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WHAT IS NEWS?

"News is what I say it is."

—*David Brinkley, former network anchor*

Julius Caesar created the world's first newspaper in the year 59 BC. The *Acta Diurna*, or *Daily Doings*, was posted on walls across Rome. Its purpose was to keep the Roman senate under scrutiny. We've gone from walls to Web logs, but reporters still hold people accountable, only now they do it through TV, magazines, newspapers, satellite radio, and the Internet. Today, anyone anywhere can generate news and share information. This convenience comes at a price, however. Research on the run only gets it right some of the time, and truth and perspective become casualties of reporting. "The newspaper that drops on your doorstep is a partial, hasty, incomplete, inevitably somewhat flawed, and inaccurate rendering of some of the things we heard about in the past twenty-four hours," wrote Pulitzer Prize–winning reporter David Broder.[1] Avoiding becoming a victim of these discrepancies and inconsistencies begins with a clear understanding of how the press operates. This chapter will give you a peek behind the media curtain to see how news is made, reported, and ultimately interpreted.

If It Bleeds, It Leads

Chief executives, politicians, and celebrities have long complained of media callousness and sensationalism. Musician Don

Henley of the Eagles has such contempt for reporters that he wrote "Dirty Laundry," a song about news anchors who worry more about their looks than they do about the news or its repercussions. "We got the bubble-headed bleach blond who comes on at five," Henley sings. "She can tell you 'bout the plane crash with a gleam in her eye."[2]

Based on my personal experience, Henley was not far off the mark. I vividly recall one particularly disturbing instance. It was a slow news day and the producer of the six o'clock news was upset because we did not have a good lead story to open the broadcast. All we had as a possible lead story was a stabbing that had taken place. Then, a half hour before we went on air, the assignment editor came on the loudspeaker in the newsroom and announced that there was good news—the stabbing victim had died. My colleagues in the newsroom erupted into a cheer. Now they had a lead story for the six o'clock news. That was the day I left journalism.

Since that time, the news business has evolved dramatically. Names and faces have changed, papers have come and gone, and the world of media has become fractured, with the Web altering what and who make up the news media. Still, what constitutes news and how news stories are shaped has remained surprisingly consistent since the days of Caesar's first newspaper.

News Is . . .

The process of determining what makes news is not very sophisticated. Generally, news is whatever will help sell papers and ad space. Often, this means news is anything that shocks, titillates, or angers readers or viewers. Certainly, there is plenty of scandal and gossip in the media to distract or entice the masses these days. But even if there was a shortage of news to report, journalists would still need to find news somewhere. Following are the fundamental "building blocks" used to identify, structure, and develop news stories.

Conflict. The reporter's quest is for conflict, not solutions. Solutions interfere with conflict, and conflict is how reporters earn a living. News stories that feature conflict are more compelling and easy to replicate. "Our training, the news value we inculcate, the feedback we get from our editors, all encourage us to look for trouble, for failure, for scandal, above all for conflict," writes syndicated columnist William Raspberry.[3]

Good News Is Still News

With a faltering economy and ongoing global conflict, it's sometimes easy to forget that news is also about good news: A lost child found unharmed or a teacher who makes a difference. A species saved from extinction or a possible cure for cancer. These types of good deeds and civic-minded or humanitarian acts constitute news as much as the most recent murder, political gaffe, or celebrity rumor. Take, for example, the plight of US Airways flight 1549. With both engines disabled by a flock of geese, Captain Chesley "Sully" Sullenberger made a perfect emergency landing in the Hudson River, saving 155 lives. Or consider Dendreon Corporation, a small biotech company that overcame intense financial pressures and regulatory hurdles to pioneer a new, more effective way to treat prostate cancer, one of the world's deadliest diseases. These types of stories may not get as many headlines or column inches as the latest serial killer or an aging celebrity's fertility treatments, but virtue and heroism will always play a role in determining the news.

Good Versus Evil. The good-versus-evil model is a boilerplate for writing and reporting the news. This is no surprise, considering that good versus evil is a universal theme in storytelling and has been since the beginning of language. The Bible has stories about good versus evil, such as Cain and Abel or Moses and the Pharaoh. Books and movies are built on good-versus-evil stories. And much like stories about conflict, news reports centering on good versus evil are easy to write.

Winners and Losers. From the sports section to the opinion page, news is about keeping score. Who won the game, who lost the debate. Who had the best box office and whose stock cratered after disappointing earnings. In the world of reporting, every situation represents "triumph or disaster," according to former British Prime Minister Tony Blair. Every "problem is a crisis and a setback is a policy in tatters," he added.[4]

Bad Decisions. Bad decisions are an inevitable part of life. We all make them. Most are forgotten, but sometimes a really bad decision can land you on the front page. Take the case of Andrew Speaker. Even though he was diagnosed with a contagious drug-resistant strain of tuberculosis, he boarded an international flight, exposing others to risk. "In hindsight, maybe it wasn't the best decision," Speaker said in a *Good Morning America* interview with Diane Sawyer.

Irony. There are numerous types and dozens of definitions of irony. Most people think of it as an incongruity between expectations and results. It has also come to signify unfortunate and surprising coincidences. Take the story of the Florida woman pulled over for speeding and being drunk. Not a particularly remarkable story, right? But what was ironic—and what made it news—is that her job at the time was to teach police how to enforce drunk-driving laws.

Rumors. Regardless of how ridiculous they may be, rumors are certain to attract attention from the press. As any high schooler can tell you, many rumors take on a life of their own. For instance, word circulated in the Toronto suburb of Brampton that a new government program was offering poor people $10,000 to leave the city and move to Brampton. As silly as it sounds, even the *Toronto Star* reported on the mythical "program."

The Unusual or Absurd. People have always been fascinated by the odd, unusual, and unlikely. "Puppy Shoots Florida Man," read the September 21, 2004, Associated Press headline for a story about Trigger, a mixed shepherd, who put his paw on the trigger of a gun and shot his owner in the arm. The shooting took place after the owner killed three of Trigger's littermates. Much else happened in the world that day, yet it was the Trigger story that was featured on front pages everywhere. Was it because people love animals? Of course. But face it, stories about dogs shooting their owners don't come along every day.

Maggie and the Stones

For a novice journalist learning how to recognize news, there is no substitute for on-the-job experience. However, naiveté can lead to lost opportunity. Working in the newsroom one evening in the late 1970s, I received an anonymous phone tip that Maggie Trudeau, then-wife of Canadian Prime Minister Pierre Trudeau, was partying with the Rolling Stones at the El Mocambo Club in Toronto. To my young mind, the idea that the wife of the prime minister would pal around with the Rolling Stones seemed ridiculous. Foolishly, I failed to investigate.

The next day, a local newspaper featured front-page photos of Maggie dancing and partying you know where, with you know whom. The story became news all over the world. Had I sensed the newsworthiness of the tip and followed up, I could have been the one to discover that Maggie invited the Stones back to her room to "drink, play dice, smoke a little hash," as she later revealed. The Maggie Trudeau/Rolling Stones story was certainly not worthy of a Pulitzer, but it was unusual. That day I learned an important lesson as a reporter: sometimes the most important factor in recognizing what makes news is to accept a situation or fact that, at first blush, may seem absurd.

Offensive Comments. Reporters covet offensive comments made by famous people. In 2006, Israeli President Moshe Katsav was accused of raping ten female staff members. Soon after, Russian President Vladimir Putin and Israeli Prime Minister Ehud Olmert met in Moscow for a diplomatic summit. When the issue of Katsav was raised during a news conference, Putin joked, "I would never have expected this from him. He surprised us all. We all envy him." As inappropriate as that comment was, it is overshadowed by what a former client of mine told a business reporter before I was brought in to help. The client, chairman of a high-tech company, was responding to an allegation that a senior executive raped a staff member. "I don't believe it—she's not even good-looking," he said.

Uninformed Politicians. Politicians who do not have answers to simple questions are sure to find themselves featured on CNN, MSNBC, and FOX News. U.S. Senate candidate Pete Coors was caught unprepared when his opponent Bob Schaeffer questioned him about Canadian Prime Minister Paul Martin's position on the Canadian beef ban. "I don't know Paul Martin's whole position on this issue," said Coors, adding, "I'm not sure I know who Paul Martin is." Candidate Schaeffer shot back, "What I'm disappointed and shocked about is that you don't know who Paul Martin is. Paul Martin is the prime minister of Canada, our largest trade partner and closest friend and ally to the north."

Failed Jokes. Sometimes jokes just don't come across correctly. Senator John Kerry decided not to run for president in 2008 after being vilified for mangling a joke he told to college students in Pasadena, California. "Education, if you make the most of it, you study hard, you do your homework, and you make an effort to be smart, you can do well. If you don't, you get stuck in Iraq," said Kerry. Most who heard the joke thought Kerry called U.S. soldiers uneducated. Kerry said that he actually meant

to say, ". . . you end up getting stuck in a war in Iraq. Just ask President Bush."

While news isn't always about drunk police instructors or dogs that shoot people, it almost always is a story that has been reduced to its most dramatic or sensationalized elements. Decisions about what makes the news—or for that matter, what doesn't make the news—are in the hands of people who use very basic criteria, as well as their personal reference points, to determine which stories, situations, or issues are worthy of reporting. In trying to make this determination, one of the most important criteria is whether a story has obvious, though compelling, "characters."

Reporters Cast Characters

Ask most journalists how they see news and their response will likely be about the pursuit of truth. To pursue truth is indeed a noble path. To get to their truth, journalists, news producers, and editors cast characters and build stories around them—stories that involve controversy, conflict, and emotion. The problem, of course, is in the ambiguity of interpreting truth itself. As revealed in Brinkley's quote at the top of this chapter about news being what he says it is, one person's terrorist is another person's freedom fighter. But who gets to decide which player is the terrorist and which is the freedom fighter?

Reporters, along with editors and producers, decide who plays the hero or villain in a story. Like Steven Spielberg, they hand out roles for tonight's evening news and tomorrow morning's newspaper. Starring roles are reserved for the protagonist and the antagonist, the hero and the villain. Supporting roles are available for the victim, witness, survivor, expert, and goat—or as I like to call that character, the village idiot. Usually, it is the village idiot who caused the problem in the first place. On occasion, the village idiot also stars as the villain.

A front-page headline in the July 28, 2005 edition of Canada's *Globe and Mail* newspaper read, "A Landlord, an Eviction, and a Dying Man's Last Wish." The story was about a twenty-nine-year-old terminal cancer patient being evicted because he owed his landlord $1,600. Asked whether she had sympathy for the sick tenant, the landlord snapped, "What am I, his mother? Why do I have to support him?" At first glance, the roles are clear. The terminal patient is cast as both the good guy and the victim, while the landlord is cast as the villain. But how do we know that was indeed the case? It's possible that the patient was a tenant from hell and that the landlord had carried him for as long as she possibly could.

In truth, personal bias determines who gets cast in which roles. Journalists are not comfortable discussing personal bias. The role of the journalist, they believe, is simply to report the truth. Never having given it much thought during my reporting days, I suppose that my personal biases led me to become an investigative reporter. My biases were triggered by resentment I felt as a youngster over how my father was callously laid off by uncaring factory owners. Becoming a journalist allowed me to meet, challenge, and hold accountable people I perceived (rightly or wrongly) as high and mighty. To me, working-class characters were heroes, while politicians, employers, and landlords were among those cast as the villain.

On occasion, the media creates heroes only to turn them into goats. In seeking the GOP nomination in 2008, Senator John McCain's campaign was given up for dead, when suddenly it was resurrected and McCain became a darling of the media. Then, as he was about to secure the Republican nomination, a *New York Times* story by Elizabeth Bumiller suggested that McCain had an inappropriate relationship with a female lobbyist thirty years his junior. There was no proof of impropriety offered in the story, only nameless sources serving up gossip and innuendo. Though no fan of McCain, conservative commentator Rush Limbaugh said, "If you let the media make you, you are subjecting

yourself to the media being able to destroy you." Is it any wonder people are gun shy of reporters?

In Defense of Reporters

The stress faced by reporters is very real. Editors and producers don't care about the great story the journalist wrote yesterday; what matters is the story she writes today.

This pressure on reporters is more intense than ever, according to Canadian Press reporter Chinta Puxley, who writes for newspapers, posts on the Web, files audio stories, and also carries a video camera. Deadlines are constant, says Puxley. "Once you meet one deadline for an audio window, you're working to the next deadline for the wire, for the website filing video. It's tremendously busy." Puxley adds that the Web and the use of video has created greater urgency in getting the news out. "People are getting their news in totally different ways. You can't work to the same type of deadline that people are used to. The pace of journalism has skyrocketed and it changes the way reporters are doing their job. A lot of reporters have to adjust to putting their story out on the Web a little earlier and then writing a totally different story for the next day's paper."

A "paint-by-numbers" approach to news reporting facilitates the continual grinding out of news, making it simpler for journalists to write stories quickly. Few journalists would admit as much, however, because the implication would be that they prejudge the outcome of their reports and the people they interview before writing the story. By using an established formula and relying on archetypes to quickly write news stories, journalists are better able to cope with the constant pressure created by attempting to write history in a hurry.

Social Media Raises the Stakes

The term *social media* refers to the use of technology to facilitate interaction and the sharing of information, opinions, and

experiences. Forms of social media include blogs, which are websites that offer posts where readers can provide comment; forums, where a wide number of users discuss topics online; and social networks like Facebook and Twitter, the free micro-blogging service that lets users connect with each other using 140 characters or less. MySpace, Technorati, digg.com, and a growing list of other social media communication tools round out the options.

Social media represents much more than tools to entertain oneself or allow old friends to catch up. It offers reporters, companies, governments, and newsmakers powerful ways to communicate. Social media in general and blogs in particular have become an important resource for journalists. According to *PR Week Magazine*, in the course of researching a story, 29 percent of reporters look to general blogs, 25 percent use company blogs, and 24 percent use social networks.[5]

In addition, social networks are updated 24/7. Former *Time Magazine* employee Erick Schonfeld, who writes for TechCrunch, believes this immediacy provides a new way of getting at the truth. Sometimes, says Schonfeld, he'll run a story online before all the facts are in, just to see what the story turns up. "More often than not, putting up partial information is what leads us to the truth—a source contacts us with more details or adds them directly into comments."[6] But the use of social media as a means to disseminate information and propagate news is not limited to professional journalists. Witness the explosive growth of "citizen journalists"—people who report news for free and share it with the world online.

A decade ago, corporations were giddy with excitement about going online, reaching around the world, and communicating with anyone who would pay attention. Today, companies no longer control what is being said on the Web. Similarly, traditional journalists who write for print and broadcast media are not the only purveyors of information and news. "We are all newsmen now," said pioneer blogger Matt Drudge.[7]

The general public, customers, critics, and your competitors are now among those online discussing your company. According to *The Blog Herald*, a monitor of the blogosphere, a new blog is created every second of every day. In the ten minutes it takes to set up a free account at Blogger or other such sites, anyone with a computer and Internet connection can instantly become a blog publisher, reporter, saboteur, or critic. In many online venues, the balance of power has shifted from corporations and media conglomerates to the average person.

Just think, three years after Twitter's launch in 2006, it was estimated that seven million people were tweeting regularly and sharing information that runs from the mundane to the meaningful. In Korea, more than seventy thousand citizens contribute to *OhmyNews*, which is run by former investigative journalist Yeon Ho Oh. The site receives, on average, two and a half million page views a day. The BBC and *Time Magazine* have described this model for citizen journalism as the future of the media industry. NowPublic.com, a North American citizen journalism company based in Vancouver and ranked by *Time Magazine* as one of the Top 50 Best Sites of 2007, has tens of thousands of citizen journalists all over the world—five thousand in Washington, D.C., alone.

Does this mean that people who tweet, blog, and contribute to online forums will replace trained journalists? Not all are convinced of blogger bona fides. Tom McPhail, professor of journalism at the University of Missouri, has called bloggers "pretend journalists" who "thrive on rumor and innuendo."[8] Political journalist Glenn Greenwald is more generous in his perspective. "There are alternative voices now," said Greenwald. "The Internet enables people to construct their own platforms and to attract like-minded people, so that now there are gathering places of hundreds of thousands, if not more, citizens who are just as angry, just as dissatisfied."[9]

Regardless of one's perspective on the impact of bloggers, a few points are clear: social media is anything but a passing fad;

bloggers and other social media proponents will constantly place pressure on news companies to report the news faster and more transparently; and despite the technologies people use to get their news now and in the future, investigative journalism is here to stay. "It doesn't matter if it's a five thousand word story in a newspaper, a tweet, or a blog," said John Stackhouse, editor-in-chief of the *Globe and Mail*. "The basic challenges are the same: finding out information that matters to people."[10]

Much Can Go Wrong

With an ever-expanding number of professional reporters, citizen journalists, and bloggers vying to break the next big story, executives and spokespeople must take potential threats to their organization's reputation more seriously. According to crisis management expert Ian Mitroff, author of *Why Some Companies Emerge Stronger and Better from a Crisis*, "Every organization is virtually guaranteed to experience at least one major crisis."[11] A look at the daily papers appears to confirm Mitroff's premise. On one day alone, the *Wall Street Journal* featured the following headlines:

- "Bristol Myers Ex Officials are Indicted"
- "KPMG Faces Criminal Cases on Tax Shelters"
- "Tribune Ex Aides Are Arrested Over False Circulation Scams"
- "Bluetooth Gear May Be Open to Snooping"
- "Death on Disney Ride Remains a Mystery"
- "Marin Capital Closes up Shop amid Losses"[12]

Interestingly, however, a survey done by PR firm Weber Shandwick found that nearly half of CEOs questioned were slightly or not concerned at all about threats to their reputation.[13] To some, a good reputation is nice if you have one, but bottom-

line results are what count. Unfortunately, this attitude ignores a significant body of research and numerous metrics that measure the value of a company's reputation through parameters like market share, price premium, revenue generation, transaction value, lifetime value of brand, and brand growth. The simplest of these metrics is derived by taking the current market capitalization of a company and deducting the tangible assets and accounts receivable to determine the value of its reputation. Another simple method is to compare the company's products to similar name-brand products or competing generics. Are consumers willing to pay a price premium for the name on the label? But despite these metrics that measure image and public perception in actual dollar terms, reputation is still dismissed as an intangible that has little effect on current and future performance.

Factors That Can Significantly Damage Reputation

What do business executives believe are the potential crises that could have the greatest potential to damage their company's reputation? Here's what a survey by PR firm Weber Shandwick revealed:[14]

Issue	Percent of Business Executives
Financial irregularities	72
Unethical behavior	68
Executive misconduct	64
Security breaches such as loss of confidential information	62
Environmental violations	60
Product recall based on health and safety issues	60
Regulatory noncompliance	59
Factory breakdowns or explosions resulting in injuries	59
Labor strikes or unrest	40
Ongoing protests by special interest groups or NGOs	38

Issue	Percent of Business Executives
Risky supply chain partners	38
Support of unpopular public policy position	38
Public controversies over high CEO compensation	36
Online attacks or rumors	25
Top executive departures	17

Consider the case of Union Carbide. In 1984, a Union Carbide–owned pesticide plant in Bhopal, India, released a toxic cloud that killed thirty-eight hundred people and disabled eleven thousand more. Though they launched an aggressive media campaign, Union Carbide never took responsibility for the accident. Instead, it claimed the disaster was caused by an unknown and unidentified disgruntled employee. Critics, however, pointed to previous accidents at the facility and asserted the tragedy was a result of poor maintenance and lax safety measures. Because of the controversy surrounding culpability, the disaster became a continual headline for decades. Civil and criminal litigation persist even now, and an international arrest warrant remains outstanding for the former CEO. At the time of the tragedy, Union Carbide was one of the largest and most recognizable companies in the world. Today, it's a subsidiary of Dow Chemical.

Similarly, Exxon did nearly everything wrong from a media standpoint during the Valdez oil spill of 1989. One of the most destructive environmental disasters ever, the spill polluted over thirteen hundred square miles of pristine ocean. And even though Exxon launched the most expensive cleanup effort in history, John Devers, then-mayor of Valdez, Alaska, said the community felt "betrayed" by Exxon's response to the crisis. Why? Because Exxon dismissed the concerns of the community, refused to publicly acknowledge the extent of the problem, and accused others of causing delays in the cleanup. Amazingly, Lawrence Rawl,

Exxon's CEO, waited six days before even releasing a statement on the spill. Subsequently, the images people associate with Exxon remain decimated shorelines and dead animals, not the extensive cleanup efforts. In the aftermath of the spill, Exxon's market capitalization plummeted $3 billion, dropping it from the largest oil company in the world to the third largest. As litigation and protests over the Valdez spill continue to this day, Exxon has become the public incarnation of environmentally irresponsible and ecologically destructive corporations.

In a more recent example of reputation mismanagement, the investment bank Lehman Brothers collapsed under the combined weight of poor financial decisions and erroneous public perceptions. Already under stress from the global credit crisis, Lehman allegedly became the target of rumors spread by short sellers and hedge funds. These rumors eroded investor confidence and fueled fears that the investment bank was soon to be sold at an absurdly low price. In a clear PR blunder, Lehman failed to defend its reputation and publicly address the panic surrounding its stock. In the fall of 2008, after nearly 158 years in business, Lehman Brothers filed for what was then the largest bankruptcy in American history.

Bad news situations like industrial accidents, oil spills, and financial impropriety are expected to result in negative headlines and challenging media environments. But, as the following story illustrates, even good news can end up being portrayed as bad news.

When John Walter was anointed CEO of AT&T, it was supposed to be a good news announcement. The company's plan was to introduce Walter to the media and convince stakeholders of his ability to lead AT&T into the future. The event turned out to be anything but good news, and in fact, resulted in a catastrophic outcome. At his introductory news conference, a reporter asked Walter which long-distance provider he used—a valid question considering Walter's new role. Walter was flummoxed, unable to answer a question made relevant by his new position. Within hours of the exchange, AT&T's market capitalization dropped $4 billion.

Clearly, a question about John Walter's service provider does not represent an important strategic or policy issue. However, his inability to answer a simple question had a significant impact on investor confidence. Whether speaking about change in leadership, a poor financial quarter, or a lost championship game, people in the news are under pressure to always have right answers, worded just the right way, knowing they are a slip-of-the-tongue away from harming their share price or becoming a punch line in the *Tonight Show's* opening monologue.

Where's the Rest of What I Said?

When newsmakers see their quotes reported in a less-than-positive fashion, they generally have two lines of defense. The first is "I was misquoted." If that argument fails to sway, then the second line of defense is "I was taken out of context." But what many newsmakers do not realize is that if presented with a hundred sentences, journalists will gravitate to the one sentence, phrase, or quote that paints the story in the light they deem appropriate. Understanding this fact is vital in negotiating the perilous territory of media interaction and avoiding the impact of a negative news story.

You Took Me out of Context

Claiming their remarks were "taken out of context" is a familiar lament for people angry or embarrassed about their quotes in the media. To put context around "out of context," the phrase refers to when reporters get the words right, but change the meaning of what was said. The following exchange represents an example of what could be considered out-of-context reporting:

Reporter: Can you confirm the rumor of mass layoffs in the next quarter?

Spokesperson: There is no truth to the rumor that there will be mass layoffs in the next quarter.

An out-of-context situation would result if the reporter simply quoted the spokesperson as saying, ". . . There will be mass layoffs in the next quarter." Though the spokesperson did in fact use those very words in sequence, the meaning and intent of the quote was changed because the words leading up to it were removed. Out-of-context generally occurs when a journalist isolates particular words in sequence and cuts off words that either precede or follow the quote. In so doing, the journalist changes the meaning of what was said. When this occurs, the victim has every right to defend himself in both a court of law and the court of public opinion. The true problem, however, is that when spokespeople or newsmakers are not hiding behind the "out-of-context" defense, many of them legitimately confuse the editing process with being taken out of context.

It All Comes Down to the Edit

Journalists are gatekeepers who allow viewers, readers, and listeners to see, read, and hear only what they want them to see, read, and hear. The cut and thrust of a media interview is not subject to the rules of everyday chitchat. Normal conversation is free and easy, involving people who alternately talk, listen, pause, reflect, and ask questions stemming from genuine interest or concern. In natural conversation, people are able to appreciate the context of all they hear. That is, if one person delivers ten sentences to another person, then the person listening has a context in which to interpret all they hear. It is therefore helpful for spokespeople to remind themselves that a journalist's job is to separate the wheat from the chaff and sometimes it is only the chaff they seek to report.

Biojax Part 1: The Dynamics of an Interview

What follows is a transcript of an interview from an actual media training session I conducted. The interviewee, Joan Smith (not

her real name), is chief executive officer of a biopharmaceutical company I'll call JLA Life Sciences Corporation. Recently, the privately owned company received government approval to market Biojax, a highly effective cancer-fighting biologic drug. Use of the medication is costly. Each round of Biojax treatment costs $25,000. The treatment is only accessible to patients who can afford it and those with insurance plans that cover all or part of the cost of the treatment. So far, government and most managed-care and insurance companies refuse to cover the cost of Biojax treatments. This is despite the fact that Biojax significantly slowed the growth of tumors in 60 percent of patients and demonstrated a clear survival benefit. Going into the media interview, Smith is convinced she has a positive story to tell. Carefully review the interview transcript as it unfolds, because you will have the opportunity to see how the reporter later wrote the story. Here is the unedited media interview:

Interviewer: Biojax is said to be a breakthrough drug in the treatment of various forms of cancer. What is it that makes Biojax effective?

Joan Smith: Biojax is a biologic treatment that has a different mechanism of action than traditional cancer medicines. Its anticancer activity is attributed to the general microtubule-destabilizing properties of certain alkaloids.

Interviewer: Why is government refusing to cover the cost of Biojax?

Joan Smith (smiling): Well, it's not as if Biojax is dangerous or unproven.

Interviewer: Then what is it?

Joan Smith: I think it's because government—and this is off the record—but I think government is ignorant when it comes to biologic medicines. Historically, medicines were created using chemicals and compounds and now that we're using living cells, government doesn't have a clue how to value our medicine. So instead of legislating the

necessary guidelines, they're trying to make us look greedy.

Interviewer: Is your company greedy?

Joan Smith: No.

Interviewer: No, what?

Joan Smith: No, we are not greedy.

Interviewer: How do you respond to critics who say that the drug's $25,000 cost rips off cancer patients?

Joan Smith (nodding): It's true that some people are saying that, but they're wrong. We do not rip off cancer patients. (*Fidgeting.*) People say . . . what people don't know . . . we spent hundreds of millions of dollars on research and development for the drug and we need to see a return. I'd like for us to stop talking about the cost of Biojax and start focusing on the drug itself.

Interviewer: Are you gouging cancer patients?

Joan Smith (*shifts uncomfortably*): I just answered that. No, we are not gouging cancer patients. We even hired a public relations company to help us get that message across.

Interviewer: Yet your company is being blamed for the lack of patient access to the drug because of its high cost. What's your comment?

Joan Smith (crosses arms): You keep asking me the same question over and over again. No, we're not to blame. Pricing a drug like Biojax is complex. Obviously, if anyone is to blame, it's government. Government refuses to pay for the drug because they think we priced it too high. They don't understand that we're in business and a business needs to make money.

Interviewer: Is your company letting people die?

Joan Smith: That question is offensive. No, we are not letting people die.

Interviewer: What were your company's revenues and profits last year?

Joan Smith (*forgetting to breathe)*: We're a privately owned company and I don't have to answer your question.

Interviewer: Is it true that your company is spending $2 million on its PR and lobbying campaign?
Joan Smith: No comment.
Interviewer: Anything to add?
Joan Smith: No.

Following the interview, which took about two minutes to conduct, I asked Joan whether the reporter got what he was looking for and could write a news story based on their encounter. "No, not really," she said. You decide.

Drugmaker Denies "Gouging" Cancer Patients

"We are not greedy," claims CEO

JLA Life Sciences, maker of the recently approved drug Biojax, is insisting the high-priced oncology treatment "does not rip off" cancer patients, as critics contend. Biojax, a biologic made from living cells, is prescribed at a cost of $25,000 per treatment.

"We are not gouging cancer patients," said Joan Smith, chief executive officer for the biologic maker. Smith, who denies the company is "letting people die," blamed government for the lack of patient access to Biojax. "It's not as if Biojax is dangerous or unproven," she claimed. "Government refuses to pay for the drug because they think we priced it too high."

According to JLA's CEO, the problem is that government "is ignorant when it comes to biologic medicines." Smith blamed the drug's high cost on research and development expenses. "We are not greedy," she stated.

She does admit, however, that profit is an important factor in pricing. "A business needs to make money," she said.

Smith refused to provide specifics when asked about JLA's revenues and profits. "We're a privately owned company and I don't have to answer that." She also refused to confirm or deny that $2 million has been spent on a Biojax public relations campaign. When asked about the rumor, she snapped, "No comment."

After sharing this edited news report with Joan, she was in shock. By focusing on the dramatic element in telling her story, did the reporter sensationalize, do something wrong, or act in a less than ethical fashion? No. The quotes are accurate. Like them or not, Joan did make those statements, all of which are truthful. However, she was naturally displeased with the story the reporter wrote. In fact, her initial comment was "You took me out of context. Where's the rest of what I said?"

Please keep this encounter in mind. In Chapter Six, we will revisit the same interview. Only, in the next encounter, Joan will be much better prepared to address criticism of Biojax and begin shaping public perceptions of the drug.

Telling Your Story

When the headline is you, the words out of your mouth can have reverberating consequences. At the same time, a CEO's positive reputation can help drive shareholder value. Edelman Public Relation's Trust Barometer, a yearly comprehensive survey of public sentiment, reports that 90 percent of professional investors are more likely to recommend or buy the stock if the chief executive is seen in a favorable light.[15] The same survey reveals that 93 percent of people find information in articles and news stories more credible than information presented in advertising. Similarly, a study by PR firm Burson-Marsteller found that media is the Number One venue for message delivery. Eighty-four percent of chief executives believe conducting media interviews is the most effective external activity to deliver corporate messages. For comparison, industry conferences and trade shows measured in at close to 62 percent, with advertising at only 47 percent.[16]

What's more, appearing in the media actually contributes to higher executive compensation. A University of Colorado study determined that executives written up in business media earn more money. Study author Markus Fitza interviewed fifteen

Media Goodwill Bank Account

To ensure a positive reputation and build trust, newsmakers need to create what I call a media goodwill bank account. Like any account whose purpose is to build equity, the media goodwill bank account operates best with a positive balance. Positive media relations are like fire insurance, says Canadian columnist Don Martin. "If the home catches fire, it might still burn down, but there's hope of rebuilding from the ashes. With no reservoir of goodwill, newsmakers are fighting a lost cause."[17]

hundred CEOs and concluded that a single article featuring a CEO in the *New York Times*, the *Wall Street Journal*, *Forbes*, *Fortune*, or *BusinessWeek* raised the CEO's compensation by an average of $600,000. In addition, getting on the cover of *Forbes*, *Fortune*, or *BusinessWeek* was good for an average raise of just over $1 million. This type of exposure, he said, leads management and boards of directors to believe their CEOs "had exceptional accomplishments that year."[18] Considering the current social and political climate, this type of positive press coverage is increasingly important.

The Public Is Losing Trust

Today more than ever the general public demands that those they hold accountable be genuine and trustworthy. The previously mentioned Edelman Trust Barometer reveals that the public's trust in corporate leaders is weaker than ever. Edelman reports that trust in U.S. businesses dropped from 58 percent to 38 percent in one year. Outside the United States, businesses in emerging markets received higher numbers, but not by much. The Trust Barometer also found that trust in CEOs as spokespeople fell to an all-time low of 17 percent in the United States.

As discouraging as these numbers seem, they are understandable in a decade defined by the fraud or incompetence of companies like Enron, WorldCom, AIG, and Bear Stearns. Whether due to the S&L crisis of the 1980s, the Long-Term Capital Management bailout in 1998, the dot-com bubble of 2000, or the $700 billion Troubled Asset Relief Program (TARP) created in 2008, corporate and regulatory failures have cost taxpayers trillions of dollars and eroded any sense of public faith in the business leaders and politicians charged with managing capital markets. Clearly, there is a need to build trust and strengthen reputation through positive, proactive interaction with the media. So is media training the answer? Like chicken soup, media training certainly can't hurt, as long as the training teaches spokespeople to truly be responsive.

The Media Training Model Is Broken

Recently, I hosted a media training program with several manufacturing plant managers to help them become better spokespeople. As part of the training, we simulated a fatality at a plant. When I asked Salim, a plant manager, to comment on the death, he responded, "We have an excellent safety record." His safety claim may be true statistically speaking, but this isn't the right moment to gild the lily on safety. Frankly, a worker is dead and Salim's comment about an "excellent safety record" is not appropriate given the situation. Besides, the comment is defensive and fails to acknowledge the emotions surrounding what has taken place.

When I asked Salim why he answered as he did, he told me a media trainer had instructed him to only provide reporters with positive messages, regardless of the question. Regrettably, this was another in a long list of instances of media trainers telling spokespeople to ignore reporters' questions and just get out their messages. The current model for media training is broken because it calls on spokespeople to ignore questions and simply repeat

so-called "key" messages. Each time a nonresponsive message is repeated, a layer of trustworthiness is stripped away from the speaker. The delivery of predetermined messages, regardless of questions asked, whittles away at the spokesperson's credibility. Given a spokesperson's objective is to build trust with the media, it doesn't make sense to chip away at that trust with messages that never really answer questions.

In learning to be better media communicators, spokespeople and executives must not be encouraged to be slick and polished. People do not trust slick and polished. Instead, the objectives of media training should be to learn how to directly address difficult questions, how to avoid falling into media traps, and most importantly, how to accomplish the two previous tasks with honesty and integrity.

In my experience, media training can only be truly effective if executives are aggressively challenged and questioned. Few other people will talk to executives in the probing, confrontational way a journalist may. This can be disconcerting. Unfortunately, many executives feel they do not need to practice answering questions until a crisis occurs and a reporter is knocking on their door. Then, and only then, do they take the process seriously. But the process of interrogating executives in practice sessions has value, if for no other reason than to subject them to the types of tough questions that only journalists have the audacity to ask.

While a book, a seminar, or an online tutorial cannot expose you to the stress of a contentious interview or packed news conference, the remaining chapters in this book will provide an effective alternative to the broken media training model. One that offers strategies for navigating all types of media events with expertise and integrity. One that will help you address confrontational questions while still delivering proactive and positive messages. And, subsequently, one that will help you avoid the many gaffes, missteps, and blunders that inevitably lead to a media catastrophe.

Chapter Talking Points

- Reporters look for dramatic situations with compelling characters. These types of stories are easy to write and simple for readers to understand.
- News stories usually fall into categories such as good versus evil, winners and losers, bad decisions, irony, rumors, the unusual or absurd, offensive comments, uninformed politicians, and failed jokes.
- Hero, villain, victim, survivor, and village idiot are some of the stock characters that reporters use to write their stories quickly.
- Journalists are influenced by unconscious personal biases as well as the stress of constant deadlines.
- With the explosion of social media, companies must continually monitor and respond to what is being written about them. Wait too long and an organization's reputation might be irreparably harmed.
- Reporters edit interview quotes for dramatic impact and to get to the essence of an issue.
- An edited quote is not the same as one that has been taken out of context.
- The current model for media training is broken because it calls on spokespeople to ignore questions and repeat "key" messages. Each time a nonresponsive message is repeated, a layer of credibility is stripped away from the speaker.
- The most effective way to deal with the media is to be honest and responsive.