

## Top officials to address convention

Government officials, regulators, bankers and journalists will headline SABEW's convention April 28 - May 1 at the Washington Marriott in Washington, D.C.

Secretary of Transportation Samuel K. Skinner will kick off the convention at 9:15 a.m. Monday. Richard C. Breen, chairman of the Securities and Exchange Commission, and Rep. Jim Leach, a member of the House banking committee, are featured on Tuesday's schedule.

Michael Boskin, chairman of the President's Council of Economic Advisors, will conclude the convention on Wednesday.

Practical sessions for editors and reporters are spread throughout the program.

Chris Welles, senior writer at Business Week, will offer a critique of business journalism. And Bill Dunn, demographics editor at USA Today, and Peter A. Bounpane, assistant director of the Bureau of the Census, will discuss using census data.

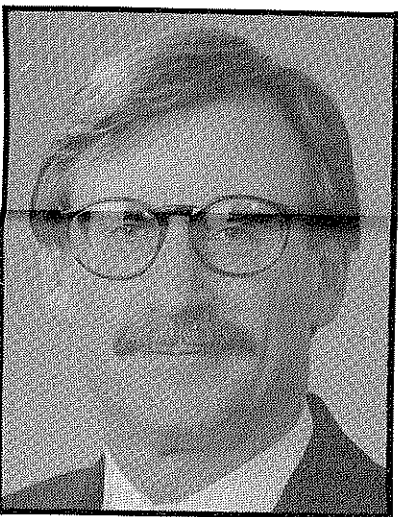
Registration cost, including meals, is \$265. Day registration, without meals, is \$25.

Registration information went to members several weeks ago. If you did not receive yours, contact the administrative offices at 314-882-7862.

**Convention schedule, speaker bios on Pages 6 - 7.**



**Samuel K. Skinner**



**Michael Boskin**

## Private company defaults on \$165M in bonds, stocks; here's how to get the story

**By Allan Sloan**

Every once in a while, you get lucky. Which is how I found the information to write a column about how a subsidiary of General Electric defaulted on \$165 million of junk bonds and junk preferred stock, and how I managed to document the history of financial excesses that caused the default.

The GE subsidiary, called Edgell Communications, issued a cryptic news release in mid-July saying that it wouldn't make a \$7 million interest payment due on its junk bonds. Neither Edgell nor GE nor the people who put the deal together at the end of 1987 would provide anything other than name, rank and serial number.

Despite that, within a few days after the announcement, I had all the information that I needed to write a scathing July 22 column about the Edgell default, and how it had been caused by overborrowing. And how about how three separate GE subsidiaries—Edgell, GE Capital Corp. and Kidder, Peabody & Co.—were involved, taking millions of dollars of fees.

The secret: Publicly available financial documents, sitting in Securities & Exchange Commission files for anyone to find. All the numbers and history in my column came out of the SEC's files.

Why did Edgell, which is a private company, file information with the SEC? Be-

cause its bonds are publicly traded. And even after Edgell used a loophole in the securities law to stop filing, something called New Century Communications—which is the GE subsidiary that actually owns Edgell—was still filing SEC financials, because New Century registered its preferred stock for trading.

All the information contained in my column—the fees for putting the Edgell LBO together, the amount of money invested by Edgell's major stockholders, Edgell's financial structure and the fact that Edgell's cash flow wasn't enough to pay its interest and dividends—came from Edgell and New Century documents.

The fees were laid out in loving detail. You saw, from reading Edgell's bond prospectus and its 10K annual report, that GE paid about \$23 million for 70 percent of Edgell's stock, but had taken out more than \$17.5 million in fees and other goodies to put the deal together. This meant that GE had ended up with 70 percent of Edgell for a net cost of \$5 million or less. My favorite fee was \$3,341,200 that Kidder got for putting the deal together. It was clear that this was 1% of the deal, down to a measly \$200.

Because I was in a hurry and didn't want many people to know I was working on this story, I took the high-cost, high-speed route. I ordered all the documents from Bechtel Information Systems. (Bechtel has since been (See PROSPECTUS, Page 3)

## Small business beat yields column opportunities

**By Jane Applegate**

Imagine covering a beat with 18 million-plus people. It's a chilling thought, even for a veteran reporter.

But that's about how many American small business owners have stories to tell. And the same group is searching for practical, affordable remedies for their daily business headaches.

Trying to cover the small business beat seems impossible because there are so many unrelated businesses with different interests. There are no slick annual reports or Wall Street analysts to call for comments. Reporters rely on a few small business organizations for leads and background, and can turn to the U.S. Small Business Admin-

istration for the government's view.

Approach most business reporters with the idea of covering small business and watch his or her eyes glaze over with visions of endless Rotary Club luncheons and Chamber of Commerce meetings.

Yet for me, the small business beat has been a terrific opportunity to grow as a writer. It's a lively beat, filled with fascinating folks who have survived adversity and lived to spin a good yarn about their experiences.

Covering small business was also a welcome change after 12 years of covering energy issues, financial fraud, and the federal courts.

In 1988, Los Angeles Times editor Shelby Coffey III and former business editor Martin Baron asked me to create a lively column



**More small business stories on Pages 4 - 5.**

filled with advice and inspiration for small business owners. The weekly column is illustrated with a photograph and features a "tip box" filled with checklists and resources.

After the euphoria of being offered this great opportunity passed, the terror set in. I realized I knew nothing about how to run a small business and had never worked for one, other than a small newspaper.

How could I offer practical advice to millions of business owners and retain my credibility?

My solution was to seek out successful and experienced business owners who were willing to share their stupidest mistake or the dumbest thing they ever did. Through their lessons, others could learn what NOT to do.

After interviewing business owners, I interview experts and consultants who specialize in small business problems to collect additional tips and information.

This formula has been successful from day one. Business owners are thrilled to share their experiences in exchange for the exposure. The consultants are happy to share their expert advice for the opportunity to attract new clients.

I know my column, in syndication since April 1990, has helped improve local small business coverage around the country. Edit- (See BALTIMORE, Page 9)

### San Jose editor

After searching for almost a year, the San Jose Mercury News has named Bob Ryan as executive business editor. See Business Newspeople on Page 2.

### Small town story

Jim Davis left the business department of the Kansas City Times to run a weekly. He's bringing business news to a small town. See story on Page 3.

### Recession reports

As the recession staggers on, business reporters continue to look for ways to document things locally. For ideas, see story on Page 8.

### Regional winners

Despite hard economic times, most regional business publications seem to be weathering the difficulties. In fact, some are benefitting. See story on Page 9.





# Business can be big news in small towns

By Jim Davis

If a tree fell in the forest and no one was there to report about it, would it make a noise? Probably not, if my experience running the Cashmere (Wash.) Valley Record is any guide.

A while back, a lumber mill that was one of our area's top employers shut down. The closing was no surprise — it had been announced a few weeks earlier by the mill's owner to meet new federal plant closure laws — but its timing was. It came about six weeks earlier than had been planned.

This was big news, I thought. To get an idea of its magnitude, consider that the mill had about 130 employees, or more than two percent of the roughly 6,000 people who live in my weekly newspaper's circulation area. In Kansas City, where I worked before moving to Cashmere, a company would need more than 25,000 people on its payroll to have equivalent stature.

Trouble was that I learned of the mill's early closure, from the lumber union's local president, just a few hours after the Record had been published. It would be nearly a week until our next edition appeared. During this time, I figured, the daily newspaper that covers our region surely would catch wind of the shutdown. But I was wrong. The story was ours. It ran across all six columns of the front page.

The same kind of thing happened twice more during ensuing months. Buyers came forward to take over the land where the mill had closed last winter, as well as another mill site in Cashmere that had been shuttered since 1988. Neither story got covered until my newspaper put it on the front page.

It wasn't that no one knew about these events. Lots of people did. I learned about one of the deals from a postmaster who had sent a certified letter confirming the sale and another from a local economic development official.

But people in the Cashmere area either



Front page of Jim Davis' Cashmere Valley Record

don't think of telling the newspaper about these developments or don't trust them to get the facts right. As a result, business news takes place in something of a vacuum.

As well as being one of the Cashmere Valley Record's top stories this year, the lumber mill's closing had national import. The mill's owner said dwindling timber supplies forced it to quit cutting logs. Tree harvests throughout the Northwest have been slashed by environmental concerns about protecting the northern spotted owl and old-growth forests that sustain the bird. Cover stories in USA Today and Time magazine detailed this plight at the same time I was writing about the local impact.

And the owl-timber scrap isn't the only national business story playing in Cashmere. Practically since this area's settling by white

people in the late 19th century, many of its residents have earned their living from tree fruit. The climate is ideally suited for raising apples and pears.

Apple growers already were taking their lumps before "60 Minutes" aired a report last year linking Alar-treated fruit with cancer. The broadcast caused apple sales and prices to plummet. It also spurred orchardists to pull out some of their apple trees or to switch over to new apple varieties or other fruit.

The problem comes down to a simple matter of supply overwhelming demand. The Alar scare is a dim memory for most people, and apple sales have rebounded nicely. In fact, people eat more of the fruit than ever before. But production continues to climb — in the rest of the world, as well as in

Washington state.

It has been interesting to report about how local orchardists and others involved in the fruit business have coped with these pressures. Some of the stories have been wrenching — more than one grower has gone bankrupt — but watching the transition also has given me a chance to gain insight into human nature.

To a far greater extent than I ever found in Kansas City, the people I write about now are willing to take me into their confidences.

Recently, for example, one of the area's biggest orchard owners came into our office. He was getting ready to pick his fruit and needed some tickets we print in the newspaper's job shop to keep track of his harvest. I filled his order (everyone on our four-person staff, which includes me and my wife, wears lots of different hats) and asked him how his fruit looked. He answered that it would be his last harvest because he and his partner had sold their ranch to a big fruit company.

I arranged to talk with them the following Monday and had a good story for our next paper. I understand that it's framed and hanging now in the coffee shop where we conducted our interview.

I've also gotten to know the local bank president pretty well. Cashmere has just one bank, but it's well run: a "B+" Sheshunoff rating the last I checked and a 1.5 percent return on about \$160 million in assets.

Because most of Cashmere's money is tied up in the bank, I thought it would be a good idea to run quarterly earnings reports in our newspaper. The first few times, I had to call the bank to get the figures. But this quarter, I got a letter from the bank. Inside was a news release with the earnings numbers. It also was personally signed, in blue ink, by the bank president. I can't imagine getting that kind of personal treatment in Kansas City.

Jim Davis is editor and publisher of the Cashmere Valley Record.

## Prospectus, 10K key documents for Edgell column

(Continued from Page 1)

taken over by its major competitor, Disclosure.)

Ordering everything was a bit of overkill, but when you're messing with a company like GE, you can never be too safe. Under normal circumstances, you don't need all the documents.

What you should order (or get from a bondholder or from the company itself) are the initial public offering prospectus, the most recently-filed 10K annual report, and any 10Q quarterly reports that have been filed since the 10K. There are also forms called 8Ks, which are filed when special events occur. You have to guess whether those are worth ordering.

Unless you want to run up a huge bill and drown in paper, order these documents without exhibits, but ask for an exhibit list. You never know what may be lurking in the files, but you don't want to pay a fortune—40 cents a page and up—for hundreds of useless pages.

Newsday gets these documents from Disclosure, which provides same-day delivery in some cities. Many newspapers have arrangements with States News Service.

If you're dealing with a recently-formed company that has publicly-traded securities

but doesn't have publicly-traded common stock, the financial history, fees paid, the identity of major stockholders and the price they paid for their shares are almost always in the initial offering prospectus, the first 10K or both.

Most important, the 10K has a section reconciling the company's reported profits with the company's cash flow. Even though earnings are the numbers that people get excited about, cash flow is the key. You can manufacture earnings, but you can't manufacture cash.

Classic examples of failed companies that showed terrific profits until shortly before they ran out of money were Charles Keating's American Continental Corp. and Charles Knapp's Financial Corp. of America.

Edgell, which was formed at the end of 1987 to do a leveraged buyout of the trade publications, exposition and school supply businesses of Harcourt Brace Jovanovich, is guaranteed to show losses, no matter how well its businesses perform. That's because generally accepted accounting principles require LBOs like Edgell to take huge book-keeping losses. (Don't ask why. That's a question for another day.) What matters is cash flow—whether Edgell was earning enough to make its interest payments and to

make the capital expenditures needed to keep the company competitive.

To figure out cash flow, you go to the cash flow section of the 10K. You start with reported profit or loss. You add to that number the charges such as depreciation and amortization that count against earnings but don't require the company to shell out cash. Numbers that are charged to earnings but don't require cash are the numbers without parentheses.

The numbers with parentheses are outlays that aren't subtracted from earnings but that cost the company money. An example is so-called "capitalized interest," which is interest that's treated on the profit-and-loss statement as a capital item rather than as an expense.

You also have to see how much of the company's interest bill, if any, consists of interest that isn't paid in cash, such as interest accrued on zero-coupon bonds, or new securities issued in lieu of cash on pay-in-kind bonds.

You ignore the section on financing, because all that shows is how much money the company borrowed or repaid. It doesn't tell you how the company's doing.

When you went through the cash flow exercise with Edgell, you discovered that the company wasn't earning enough money to

pay cash interest and capital expenditures, let alone making enough to cover the non-cash interest, which has to be paid in cash or refinanced sooner or later.

That made it easy to see what went wrong at Edgell. The company borrowed more money than its operations could justify. To make things look better, about a third of the money Edgell borrowed didn't require cash interest or dividend payments. To make this structure work, the people putting the deal together had to assume that Edgell's operations would show large, consistent increases in cash flow. Which they didn't.

Things have changed since I wrote my column. New Century, too, has stopped filing financial statements with the SEC. Some magazines have been sold, and Kidder Peabody is trying to get Edgell's debt restructured. Edgell missed its January interest payments.

Financial documents are still available except now you have to get them from bondholders instead of from the SEC. How you find the bondholders, and convince them to fork over the documents, is a story for another day.

Allan Sloan is a business columnist with Newsday.

# Covering entrepreneurs on small business beat

By James T. Madore

Small business isn't an easy beat to cover, but it can generate some interesting stories that are rewarding for both readers and reporters.

However, covering entrepreneurship also comes with its own set of problems, including self-promoters with hidden agendas, and companies that refuse to tell you everything about their operation.

Those are the conclusions of journalists who write about entrepreneurs on a regular basis.

What makes the small-business beat challenging is the countless number of story possibilities. Small business is a vast subject that can't be adequately covered with a handful of articles.

While large newspapers and business-oriented broadcast stations generally assign one reporter to cover small business, most editors acknowledge that enough material exists to keep two or more writers busy throughout the year.

Because it isn't easy to define the small-business beat, journalists have a unique opportunity to tailor their coverage to meet their community's needs and interests. Several magazines are devoted to single sub-

jects, like women entrepreneurs and franchises. Many newspapers print a weekly advice column.

Each media outlet seems to cover small business in a slightly different way, judging from the comments The Business Journalist received in its informal survey of small-business reporters.

"I'm not just writing a story to give some small business ink," said Jim Jones, a reporter for the Minneapolis Star Tribune. "I'm thinking about issues and what might help other small business owners."

Jones said that through the Star Tribune's regular Spotlight feature, he tries to not only profile an interesting company, but also to address some of the problems that confront entrepreneurs.

A small-business feature should include advice from the owners of the company about how they launched the venture, what hurdles they had to overcome, how they handle employee relations and what marketing tools they use to sell their products - information that might be helpful to many people, he said.

"If you can get a small businessman to talk about his concerns and how he's dealing with

them, you are providing a service to other small-business owners," Jones said.

Legislation is another major topic on the small-business beat. Whether it's a proposed state law requiring all companies to provide health benefits for their workers or a bill before the U.S. Congress about handicapped access, chances are that small-business own-

ers will be affected.

Entrepreneurs, contrary to popular myth, aren't powerless when it comes to lobbying politicians. The National Federation of Independent Business represents 500,000 companies nationwide and takes a position on almost every piece of business legislation.

The Buffalo News devotes one of its four small-business columns per month to covering the politics of entrepreneurship. And when budget time rolls around at the state and federal levels, articles focus on cuts in programs that aid small business.

High-technology companies and inventors are classified as small businesses by many publications. These can be some of the most intriguing stories you write. The federal Small Business Innovation Research grant program provides money for inventors to commercialize their gadgets. And the public relations staff at your local college or university usually can help locate area inventors.

Story ideas can come from many places, according to Mary Agnes Carey, a business reporter for the Hartford Courant.

"If I were you, I would return every phone call you get," she said. Callers often have great ideas."

Carey said that most reporters are too (See MORE, Page 11)

**"If you can get a small businessman to talk about his concerns and how he's dealing with them, you are providing a service to other small-business owners."**

Jim Jones

## Madore's small business directory of key names and numbers

### ACADEMICS

Professor Jeffrey A. Timmons  
Babson College's Center for Entrepreneurship  
(617) 239-4448

Dr. Gerald Graham  
Wichita State University's Center for Entrepreneurship  
(316) 689-3000

David Birch  
(former MIT professor who first documented the role of small business in generating jobs)  
(617) 661-0300

William Haeberle  
Indiana University's Center for Entrepreneurship  
(812) 855-7334

Gehring Associates  
(helps find sources for reporters)  
(603) 352-5300

your local school of management

### POLITICS

Rep. John J. LaFalce, D-NY  
Chairman, House Small Business Committee  
(202) 225-6020

Sen. Dale Bumpers, D-Ark  
Chairman, Senate Small Business Committee  
(202) 224-4843

National Federation of Independent Business  
Terry Hill, public relations  
(202) 554-9000  
(also your state chapter)

State legislators who specialize in small business matters

The Business Council  
(your state chapter)

U.S. Small Business Administration  
(202) 205-6919

U.S. Chamber of Commerce

### STORY IDEAS AND GENERAL

Local chamber of commerce  
Small Business Development Centers  
Accountants and Consultants  
Bankers

Service Corps of Retired Executives  
(your local chapter)

The Small Business Foundation of America  
Regina Tracy, administrator  
(617) 350-5096

### FAMILY BUSINESS

National Family Business Council  
John Messervey, director  
(312) 480-9574

David Bork  
Consultant on succession  
(303) 925-8555

Professor John L. Ward  
Loyola University of Chicago  
(312) 670-2892

### HOME-BASED BUSINESSES

American Home Business Association  
Dorothy E. Denton, executive director  
(203) 655-4380

Center for the Study of the Cottage Industry  
Coralee S. Kern, founder  
(312) 472-8116

### PUBLICATIONS

Inc.  
Entrepreneur  
Entrepreneurial Woman  
Small Business Reports  
Franchising Opportunities  
Family Business  
Nation's Business

**The ranks of small-business reporters are growing daily. Here are the names and addresses of several people who would be willing to answer questions about the beat.**

Mary Agnes Carey  
The Hartford Courant  
285 Broad St.  
Hartford, Conn. 06115  
(203) 241-6200

Jim Jones  
The Minneapolis Star Tribune  
425 Portland Ave.  
Minneapolis, Minn. 55488  
(612) 673-4886

Rieva Lesonsky  
Entrepreneur Magazine  
2392 Morse Ave.  
Irvine, Calif. 92714  
(714) 261-2325

James T. Madore  
The Buffalo News  
1 News Plaza  
Buffalo, NY 14240  
(716) 849-4436

Jeanette Marantos  
The Wenatchee World  
14 N. Mission St.  
Wenatchee, Wash. 98807  
(509) 663-5161

**The small-business beat generates numerous story ideas, including:**

1. Laid-off workers turn entrepreneurs when they can't find new jobs.
2. Why small-business owners are worried about health insurance.
3. Venture Capital: How it works and why it's important to start-up companies.
4. Profile people who are considering opening their own business. What motivates them?
5. Access to credit: Is there really a credit crunch?
6. Employee stock ownership plans.
7. Franchising: What's popular and is it right for you?

8. How to hand your business down to your children?
9. Small business and its role in the economy: Does it really create so many jobs and how good are they?
10. Exporting for small business
11. How to price your products or services.
12. Profile women and minorities going into business — they are two of the fastest-growing entrepreneurial groups.
13. Leaving the fast track: Executives who start their own companies.
14. How much money do your local banks give small business?
15. How to sell/buy an existing business.



# Small Business Hotline attracts responses

By Mitchell Schnurman

For 14 months, questions have poured in from would-be entrepreneurs and owners of small companies.

● How can I figure out the market value of my video store?

● What are the prospects for a gunsmithing business?

● Is there a way to help customers get bank financing for a construction project?

● How do I secure royalty rights to put cartoon images on T-shirts?

These are some of the more than 600 questions that readers of the Fort Worth Star-Telegram have posed to the Small Business Hotline since September 1989.

That's when the hotline column was launched, as a way to reach the small business community -- a huge, diverse market that often won't make time to read the newspaper.

The Small Business Hotline is published every Monday in the Star-Telegram's tabloid, Tarrant Business. Each week it fields three questions, and usually the column runs about 25 inches.

The focus is on detailed, hands-on information, and there are few off-the-cuff opinions or vague quotes from consultants. We try to include relevant statistics, financial ratios, and phone numbers and addresses of sources to whom readers can turn for more details.

As a reporter on the newspaper's business staff, I've spent hundreds of hours researching the fine, often obscure, details that appear in the column.

Some of the work has boosted my general reporting skills; I'm much better at using the public library now, as well as the Yellow Pages and a number of reference directories.

But much of the research has been pretty limited. Example: I spent two days hunting down a local miniature golf course designer who'll knock off a Putt-Putt course at a fraction of the cost.

Unless you plan to build a golf course, what good is that fact?

Our hope is that such questions, and attention to detail, will pull in a new group of readers -- many who usually skip the business section or maybe the whole paper.

It's difficult to know whether we've met that lofty goal. But it's clear we've attracted a loyal core of followers. Many say they check out the column each week just to see what ideas the public is bantering about.

When we started the hotline, we figured readership would be divided between the operators of small businesses and those who fantasize about opening their own enterprises.

Based on the 10 to 15 questions we receive each week, it appears that two-thirds of the readers are would-be entrepreneurs, including many folks who simply want to discuss their latest brainstorm in print.

Initially, my colleagues and I thought that after six months, I'd have enough expertise to answer many of the questions easily. That hasn't happened -- not because I haven't picked up a few things, but because readers continue to ask about issues I've never considered.

● What do you think about a baby-sitting service that caters to hotels?

● What restrictions do I have to worry about before breeding poodles in my back yard?

## Typical Hotline question and response

**I want to start a small jewelry business, buying 14K and 18K gold jewelry and reselling it to the public. How can I find gold at wholesale prices?**

—S.C., Grand Prairie

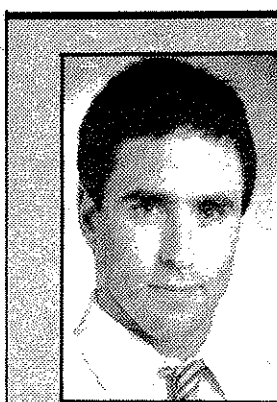
About 40 jewelry wholesalers have showrooms on the third floor of the World Trade Center in Dallas. That's a good place to start, because some will sell limited quantities to small operations such as yours.

But the center is limited to the trade—that means bonafide companies, not merely bargain-hunting consumers.

To get into the trade center, you must show credentials. Ala Joy Davis, director of the Dallas Fine Jewelry Show, said the requirements include:

● A copy or the original resale tax permit for your company. Tax permits are obtained when a business registers with the state comptroller's office. The company's tax number, alone, is not sufficient.

● A business card that has the company name imprinted on it.



**Mitchell Schnurman's Small Business Hotline answers your industry questions every week in Tarrant Business. Please call us at 390-7664 or write to Box 1870, Fort Worth 76101.**

● Business checks imprinted with the company name.

● And personal identification that connects you to the business.

Davis also suggested contacting wholesale jewelers that are listed in the telephone book. Most will deal with you if your business is registered with the state, she said.

A member of an association of independent jewelers told me that a budding

operation needs to spend \$10,000 to \$20,000 to get a minimal inventory of 14K and 18K jewelry. But it is possible to start very small.

Some wholesalers set minimum purchase requirements as low as \$50, Davis said, but others may require a minimum of \$2,000. Next Week: One reader asks about starting a credit-checking company, and another wants to expand a business beyond the home.

## Reference books give callers the right number

For the Small Business Hotline concept to fly, we wanted to offer readers easy access without having to field endless phone calls. So we set up a separate phone line with a voice-mail answering system that records readers' questions.

In each column, we print the phone number, along with the paper's address.

Not surprisingly, called-in questions outnumber letters four to one.

Recording the questions is the easy part. Finding the answers is what takes time. For help, I use a number of books at the public library. The ones I reach for most often are:

**Encyclopedia of Associations** by Gale Research. A huge list of trade groups that includes even obscure industries. Because many groups survey their members, they can provide facts on start-ups, failures and profit margins.

**Financial Studies of the Small Business** by Financial Research Associates. An analysis of the typical balance sheets of more than 70 types of small businesses. Offers financial ratios on liquidity, leverage and profitability.

**RMA Annual Statement Studies** by Robert Morris Associates. More financial ratios and cash flow data on roughly 420 industries. Based on bank surveys.

**Small Business Sourcebook** by Gale Research. A guide to information sources for 140 small businesses. Each category includes names and phone numbers for trade groups, suppliers, statistics sources and government agencies.

**U.S. Industrial Outlook** by the Department of Commerce. A statistical and narrative look at the prospects for more than 350

industries. Offers a quick overview of broad trends, along with statistics on past performance and government forecasts.

**AEA Business Manuals** by American Enterprise Association. Detailed how-to books on dozens of small businesses, from coupon-mailing services to weight-control clinics. Each book lists high and average net profit, and minimum and average cash investment.

**Encyclopedia of Business Information Sources** by Gale Research. A guide to handbooks, manuals, trade groups and periodicals for hundreds of businesses.

**Oxbridge Directory of Newsletters** by Oxbridge Communications. A listing of thousands of newsletters by both industry and title. Newsletter editors are often the most available experts on obscure topics.

● Would a community taxi service fly in a rural town like Burleson, Texas?

● If I relocate to Florida to start a lawn-care company, what are my chances?

With dozens of questions like these, I'm forced to spend hours looking up numbers in the library and calling trade groups, the readers' potential customers and their potential competitors.

My electronic Rolodex includes more than 260 names, my phone book is dog-eared, and my small business clip file fills two filing cabinet drawers.

I spend about two days on each column, twice as long as my editors and I expected the job to take.

The job would be easier, if I called a single source -- maybe an accountant or consultant -- and typed up the quotes. But many times, it takes a series of phone calls to find an answer.

Consider the question from a reader who asked about relocating to Florida to start a

lawn-care business.

I talked with at least half dozen people: two owners of Florida nurseries; the head of the Landscape Maintenance Association in Largo, Fla.; the state agency that certifies landscape workers to apply pesticides; a landscaping instructor at a community college; and an editor at Lawn Care Industry magazine, which conducts an annual survey of lawn care companies.

My advice to the reader: Offer more than just mowing and trimming, because Florida is awash in low-skilled labor that already provides that work. The demand, and the trend for most lawn care companies, is to market weed and pest control services, and horticulture advice -- complementary services that boost profit margins and help retain customers.

The column included the phone number for the landscape association, which publishes a monthly newsletter, and the address of the state agency that handles the relevant

licensing.

Was this overkill? Some of my colleagues frequently suggest so, and they tease me by saying, "Who cares anyway?"

But if the column doesn't offer specific details, who needs it?

The owners of small firms, and the people who dream about joining them, can pick up plenty of factoids and thin material from television and radio. And they can turn to newspapers for lengthy reports about the stock market and public companies.

But in the Small Business Hotline, they can find their own questions and ideas holding center stage.

Mitchell Schnurman is a business writer in the Fort Worth Star-Telegram's Dallas bureau, who reported for the Small Business Hotline until January. Dan Piller now does the column.

# Variety of speakers set for '9

## Michael J. Boskin

*Chairman, The President's Council of Economic Advisers*

**Education:** Received his B.A., M.A. and Ph.D. degrees from the University of California at Berkeley. **Experience:** In current position since 1989. Before that was a consultant and advisor to the White House and other federal agencies, including the Department of Health and Human Services, the Treasury Department and the Department of Labor. Is on leave from Stanford University, where he is the Burnet C. and Mildred Finley Wohlford professor of economics. Is also on leave as a research associate at the National Bureau of Economic Research. In 1988, received Stanford University's Distinguished Teaching Award and in 1987, the Abramson Award for Outstanding Research from the National Association of Business Economists.

## Peter A. Bounpane

*Assistant director, Bureau of the Census*



**Education:** Bachelor of Science degree in business administration, Georgetown University. Completed program for senior management in government, Harvard University. **Experience:** At current position, is responsible for developing the

promotion campaign (advertising, outreach, etc.) for the 1990 census and external activities related to it (Congressional activities, elected official outreach, etc.). Taught statistics at Georgetown University, then entered government service in 1965. Has more than 25 years of experience in Census Bureau.

## Richard C. Breeden

*Chairman, Securities and Exchange Commission*



**Education:** B.A. in international relations, Stanford University, and J.D., Harvard Law School. **Experience:** In current position since October 1989. Also serves on the council of the Administrative Conference of the United States and as a member

of the President's Working Group on Financial Markets. Before entering the White House as assistant to the president for issues analysis in 1988, was executive assistant to the undersecretary of labor in 1981-82 and deputy counsel to the vice president on regulatory problems in 1982-85. Prior to his government service, Breeden practiced law in New York City and Washington, D.C. He also taught constitutional law and federal jurisdiction at the University of Miami School of Law.

## William Dunn

*National reporter, USA Today*



**Education:** B.A. from Fairfield (Ct.) University. **Experience:** Has covered the demographics beat for USA Today since 1986. Before that, spent 11 years as a staff writer for the Detroit News and also was a contributing

editor for American Demographics. In 1977, he became one of the first reporters to cover population trends as a full-time beat. Dunn began his career with King Features Syndicate, a division of the Hearst Corporation. His stories on demographics, economics and social trends are distributed by Gannett News Service. Has won numerous awards and was cited by the American Statistical Association for outstanding statistical reporting.

## Martin T. Farmer

*Executive director government relations Barnett Banks, Inc.*



**Education:** B.S. in liberal arts at Spring Hill College; J.D. Loyola University School of Law, Chicago. Harvard program for senior managers, graduate school of business and Kennedy School of government, Boston. **Experience:** At Barnett

banks since 1987. Responsible for legislative, regulatory and political action programs. Is president, Coalition for Regional Banks, and Florida State Society of Washington, D.C. In 1973-86, was director of legislative affairs at First Chicago Corporation. Before that, was employee relations manager and employee manager at Continental Illinois National Bank.

## Don Fry

*Associate, head of the writing group, Poynter Institute for Media Studies*



**Education:** Graduate of Duke and Berkeley. **Experience:** Started his career as an English professor and university administrator, then switched to journalism in 1985, teaching writing and ethics, and heading the writing faculty in the Poynter Institute. Since

then, has edited the Institute's series, Best Newspaper Writing, and published Believing the News and Color in American Newspapers (with Mario Garcia). Does research on the psychology of writers, the dynamics of newsrooms, and ethical culture in news organizations, and consults with newspapers on writing, ethics and newsroom management.

## Earl G. Graves

*Publisher, Black Enterprise magazine*



**Education:** B.A. degree in economics from Morgan State University. **Experience:** President and C.E.O., Earl G. Graves, Ltd., parent corporation of Black Enterprise magazine, founded in 1970. Serves as chairman and C.E.O. of Pepsi-Cola of

Washington, D.C., the largest minority Pepsi franchise in the nation. Franchise was acquired in July 1990 by Graves and Earvin "Magic" Johnson of the Los Angeles Lakers basketball team. Was an administrative assistant to the late Sen. Robert F. Kennedy in 1965-68. Was a member of the U.S. Army's 19th Special Forces Group (Green Berets).

## Kenneth A. Guenther

*Vice president, Independent Bankers Association of America*



**Education:** B.A. at the University of Rochester and graduate studies at the School of Advanced International Studies of the Johns Hopkins University, the University of Rangoon in Burma, and at Yale University Graduate School. **Experience:** In

current position since 1982. Prior to joining the IBAA, was an assistant to the board of governors of the federal reserve system. Has also served in the U.S. Senate and in the U.S. Department of State. While at the Federal Reserve, was awarded the Federal Reserve's Outstanding Achievement Award.

## Joseph R. Hardiman

*President and chief executive officer, National Association of Securities Dealers, Inc. (NASD)*



**Education:** B.A. and LL.B. degrees, University of Maryland. **Experience:** At current position since 1987. Prior to assuming the presidency of NASD, was a managing director and chief operating officer of the investment banking firm of Alex. Brown &

Sons. Practiced general corporate and securities law in Baltimore in 1963-1968. Then joined the securities firm of Robert Garrett & Sons and served as an executive vice president and director until he moved to Alex. Brown in 1975. Serves on the advisory boards of Vanderbilt University Financial Markets Research Center, the University of California Securities Regulation Institute, the SEC Emerging Markets Advisory Committee and on the board of trustees of the Securities Industry Foundation for Economic Education. Previous positions also include member of board of directors of the Depository Trust Company and chairman of the SIA Firm and Industry Analysis Committee.

## H. Erich Heinemann

*Chief economist of Ladenburg, Thalmann & Co., Inc.*



**Education:** Educated at the Choate School, Harvard and Columbia Universities. **Experience:** Joined Ladenburg in 1985. Previously was first vice president and chief economist for Shearson/American Express, Inc., a vice president of Morgan

Stanley & Co., economic correspondent for the New York Times and economist at Morgan Guaranty Trust Company. Is a member of the Shadow Open Market Committee. Also worked for Business Week as an economics and finance writer.

## Lane Kirkland

*President, AFL-CIO*



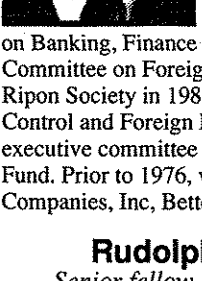
**Education:** Graduated in 1942 from the U.S. Merchant Marine Academy in King's Point, Long Island, and received a bachelor of science degree in 1948 from Georgetown University's School of Foreign Service. **Experience:** At current

position since 1979 and was secretary-treasurer in 1969-79. After serving throughout World War II as a deck officer, he entered the U.S. Navy's Hydrographic Office in Washington, D.C., as a nautical scientist. Then was a staff member of the AFL for ten years. In 1958, joined the International Union of Operating Engineers as director of research and education. Two years later, became executive assistant to president of AFL-CIO.

## Jim Leach

*Congressman, First District of Iowa*

**Education:** B.A. in political science, Princeton University; M.A. in soviet politics, School of Advanced International Studies at Johns Hopkins University; studied economics and soviet politics, London School of Economics. **Experience:** Elected to Congress in 1976. Member of Committee on Banking, Finance and Urban Affairs, and Committee on Foreign Affairs. Was chairman Ripon Society in 1981-88, chairman of Arms Control and Foreign Policy Caucus in 1983-84, executive committee of Twentieth Century Fund. Prior to 1976, was president of Flamegas Companies, Inc., Bettendorf, Iowa.



## Rudolph G. Penner

*Senior fellow, The Urban Institute*



**Education:** Bachelor's degree, University of Toronto, and Ph.D. in economics, Johns Hopkins University. **Experience:** Former director of the Congressional Budget Office, a director of fiscal policy studies and resident scholar at the American

Enterprise Institute for Public Policy Research. Elected a fellow by the National Association of Business Economists (NABE) in 1984 and joined NABE's board of directors in 1989. Also received the Abramson Prize for the best article published in 1988-89 in Business Economics. Also was assistant director for economic policy at the Office of Management and Budget, deputy assistant secretary for economic affairs at the Department of Housing and Urban Development and senior staff economist at the Council of Economic Advisers. Before 1975, was a professor of economics at the University of Rochester.

# convention

## Karen D. Shaw

President of the Institute for Strategy Development (ISD)



**Education:** Bachelor's degree from Wellesley; M.A. from University of California at Berkeley and enrolled in its doctoral program in political science. Also studied at the Massachusetts Institute of Technology. **Experience:** Joined ISD in

1985 after eight years as an officer of Bank of America. Serves as a member of the board of the Century National Bank, District of Columbia. As vice president and principal lobbyist in Washington, she represented BofA on Capitol Hill and before the regulatory agencies. Prior to coming to Washington, was an analyst at the bank's headquarters in San Francisco. Frequently writes for the American Banker, and her comments appear often in the Wall Street Journal, New York Times, Asahi Shinbun, and other newspapers.

## William F. Sinclair

Chairman of the board and chief executive officer, Washington Federal Savings Bank



**Education:** Bachelor's degree in sociology from Randolph Macon College, Ashland, Va. **Experience:** Joined Washington Federal in 1983. Prior to that, was president of Perpetual American Savings Bank in 1980-83. Prior to

1980, was president of American Federal Savings. In 1988, was elected to the board of directors of the Federal Home Loan Bank of Atlanta. Also serves on the board of directors of the Greater Washington Board of Trade and is chairman of the board of the YMCA of Metropolitan Washington for 1991.

## Samuel Knox Skinner

Secretary of Transportation

**Education:** Bachelor of science in accounting at the University of Illinois and graduated from DePaul University Law School. **Experience:** In current position since 1989. As a member of the Cabinet, serves the President's chief advisor on transportation issues and a key economic policy advisor. In 1977-89, practiced law with the firm of Sidley & Austin in Chicago and was chairman of the regional transportation authority of Northeastern Illinois and vice chairman of the President's commission on organized crime. In 1975, was appointed by President Ford as United States Attorney for the northern district of Illinois.

## Anne Swardson

Financial staff writer, Washington Post



**Education:** B.A. in government, Cornell University, and M.S. in journalism, Ohio University. **Experience:** Came to the Post in 1985 to cover the IRS and tax reform. Before that, worked for McGraw Hill (Business Week) in 1977-1981, and for the

Dallas Morning News in its Washington Bureau in 1981-1985. In 1973-74, studied in Paris at the Institute of European Studies.

## David Vise

Deputy business editor, Washington Post



**Education:** Graduated magna cum laude from the University School of Nashville, Tenn. in 1978 and the Wharton School at the University of Pennsylvania in international relations in 1982. During junior year, studied at the London School of Economics.

**Experience:** Prior to current position, was a business reporter at the Washington Post, specializing in Wall Street, the Securities and Exchange Commission and related topics since 1984. Before that, was an investment banker in the merger department of Goldman, Sachs. Shared a Pulitzer Prize in 1990 for a series on John Shad and the SEC written with Steve Coll. Has also written about the 1987 stock market collapse for the World Book Yearbook.

## Chris Welles

Senior writer, Business Week



**Education:** Graduated from Princeton University in 1959. **Experience:** Joined Business Week in 1986. Before that, was a staff writer specializing in business and finance for the Los Angeles Times. In 1977-85, was director of the Walter Bagehot Fellowship Program in economics and business

journalism at Columbia University, where he also taught business reporting. Began his career in 1962 as a reporter for Life magazine and was promoted to business editor in 1965. Then became business editor for the Saturday Evening Post in 1968, and was a contributing editor for Esquire and Institutional Investor until 1983.

## Convention schedule

### Saturday, April 27

2 p.m.

Board meeting

9-11 p.m.

Registration: Hospitality suite at Washington Marriott

### Sunday, April 28

8 a.m.

Buses depart Marriott for Baltimore

9:30 a.m.

The economics of professional sports: The relationships between public investments and private growth

David Petersen, Price Waterhouse, Tampa; Bruce Hoffman, executive director, Maryland Stadium Authority; moderator: Philip Moeller, business editor, Baltimore Sun

7:30-8:30 p.m.

Reception at Washington Marriott

8:30-11 p.m.

Hospitality suite open

### Monday, April 29

8-9 a.m.

Continental breakfast/tour the displays

9-9:15 a.m.

Welcome by SABEW President Sue Thomson

9:15-10 a.m.

Samuel K. Skinner, Secretary, U.S. Department of Transportation

10-10:30 a.m.

Break/Visit with Exhibitors

10:30-11:45 a.m.

Concurrent sessions (select one)

Managing in the 1990s

Moderator: Cheryl Hall, business editor, Dallas Morning News

Making business stories jump off the page

Donald Fry, associate, head of the writing group, The Poynter Institute

12-1:45 p.m.

Luncheon speaker—Lane Kirkland, president, AFL-CIO

2-3:30 p.m.

Business of politics

Martin T. Farmer, executive director of government relations for Barnett Banks Inc. of Florida; William Sinclair, chairman and CEO, Washington Federal Savings Bank; Dale Leibach, vice president, Powell, Adams and Rinehart; Moderator: Wendell Cochran, business writer, Gannett News Service

3:30-3:45 p.m.

Break/Visit with Exhibitors

3:45-4:30/5 p.m.

Getting over the recession blues

H. Erich Heinemann, chief economist, Ladenburg, Thalmann and Co., and former reporter and editor at Business Week and the New York Times; Rudolph Penner, senior fellow, Urban Institute, and former director of the Congressional Budget Office; Moderator: Mike Kandel, financial editor, Cable News Network

6:15-7:30 p.m.

Reception: sponsored by Gannett News Service and USA Today

Evening

Hospitality suite open at Washington Marriott

### Tuesday, April 30

7:30-8:30 a.m.

Continental breakfast/tour the displays

8:30-9:30 a.m.

Concurrent sessions (select one)

Covering your local economy

David Vise, deputy business editor, The Washington Post; Ann Swardson, business reporter, The Washington Post

Stock tables: Using the news services to improve coverage and trim space and/or trim space

Moderator: Larry Werner, assistant managing editor/business, Minneapolis Star Tribune

9:30-10:45 a.m.

Critique: What we're covering right and wrong

Chris Welles, senior writer, Business Week

10:45-11 a.m.

Break/Visit with Exhibitors

11 a.m.-noon

Richard C. Breeden, chairman, Securities and Exchange Commission

Noon-1:45 p.m.

Luncheon speaker: Robert Glauber, Undersecretary for Finance, Department of the Treasury

2-3:45 p.m.

SABEW annual business meeting

3:45-4 p.m.

Break/Visit with Exhibitors

4-5:15 p.m.

The future of U.S. banking

Rep. Jim Leach, R-Iowa, Member of House Committee on Banking, Finance and Urban Affairs; Karen Shaw, president, Institute for Strategy Development, former Vice President, Bank of America; Kenneth Guenther, executive vice president, Independent Bankers Association of America; Moderator: Peter Behr, assistant managing editor/business, Washington Post

6:30-7:30 p.m.

Reception at the hotel, sponsored by The Associated Press

7:30-9:30 p.m.

Dinner speaker: To be announced

Evening

Hospitality Suite open at Washington Marriott

### Wednesday, May 1

7:30-8:30 a.m.

Board meeting

8-9 a.m.

Continental breakfast/tour the displays

9-9:45 a.m.

Joseph R. Hardiman, president and CEO, National Assn. of Securities Dealers, Inc.

9:45-10:15 a.m.

Break/Visit with Exhibitors

10:15-11 a.m.

Making sense of the census

Peter A. Bounpane, assistant director, Bureau of the Census; Bill Dunn, demographics editor, USA Today; moderator: Randy Smith, assistant managing editor/business, Kansas City Star

11-11:50 a.m.

Minority business: How to cover it better

Earl Graves, editor and publisher of Black Enterprise magazine and president and CEO of Pepsi Cola of Washington, D.C.

Noon-1:30 p.m.

Luncheon Speaker: Dr. Michael Boskin, chairman, The President's Council of Economic Advisers

Schedule  
subject to change

Compiled by Hongmin Qi



# Tips for writing local stories about recession

By Andrew Gluck

President Bush finally admitted what most people have known for months: the nation is in the throes of an economic downturn. Here are some ideas for stories to document the recession locally.

## Local bankruptcy trends

Each of the 95 U.S. Bankruptcy Courts has its own clerk who can give you data on personal and commercial bankruptcies for your local district. The data should be up to date. The clerks file monthly reports with Washington, which are then compiled in the Annual Report of the Director of the Administrative Office of the U.S. Courts. Annual Reports going back to the 1940s are in law libraries.

For more information on national bankruptcy trends, call the analysis-and-reports branch of the statistics division of the Office of Court Administration at 202-633-6036.

If you're interested only in business bankruptcies, Dunn & Bradstreet provides information at no charge. They also may give you the data by county. Contact Tiziana Mohorovic at D&B at 212-593-4162.

## Credit squeeze on consumers

Contact the local representative from Consumer Credit Counseling Services (CCCS), a non-profit nationwide network that helps people work out their debt overloads. To find out which of the CCCS's 550 offices is nearest you, call the Silver Springs, Maryland-based group at 800-388-CCCS.

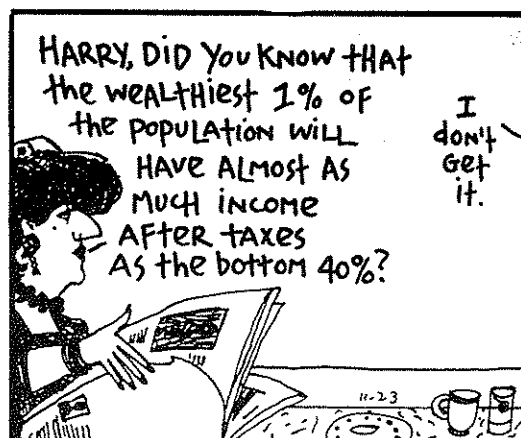
The local office should be able to give you statistics on how many consumers are coming in for counseling. They'll also tell you what kind of credit problems people are having and who the typical client is.

Ken Scott, public relations representative for the CCCS, says the offices will often put reporters in touch with clients. Scott can be reached at 713-682-1382.

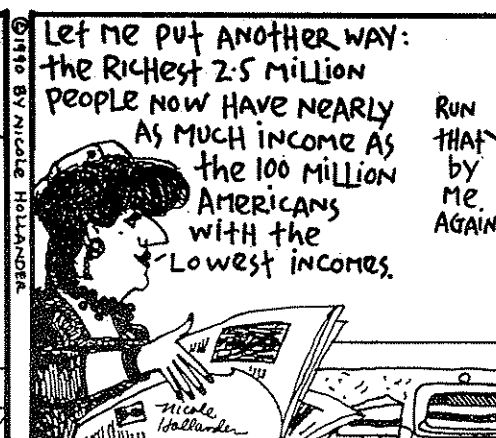
## New car sales

You can get national sales data from the Big Three automakers. But to document how local sales are going, here's a nice trick: The state Motor Vehicles Department can give you the number of recently licensed new autos, plus historic figures to compare it against. They may even give figures for specific counties.

SYLVIA



I don't get it.



RUN THAT BY ME AGAIN.



RIGHT.

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## Building permit trends

Construction activity is a major indicator of economic health. County and municipal clerks keep the records, and you may get enough information from them to do a solid story on building trends.

The local officials send their data to the U.S. Census Bureau, which publishes a monthly and annual summary of building permits issued to construct privately owned single-family houses in all counties across the nation. There is a two-month time lag: in January, the most recent report available covered permits issued in October. Call one of the 12 district offices of the Census Bureau for data on your county.

## Retail sales

Consumer spending makes up two-thirds of the nation's gross national product. To get a handle on retail sales locally, get the Census Bureau's monthly report that provides fresh data on retail sales levels in 24 metropolitan areas around the country. Call 301-763-7128 for the Census Bureau division that produces this report. The numbers should provide a nice news peg for a story filled with quotes from local retailers about business activity.

## Unemployment

There are two good sources: your state labor department and the Office of the Regional Commissioner of the U.S. Bureau of Labor Statistics. Every month, state labor departments publish a "Report On Employment, Payroll and Hours." That data is good

in non-metro area counties.

For better data on large metro areas, get "The Current Population Report of the Census Bureau." The Bureau collects the data under contract with the state labor department, and it is released by the regional commissioner of the Bureau of Labor Statistics. The report is more accurate in major metro areas because its sample size is too small to be used to analyze smaller places.

A third source of unemployment trend data is the state labor department's figures on unemployment insurance claims, and it should be broken down by county.

But remember that the data alone won't tell the real story. A trip to the local unemployment office to find some of the recently unemployed can humanize the damage being done. With companies cutting back because of slumping sales or merely anticipation of declines, interviews with the newly unemployed provide a solid business feature. Where do they think they'll be in six months? Then follow up with them six months later.

## Wrongheaded forecasts

A lot of crystal-ball gazers are chewing on glass. Every state and just about every county has an economic development office. Ask them for their 1989 and 1990 forecasts. See whether they predicted slowdown. If not, why? Where did they go wrong, and how wrong were they? Are there any lessons to be learned?

Don't be too hard on the forecasters in such stories. Theirs is no easy job.

## Employers face tough times

Find out what shape the five largest employers in your area are in. Follow their industries by getting reports from Wall Street analysts. If they are publicly held, sales cash flow and earnings numbers should be easy to get. In the absence of publicly filed 10Ks and 10Qs, you may have to rely on company estimates or Dunn and Bradstreet. You can also call local suppliers of these companies and see about payments being made on time -- or slowdowns in supply orders.

## Home sales

Millions of people are stuck in homes they can't sell. Buyers are wary, or can't get financing. Or homeowners won't sell, because prices are down 20% or 30% from the peak three years ago.

This story could focus on how and why people are selling homes in a troubled market. Some desperate sell-

ers have resorted to baking brownies and hosting open houses every weekend. Others use more direct approaches, like lowering their asking prices to distressed levels, or financing some of the sale themselves.

Another good idea: ask homesellers why they are willing to sell now. For many, selling is a wash; while their home is worth less, the new home they'll move to also costs less. Others who are trying to sell homes are squeezed speculators. Local Realtor boards can track the time it takes to sell specific homes in your area.

## Deflation, not inflation.

For the first time in decades, prices of such basic commodities as aluminum, plastic and steel, and manufactured products are declining in price. Deflation is most visible in real estate prices, but is spreading to some consumer goods, such as furniture and cars. The Fed has been criticized for keeping credit tight for fear of a resurgence of inflation. But maybe the Fed was fighting the last war.

## Who will benefit?

Some industries and businesses will weather the recession better than others. For instance, people will go to the movies less but rent more movies to play on the VCRs. Is a boom ahead for local video stores? Higher priced restaurants may be in for some trouble locally, but family-style restaurants with less exotic menus or maybe buffet service will benefit.

## Local credit downgrades

Standard & Poor's and Moody's, the nation's two major rating agencies, will put reporters on a fax list to tell you when a company or government entity is affected by a rating change. Call to tell them what companies and government bodies you want faxes about. Also ask them to send published reports.

## Why so bad?

This recession could develop into a more severe one. The nation's consumer, corporate and business debt was never so high at the onset of a recession, exposing the economy to far more risk in the current slowdown. One company's junk bonds debt is some investor's asset, and writing down assets can trigger a cascade of defaults. Then, there's the Kondratiev Wave.

Business reporter and columnist Andrew Gluck is back at work at the New York Daily News.



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IT WON'T WORK. FIRST WE'LL GET A DEFICIT, A RECESSION, INFLATION AND UNEMPLOYMENT, THEN EVERYONE WILL START QUIBBLING ABOUT THE CAPITAL GAINS TAX.



## Baltimore Sun combines column with feature on local business

(Continued from Page 1)

tors often use is as part of a package of small business stories. For example, on Jan. 14, Baltimore Evening Sun Business Editor Patricia Fanning twinned my column on debt collection with a feature on how a local building supply company was struggling bring in dollars from its customers.

### Tips for covering small business

- Find an enthusiastic reporter who likes people and enjoys being out of the office.
- Establish a network of attorneys, accountants and advisers serving small business owners in your area. Ask them for advice and introductions to clients with good stories to tell.
- Encourage reporters to attend workshops, seminars, business club meetings and other events frequented by small business owners.
- Be sure to check out the stories told by small-business owners. Entrepreneurs tend to exaggerate.

The Sun added extra tips to the tip box and included advice from local consultants.

To further localize the column, a tag line asks readers to send me story suggestions and questions. Dozens of letters arrive each week with great ideas. I'm also traveling more, visiting cities to meet with editors and collect interviews for future columns.

By keeping in touch with editors, public relations people and trade groups, the column provides readers with a national view of small business in America.

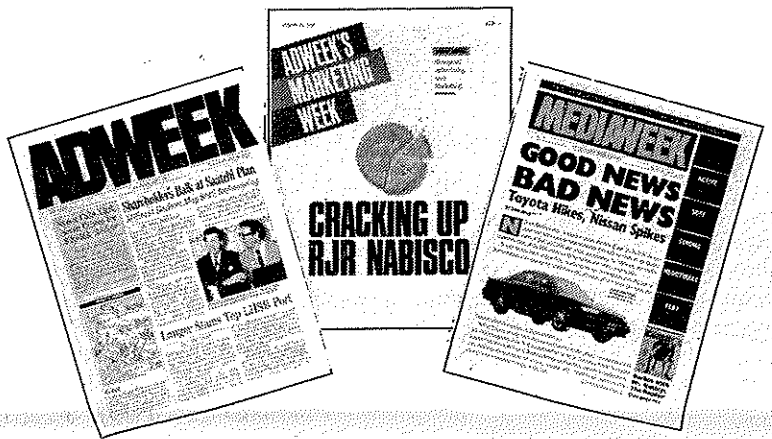
"I find your column appealing because it focuses on the human element of small business—in a sea of institutional business reporting," one business editor wrote to me recently.

The key to successful small business coverage is to offer readers the resources to take action. A sidebar or tip box, filled with advice, phone numbers and addresses should be included with every small business story.

The stacks of mail from grateful small business owners make this the most rewarding reporting job I've ever had.

Jane Applegate's column appears in papers across the country. Her book, "Succeeding in Small Business: The 101 Toughest Small Business Problems and How to Solve Them," will be published in 1992.

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## Regionals weathering recession

By Hongmin Qi

Although Regardie's magazine has changed its publication schedule from monthly to bimonthly amid a deteriorating business climate, most regional business publications seem to be holding up well.

"It is true that much of the business was hit by the recession," said Marcia Appel, executive director of the Association of American Business Publications. "But unlike the national situation, the recession, in some cases, has helped regional business publications."

Although first quarter reports show advertising revenue down at some business publications, most held their own.

"The recession has had a positive effect on regional business publications," said Mark Tehridge, publisher of the American City Business Journals, which operates 25 publications.

"When times become difficult," Tehridge said, "advertisers tend to be more focused and try to target audiences more. When dollars are tight and advertisers become more selective, they choose us."

Tehridge said business magazines and journals have not been affected by the recession as much as daily newspapers.

"Under the present situation, we are enjoying a substantial growth in advertis-

ing and circulation, and when the market rebounds, it will be even better," Tehridge said.

"In this year's first quarter, regional business journals generally remained the same level or even above that last year," said Gloria Scoby, publisher at Crain's Chicago Business. "The rest of the year looks encouraging."

The recession has hit at least one regional particularly hard.

In its February/March issue, Regardie's magazine announced that it has temporarily changed its publication schedule from monthly to bimonthly.

"The economy made us do it," an Editor's Note said. "People all over town are trimming their sails."

"We aren't fond of losing money, and we don't intend to become yet another magazine fatality," the note said.

"In the fall, when the best guessers I know predict that the business climate will be brighter, we'll go to a 10-times-a-year schedule, with combined midwinter and midsummer issues," Brian Kelly, the editor of the Regardie's, said in his note.

"When things turn up, and they will, Regardie's will still be here, still writing about the people who make things happen in the Washington region," he said.

Hongmin Qi is a staff reporter for The Business Journalist.

# Seattle Times makes changes to cover regional economics

Editing a newspaper is often a matter of tough choices. In Seattle the choice used to come down to the latest billion-dollar Boeing order or a report of a meeting of suburban chambers of commerce.

In the past, the Boeing order has won. Then came zoning. Since Feb. 24, the business section of the Seattle Times has had a daily page devoted to business news important to the smaller regional economies that make up the Puget Sound area.

Trends, events and strategies of businesses in the North, South, East and Seattle city areas of the region are reported by four reporters led by an editor.

The team and the areas they cover are:

Beth Karlin, most recently managing editor of a New York City-based weekly business newspaper, Communications Week, is the editor.

She has been an editor at Business Week magazine; a European correspondent for The Wall Street Journal based in Brussels, Belgium, and then London; and an editor of financial newsletters on Wall Street. Karlin has covered subjects as diverse as semiconductors and steel, Wall Street and Fleet Street.

Scott Williams covers the East joining the Times from Bellevue's Journal American newspaper, where he covered Eastside business stories ranging from energy to employment trends.

He has reported extensively on the slowdown in the area's residential real estate markets. Before that, he worked as managing editor of a Seattle-based newsletter, Corporate Philanthropy Report.

Williams also was the correspondent for Reuters News

Service in Minneapolis, where he set up that wire service's news bureau for the Upper Midwest.

Karen Milburn, the North Bureau reporter, has been covering business in the Seattle area for four years. She covered high technology, biotechnology, real estate and telecommunications for the Puget Sound Business Journal. She also covered other industries, including banking and finance, for the Journal American in Bellevue.

Milburn has written about the growth of some of the region's newest industries, such as biotechnology, and she closely followed the dramatic changes in the residential and commercial real estate markets.

John Stevens, most recently a correspondent for the Boston Globe covering business and environmental issues, covers the South.

In his nearly three years with the Globe, Stevens covered New Hampshire and Boston's south suburbs, as well as some regional issues.

He has written about everything from major high-tech corporations, to small businesses and white-collar crime. Before that, he was a reporter for the New Hampshire Business Review.

Tim Healy, the Seattle city reporter, has been a business reporter at the Times for three years where he has covered commercial real estate, organized labor and telecommunications.

Before coming to the Times, Healy was editor of Seattle Business magazine, a monthly, general-interest business magazine associated with the Greater Seattle Chamber of Commerce. Before coming to Seattle, he was a reporter for The Tribune Chronicle in Warren, Ohio.

## 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.

## Washington Business Journal

The Washington Business Journal, an award-winning weekly newspaper serving the nation's capital, has an opening for a reporter/researcher. This entry-level position is a good way for a young reporter to work his/her way into a beat slot.

Contact Mark Pawlosky, editor, Washington Business Journal, 2000 14th St. N, Suite 500, Arlington, Va. 22201.

## Job wanted

"Jobs wanted" is a service of The Business Journalist. To list yourself, free of charge, call the administrative offices at 314-882-7862.

## Seeking editor's position

Experienced business news reporter and assistant editor at large metro daily seeks business editor's position at 150,000-plus circulation daily in the midwest or southeast.

Reporting experience includes beat coverage of transportation, financial services, real estate, energy, defense, manufacturing and economics. Editing background includes responsibility for daily and Sunday business news sections at a respected newspaper in a competitive market, plus experience as top editor of one of the paper's large suburban news bureaus.

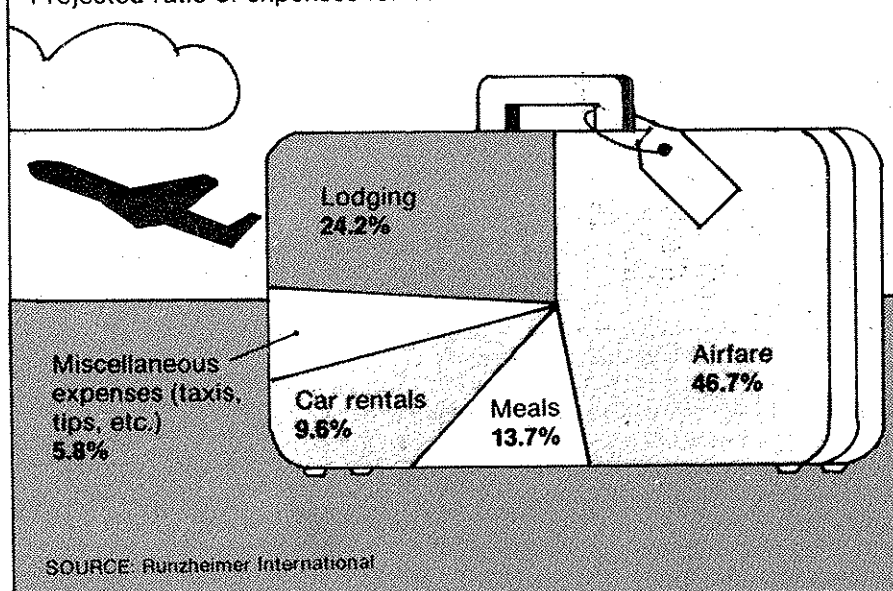
Familiar with hiring, personnel evaluation, financial budgets and other top management responsibilities. More than 10 years experience in business news. Long-term goals include top newsroom management.

For more information on this business journalist, contact Jimmy Gentry at 314-882-7862.

## SMART MONEY

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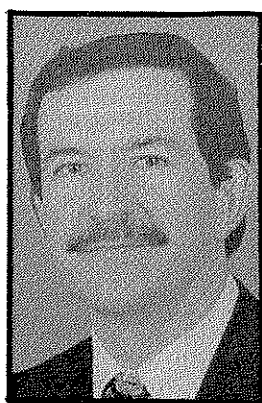


## Dayton selects a new editor

(Continued from Page 2)

The Dayton (Ohio) Daily News hired **Greg Stricharchuk** as business editor, replacing **Jon Talton**, who left to become an associate business editor of the Rocky Mountain News in Denver.

Stricharchuk joined the News after 8 1/2 years with the Wall Street Journal, most recently as a staff reporter in the newspaper's Pittsburgh bureau. Before that, he worked for a variety of publications, including Cleveland magazine, the Des Moines Register and Tribune, the Lorain (Ohio) Journal and the Sandusky (Ohio) Register.



**Greg Stricharchuk**

Baltimore Sun Business Editor **Phil Moeller** has realigned the duties of his assistant business editors, making **Mike Pollick** assignments editor, **Jeannette Belliveau** illustrations editor, **Clay Perry** night editor and **Mike Dresser** special projects editor.

**David Rosenthal** was promoted from reporter to assistant business editor in charge of the Sunday business, real estate and Monday business sections. Copy editor **Claudette Arons** was named research editor.

The reassignments came as the department took over its layout and makeup functions from the newspaper's universal copy desk.

Business newpeople is a regular feature of TBJ. If you have items of interest, call Susan C. Thomson, business columnist of the St. Louis Post-Dispatch, at 314-622-7026.

## More small business tips

(Continued from Page 4)

busy writing for the next edition to take time out to walk the streets and talk with business people. Thus, journalists need to create an atmosphere where readers feel welcome to call the newspaper and share their ideas, she said. Reporters also can get tips by networking with accountants, lawyers, consultants who specialize in business turnarounds and the local chamber of commerce, according to Jeanette Marantos, the sole business writer for the Wenatchee (Wash.) World. Local executives can be invaluable to reporters, particularly at a small paper with limited resources. They can provide reference materials and are likely to know if the subject of a feature is a legitimate company, she said.

When a reporter sets up an interview with a small-business owner, "make sure they know you aren't there to promote them," said Hartford's Carey. "If you explain to them what the story is all about, it will save a lot of hassle. Most entrepreneurs aren't used to being interviewed, and they don't have a public relations staff to help them," she said.

Writing a story about a company and not knowing it's on the verge of bankruptcy or involved in illegal activities is probably the greatest fear of small-business reporters. This beat doesn't have the public documentation that allows a journalist to double-check much of what was said in an interview.

Carey suggested contacting competitors, trade associations, the Better Business Bureau and the chamber of commerce before ever conducting an interview. These background checks often reveal that a potential story is full of holes and not worth a reporter's time.

Asking tough questions, like "Have you ever filed for bankruptcy?", "Do you owe money to anyone?" and "After this article appears, am I going to get calls from people telling me you ripped them off?" also keeps people honest,

she said.

Rieva Lesonsky, editor of Entrepreneur magazine, tells her writers to visit a business as a customer before arranging an interview. She also suggested talking with employees to get a behind-the-scenes look at how the company operates.

"But in the end, you have to trust your instincts," Lesonsky said.

All those surveyed urged their colleagues to broaden small-business stories beyond the company being written about. Tell the readers about the industry as well and the importance of small companies to the local economy, they said.

A variety of experts, including university professors, consultants and government bureaucrats, is willing to talk about small-business subjects. Many are delighted to get their names in print and often will suggest other people to interview.

Comments from experts add depth to small-business features, and make a story more than just a good tale.

"A profile doesn't benefit anyone if there isn't something the reader can take away," Lesonsky said. "It should teach a lesson."

James T. Madore is the small-business reporter for the Buffalo News.

## Committee holds interviews

SABEW's three-member search committee met at the national headquarters in Columbia, Mo., on March 30 to interview three candidates for the executive director's position.

The new executive director and managing editor of The Business Journalist will be announced at the national convention April 28-May 1.

# Business News Is Our Business.



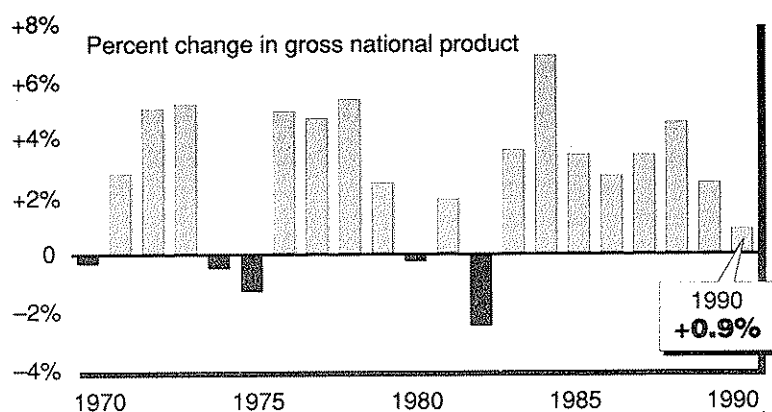
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# FEEDBACK

## SABEW features

### 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, and will be in Washington D.C. in 1991. Conventions include appearances by business and government leaders, business journalism workshops and on-site visits to nearby points of interest.

### 4. SABEW Membership Directory

With membership moving toward 1,100 business journalists, the SABEW directory becomes an especially valuable information and networking tool. It includes names, positions, addresses and telephone numbers of all members.

### 5. SABEW Regional Meetings

SABEW works with area press and educational organizations to co-sponsor regional meetings that typically run from Friday evening through Sunday lunch. If you think there is interest in having such a meeting in your part of the country, call the administrator's office.

### 6. Newsroom Seminars

Half-day and full-day business journalism newsroom seminars, conducted by SABEW, may be arranged, at cost for travel, lodging and program materials.

## Individual membership application

Please fill out this form and send it with your check for \$40.00

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

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

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

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

Business address: \_\_\_\_\_

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

Business phone: \_\_\_\_\_

Home address: \_\_\_\_\_

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

Home phone: \_\_\_\_\_

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

#### 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 principle 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.

## Institutional memberships

SABEW now offers institutional memberships to all business journalists in a qualified organization. The membership fee is based on the number of business staffers (defined as editors, reporters, copyeditors and columnists) in an organization.

For more information on institutional memberships, call the SABEW administrative offices at 314-882-7862.

#### The annual fee schedule:

1-5 business staffers:	\$ 75
6-15 business staffers:	\$125
16-25 business staffers:	\$175
26-35 business staffers:	\$225
More than 35 (\$ ea.)	\$ 6

Please send ideas, comments, complaints and kitchen sinks to the appropriate SABEW officer:

#### Business journalism administrative matters

James K. Gentry  
School of Journalism  
University of Missouri  
Box 838  
Columbia, MO 65205

#### SABEW issues and policy matters

Susan B. Thomson  
Business Columnist  
St. Louis Post-Dispatch  
900 North Tucker Blvd.  
St. Louis, MO 63101

#### Washington annual meeting

Sandra J. Duerr  
Business Editor  
The Courier-Journal  
525 W. Broadway  
Louisville, KY 40202

#### Ideas for The Business Journalist

Phillip Moeller  
Business Editor  
The Baltimore Sun  
501 N. Calvert St.  
Baltimore, MD 21278