and academics to discuss the legacy of merger mania in Wisconsin; the roundtable transcript, reflecting the dynamic discussion, accompanied a week-long series of stories on the same topic.

■ "Executive Forum." We invite local business people to submit 1,000-word commentaries on issues of general business concern; we publish them about every other Friday.

We also urge them to submit copies of recent or upcoming speeches for this feature.

Forum topics in the pipeline include the No. 2 executive of the state's largest utility in a speech addressing the Milwaukee business community's agenda for the 1990s.

We also recently began publishing business-related letters to the editor.

■ "Adviser" column. As part of our special emphasis on covering small and growing businesses, every Monday we publish a contribution from a local entrepreneur or small business executive offering advice to readers about specific challenges of nurturing a small company.

■ "Marketplace" mentions. We actively court mention of our stories on National Public Radio's "Marketplace," a half-hour late afternoon program of business news.

Local Price Waterhouse accounting offices are the show's contacts for business news from local newspapers. (We do, however, have a handicap because of our p.m. production cycle; Price Waterhouse's deadline is 9:30 a.m.).

Dale Buss is business editor of the Milwaukee Journal.

# Media manipulation rampant, Crudele says

(Continued from Page 1)

said, that acquisition is not yet allowed by changing interstate banking laws and by the time it is allowed, it will be too expensive for First Chicago because of a turnaround being engineered by a new First Bank CEO.

Anthony took notes on the conversation and passed them along to Neal, who wrote the story. He didn't check back with First Chicago — as he should have — because it was after office hours and because the caller said he was taking his wife out for Valentine's Day dinner and couldn't be reached. The real Richard Thomas called the next day, setting in motion a front-page retraction, calls to the Star Tribune from inquiring reporters and angry shareholders, and other chaos that added up to what we refer to as our "St. Valentine's Day Massacre."

This incident received the attention it did because the story was based on an in-

terview with a named source who hadn't really talked to us. That is unusual, and, after much discussion and soul searching, we've concluded the only way to avoid this problem is to put off publishing a story if there's any doubt that you're quoting the person you think you're quoting.

But we all know that false stories get printed daily based on information from unnamed sources. The infamous impostor who called us might have used Thomas's name because he knows we have strict rules about the use of unnamed sources. We discourage the use of such sourcing and have told our readers that in a front-page letter from our executive editor, Joel Kramer.

We also learned that lesson the hard way. Our anonymous-sources policy was adopted after a city desk reporter quoted sources as saying a prominent local heart surgeon had ordered an operation on a patient who already was dead. When the story was challenged, the reporter ad-

mitted his anonymous sources did not have direct knowledge of the incident they described in the story.

So Kramer told readers we'll never use information from anonymous sources if those sources don't have direct knowledge of the information we're attributing to them.

But our editor allows us to violate that rule by saying we can report on rumors if those rumors are moving a stock — which makes us vulnerable to the kind of manipulation that Crudele says goes on every hour.

Crudele has been doing Wall Street reporting for a long time — with the New York Times, New York Magazine and Reuters before the Post. He is troubled at how easy it is for stock manipulators to use the business press.

"What they do is spread a rumor around Wall Street, having an effect on a stock price, and then they make sure a journalist is aware of the rumor," Cru-

dele said. "It's pretty sophisticated manipulation of the press."

John Oslund, the assistant business editor who handled the infamous First Chicago story, wrote the following to the staff after reflecting on our mistake:

What we had was a credible, single-source, on-the-record tidbit of a story that came in late and could not be confirmed. And it was totally fabricated. How can we guard against such hoaxes?

We offer this checklist.

1. What time is it? If late, can it be confirmed? If no, don't publish.
2. Will it move the market? If yes, see No. 1.
3. Is it important? If yes, check it further. If no, then hold it.
4. Was the call unsolicited? If yes, see No. 1.

Larry Werner, president of SABEW, is assistant managing editor/business at the Star Tribune in Minneapolis.

## Jobs

(Continued from Page 7)

We offer personal growth and the rare opportunity to share in the financial rewards of a successful company.

Send letter of application, resume and writing samples to: Publisher, CMS Newsletter Group, Box 259, Akron, Iowa 51001.

## Newsletter

Start-up newsletter for higher education audience seeks freelancers/stringers interested in starting out with us for byline and/or modest compensation. Exciting venture with excellent prospects for greater rewards. Intent is to develop a regular panel of financial experts/correspondents as publication grows.

Seek reporting/writing skills in following areas: employee benefits/pension plans, retirement, 403(b), taxes, mutual funds, life insurance, fringe benefits.

Send resume, clips to Gary Kraske, 4309 Van Buren St., University Park, Md. 20782.

## Jobs wanted

"Jobs wanted" is a service of The Business Journalist. To list yourself, free of charge, call James K. Gentry.

To contact journalists seeking positions, call the administrative offices and we will put you in touch with those seeking jobs.

## Editor seeking post

Experienced editor and page designer is looking for opportunity on a business desk.

Now working as a teacher and assistant news editor at the University of Missouri-Columbia School of Journalism while completing work toward a master's degree in journalism. Has worked as assistant news editor and wire editor at The Sacramento Bee and as layout editor for the Dallas Morning News. Other experience includes editing and reporting in Europe.

With nine years in newspapers, has worked copy from business to sports. Strong in page design and editing skills. Looking for position at newspaper that values sound, thoughtful news judgment and good layout and editing.

## Editor seeks job

Award-winning associate editor, two years experience, in charge of special publications for a small, weekly business publication in Florida seeks comparable or managerial-level position with 50,000-plus circulation business publication. Will consider relocating.

Experience includes two two-month stints as the weekly's co-acting editor; one year prior work as editor/circulation director of an airline industry trade magazine; and three years work as a general assignment reporter for a small Midwest daily newspaper. Started in business in 1980 as a copy boy at a 100,000-plus circulation daily in North Carolina.

## Reporter seeks position

Experienced business reporter is looking for a new challenge at a newspaper dedicated to aggressive coverage of business.

Now working at a metro paper as a banking/insurance reporter. Has covered everything from heavy manufacturing and high-tech to multibillion-dollar corporate takeovers and criminal/SEC investigations.

Graduate of University of Missouri's Davenport Fellowship Program for business reporters. Bachelor's degree in journalism.

Seven years total reporting experience. Prolific writer who wants to work for a business editor who enjoys going beyond daily coverage and encourages in-depth, investigative business reporting.

## Institutional plan

More than 150 business journalists have applied for SABEW membership under the new institutional membership plan implemented in February.

If you missed the announcement on institutional memberships and would like to take advantage of this new opportunity, contact James K. Gentry at SABEW administrative offices at 314-882-7862.

# Quality survey impresses executives

(Continued from Page 6)

Response: 12 percent yes, 88 percent no.

Interestingly, we only ran one correction for a story covered by the survey, meaning that much of our problems involve errors of omission. As a result, we've emphasized the need for reporters to ask the question, "What were you prepared to answer that I have not asked?" before leaving an interview.

When we repeat the survey, we will change the question to account for the different types of errors.

6. Were the names correct?

Response: 95.4 percent yes, 4.6 percent no.

That we could score this poorly was truly dumbfounding. In one case, we had been spelling a major source's name wrong for several years; it was incorrect on his survey envelope.

The business community has a partic-

ularly long memory for bad spelling; in two cases, we spelled names correctly but were reminded about errors that occurred more than five years ago.

As a staff, the results for this question were a wake-up call to double-check all names and spelling.

7. In your opinion, was the emphasis of the story and headline fair?

Response: 96.1 percent yes, 3.9 percent no.

8. Did the reporter and/or photographer behave courteously and professionally?

Response: 98 percent yes, 2 percent no.

When the survey period ended, I prepared a report on the results, analyzing problems and what we can do to improve. After reviewing results with staff and management, I presented a summary to the business community at Business Round Table meetings in February and March.

The executives — about 90 attended the four meetings — were quick to praise us for our efforts. Most said they are more willing to work with us now because — through the survey, the Round Tables and other initiatives — we've shown concern for getting things right and responding to community needs.

With that in mind, the public relations value of the survey will pay tremendous dividends.

As for performance improvement, I believe we are better for having done the survey.

I'll know for sure after the first six months of 1991, after we complete another quality survey and compare results.

Charles A. Jaffe is business editor of the Morning Call in Allentown, Pa. For copies of his section's quality survey, contact him at 215-820-6694.

## Here's what SABEW can offer you:

### 1. The Business Journalist

A bimonthly journal featuring articles on a wide variety of business topics. Emphasis is on pieces that keep you posted on developments in business and economic reporting; "how to" reports to give you the nuts and bolts of stories you can write; news on what other business journalists are doing, and news and information on SABEW activities.

### 2. Business Journalism Resource Center

Don't be stymied by not knowing where to turn for information on a business story you're writing. Call the SABEW Administrative Offices for assistance in locating sources. The Administrative Offices also can provide online computer searches by trained librarians and journalists. The searches, which frequently turn up citations you may have overlooked, are available at cost.

### 3. SABEW National Convention

The national convention is held every May. Sessions feature addresses by corporate executives such as John Scully and Robert Wright, and hands-on activities to help you improve your reporting and writing. Every other year the convention is in New York or Washington.

### 4. SABEW Membership Directory

Updated every six months, the directory can put you in touch with several hundred business journalists across the nation. Available only to members.

### 5. Newsroom Seminars

The Executive Director and other SABEW members will come to your newsroom to discuss business journalism techniques. Half-day or full-day seminars can be tailored to your newspaper's needs.

## SABEW membership application

Please fill out this form and send it with your check for \$40

Name: \_\_\_\_\_

Affiliation: \_\_\_\_\_

Title: \_\_\_\_\_

Job description: \_\_\_\_\_

Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Business Phone: \_\_\_\_\_

Home Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Areas of expertise: \_\_\_\_\_

Brief career history: \_\_\_\_\_

### Mail application and checks to:

James K. Gentry  
Executive Director, SABEW  
School of Journalism  
University of Missouri  
Box 838  
Columbia, Mo. 65205

### Who can join

SABEW membership is restricted to persons engaged as their principal occupation in reporting, writing or editing business or financial or economic news for newspapers, magazines, newsletters, press or syndicate services, radio or television, or teachers of journalism or business subjects at recognized colleges or universities or other organizations deemed appropriate by the Board of Governors.



# The Business Journalist

Volume 29

Society of American Business Editors and Writers

August 1990

## Northeast recession hits business pages

By Richard L. Papiernik

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But by the end of the month, after struggling through a first quarter that brought continuing declines of about 10 percent in advertising lineage, the newspaper cut its budget by 13 percent.

Ten full-time staffers and about 17 part-timers lost their jobs. Five of the staff positions came out of the newsroom.

Pearl, one of about 50 remaining news staffers, found he no longer was a full-time business reporter. He was assigned to a municipal beat. That left the business staff with one editor and a couple of others who occasionally write business stories — many of them dealing with job cutbacks.

"Layoffs were something our members only used to cover — it is hard for us to accept that we are not immune to the eco-

nomie problems of the area," wrote the Eagle News Association, an in-house union, in a statement following the layoff announcement.

Throughout the Northeast, Pearl and other business news writers and editors are getting first-hand experience in the impact of the deteriorating business climate.

"We have become part of the situation we are covering," said Peter Phipps, financial editor at the Providence (R.I.) Journal. "It is naive to assume otherwise. The First Amendment gives us no immunity on this one."

Classified advertising for the first quarter of 1990 was down 6.4 percent from the same period in 1989, the Newspaper Advertising Bureau reported. Retail advertising was up just 2.7 percent and national advertising was up 5.4 percent.

First-quarter operating revenues for 14 publicly owned newspaper companies tracked by Lynch, Jones & Ryan, a Washington-based investment firm, were down 16 percent from the year-earlier quarter.

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By Kenneth T. Berents

The watchword for the newspaper industry in 1990 is gloom, but the scare word is doom.

Serious investors, and even a few newspaper executives, are questioning whether the present advertising recession, which has paralyzed the industry, is cyclical or secular in nature.

We would underweight newspaper stocks because:

■ Daily newspapering is not a business that has gone bad. Rather, it is a mature industry whose monopolistic dominance has been overcome, in our

opinion, by secular changes.

Automatic double-digit revenue gains of past years have dropped to hopeful increases for the 1990s. Impressive margin gains of the 1980s already have keeled over into declines.

■ In our opinion, a secular slide already is under way, and, as a result newspaper stocks probably will not outperform the market. Lower growth should translate into market — or lower — multiples rather than the premiums of the past. In addition, asset values, keys to our analysis, are either flat or declining.

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When Shields returned to his office the next morning, he found messages from 57 reporters wanting him to return calls. That was a slow day.

A year after Congress passed the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA), which effectively sounded the death knell for many savings and loans, the successor

agency to the old Federal Home Loan Bank Board is acting a lot like the group it replaced.

Informational black holes, understaffing and bureaucratic back-covering have characterized the RTC, whose official task is to "contain, manage and resolve failed savings associations and recover funds through the management and ultimate sale of the institutions' assets."

The massive restructuring of the savings and loan industry has proved to be an expensive dud that grows more costly every day. Latest estimates from the General Accounting Office place the 30-year tab for cleaning up the nation's thrifts at \$500 billion.

Meanwhile, the bailout legislation has vastly changed the areas that bank and thrift regulators monitor, and opened up

to reporters new story possibilities.

First, the changed thrift landscape:

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## Law opens lending data to reporters

By Marian Lucas

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The Community Reinvestment Act of 1977 calls for banks and thrifts to meet the credit needs of the markets they serve, but enforcement by regulators has been lax and most institutions consistently have received the equivalent of a satisfactory CRA score.

That may be about to change.

For examinations completed after July 1, 1990, lenders must disclose their CRA ratings and evaluation reports. Previously, institutions only were required to maintain a file listing their efforts at serving the community, the kind of credit they could extend and letters from activist groups. Often, the file contained few clues as to the institution's real lending practices.

Instead of the previous numerical rating system, which ranked a bank on a 1 to 5 scale (with 1 the best), a four-tiered descriptive rating system is being used.

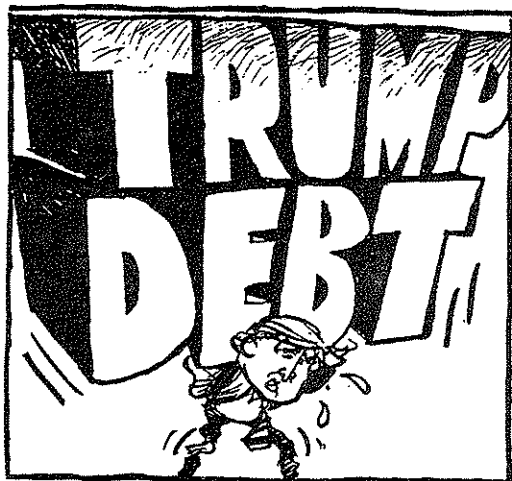
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## Stickler, Bleakley take new positions

For 10 years Bob Stickler was a mainstay at the Miami Herald; now he's in PR at Barnett Banks. For more than a year, Fred Bleakley shook things up at American Banker; now he's out. For more on these changes and others, see Page 2.

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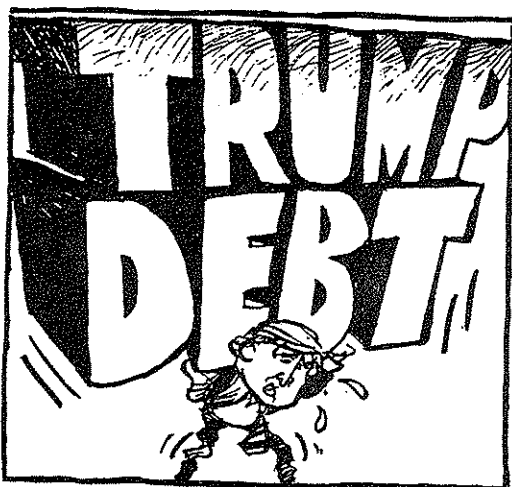
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