

PR SERVICES

Vol. 8, No. 1

REPORT

January 1994

PR to help map trip down the 'information highway'

The emerging "information highway" that will link television, telephones and databases offers a potential gold mine to PR firms that can help consumers navigate their way through the many electronic offerings, according to Richard Edelman, President and COO of Edelman PR Worldwide.

The job of persuading consumers to take a "test spin" on the data highway, Edelman believes, is one that is tailor-made for PR rather than advertising. PR will be the "vital selling tool" that will



Richard Edelman

Continued on page 29

Top biz mags are stung by Rotbart seminar at PRSA

Spokespeople for *Business Week*, *Fortune*, *Forbes* and *The Wall Street Journal* expressed shock and outrage at remarks made about their publications by journalist Dean Rotbart, who gave a presentation on media relations at the PRSA conference in Orlando, Fla., Nov. 16.

Among many other deprecating remarks about journalism in general, individual publications and individual reporters, Rotbart told a packed room of 250 PR people that the "editorial panels" of the three magazines named above "pay a lot of attention...to ad page sales" and if not enough ad pages are being sold, they discuss ways to "mix up the editorial formula to

Continued on page 16

Multiculturalism is debated at PRSA meeting; sides far apart

The subject of multiculturalism was hotly debated at the Public Relations Society of America conference in Orlando, Fla., Nov. 15.

Two panelists and moderator John Beardsley, 1994 president-elect of PRSA, stressed the growth of the non-white U.S. population and said PR and marketing must make adjustments for such changing demographics.

Jack O'Dwyer, third panelist and Editor of this magazine, took the opposite viewpoint, saying that America was created by people who wanted to forget their ethnic differences and he was opposed to anything that magnified the differences or exploited them.

He said the surest route to success in the U.S. for anyone remains full assimilation into its Eurocentric culture.

The SRO audience of more than 50 (a small room had been allotted to the

panel) was overwhelmingly pro-multiculturalism.

One woman walked out in the middle of O'Dwyer's presentation and in the question-and-answer period, O'Dwyer was called a "Neanderthal" three times.

Beardsley was asked by O'Dwyer to enforce Robert's Rules of Order, which prohibit personal remarks in a meeting. Beardsley said he would not intervene.

Continued on page 8

Foreign media are prime targets for aggressive pitches

Foreign media with offices in the U.S. are building staff here and are open to pitches by U.S. PR people.

However, their reporters have demands that are similar to those often voiced by their U.S. counterparts--access to top management and exclusive stories or angles.

These views were expressed by three foreign journalists at the PRSA/New York International Committee lunch Dec. 8, 1993.

"Exclusivity is the name of the game," said Benedikt Fehr, business

Continued on page 30

Top biz mags stung by Rotbart seminar

Continued from page one

generate more ad page sales."

Marshall Loeb, Managing Editor of Fortune, said advertising is "never" discussed at Fortune editorial board meetings and it is "madness" to say otherwise.

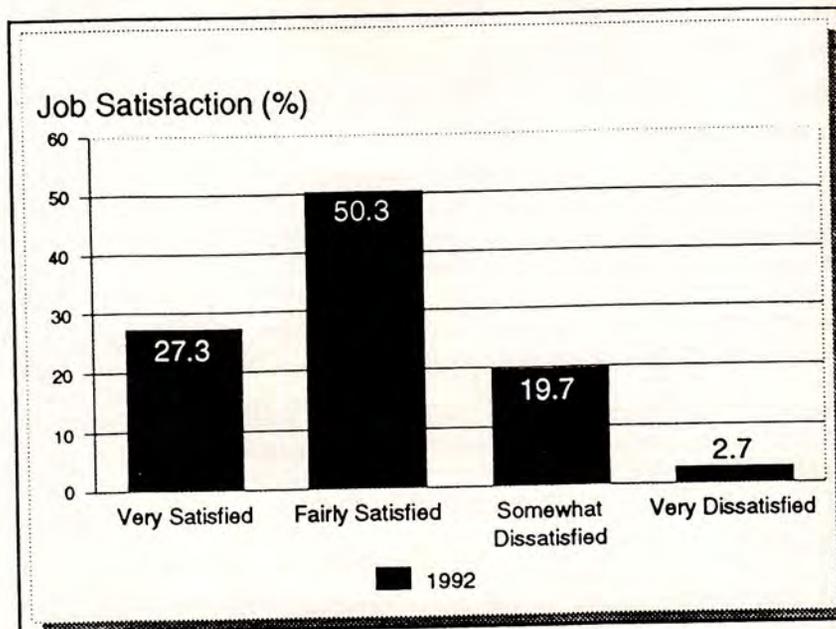
"How dare Rotbart impugn the integrity not only of Fortune but some of America's finest business journalists!" thundered Loeb.

'Reporters 'beat up' companies that don't pay 'protection money' in the form of news tips. —Rotbart

Business Week spokesperson Christine Summerson said Rotbart had presented "a cynical and distorted view of how the business press operates."

It is "a disgrace to have this man passing himself off as a media critic," she said.

[Rotbart's promotional materials say his *TJFR Business News Reporter* newsletter is "the nation's leading authority on business journalists."



The charts are from interviews conducted with 1,400 journalists by David Weaver and Cleveland Wilholt, professors at the Journalism School, Indiana University. The study was published by the Freedom Forum, a journalistic organization.

Rotbart, who wrote the "Heard on the Street" stock tip column in the Wall Street Journal until 1987, has been giving his "Newsroom Confidential" seminars for about two years, charging \$295 per person.

Reporters have been barred from the sessions because, a flyer explains, Rot-

bart wants them to be "frank and without fear of retribution from unhappy journalists."

Every attendee of the workshop is made to sign a "confidentiality agreement covering all discussions."

Rotbart gave an hour-and-a-half session at the PRSA conference which he said was based on his Newsroom Confidential series (which he is scheduled to give 27 times in 22 cities in 1994). He did not ask the audience to sign such confidentiality agreements.

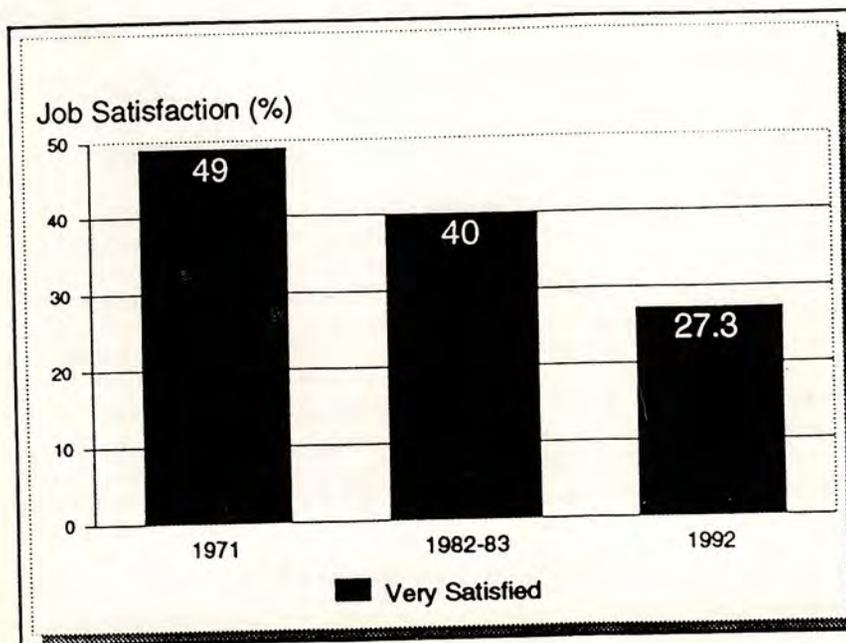
Reporters are portrayed as highly selfish people, thinking of themselves first, their sources second (for whom they will do many favors including not covering "minor negative news items"), and their bosses, third.

Failure to pay "protection money" in the form of news tips will result in a company being "beat up" by vindictive reporters, Rotbart said.

Survey misquoted

A Freedom Forum survey was incorrectly quoted as saying that three-quarters of reporters dislike their jobs and some of those who want to leave don't have the courage to do so. [The survey actually found three-quarters

Continued on next page



The chart here and the one above show that journalists who are "very satisfied" slipped from 49% in 1971 to 27.3% in 1992. But another 50.3% remain "fairly satisfied" in 1992.

are "fairly satisfied" with their jobs.]

Rotbart says that the business side has great influence on the news side these days and that, "If you are an advertiser, and have lots of money, you have a lot of power in dealing with news organizations."

PR people are given numerous tips on winning coverage including advice to speak at seminars thrown by business magazines, allowing reporters to attend intimate company events ("you'll get a lot of wet kiss stories"), and becoming personal friends with reporters.

One piece of advice was: "Marry a journalist. I guarantee you...whoever you marry will give you better news coverage. The bad news is, you're married to a journalist." [The audience laughed heartily.]

Rotbart also gave some traditional media relations advice, including asking the PR people to be sources of information--not barriers--to reporters.

He said the biggest bar to good media relations is the CEO. There would be a "dramatic improvement" if CEOs would empower PR people "to do what their executives know is right."

Michael Lissauer, VP-Marketing of Business Wire, said BW had severed its

Rotbart should get his facts right before criticizing anyone.

-Roger May, Director of Corporate Relations, Dow Jones

relationship with Rotbart.

Previously, BW had been listed as a co-sponsor of the "Newsroom" seminars, recommending them to clients of BW as being of "value."

Lissauer said BW only helped Rotbart promote attendance at the seminars and neither supplied money to Rotbart or his organization nor received money from it.

PRN rethinks deal

Ian Capps, President of PR Newswire, which is owned by United Newspapers of London, confirmed that on Dec. 3 PRN signed an agreement giving it the right to co-sponsor many of the 27 Rotbart "Newsroom" seminars in 1994.

Another company that was approached by Rotbart said that payment of money by the sponsor was required.

Capps would not discuss terms of the deal and said PRN only had the "opportunity" to sponsor the seminars and was not required to do so.

Capps, whose PRN has co-sponsored the *Business News Confidential* directory of 5,000 journalists for several years, said that thus far PRN has been "perfectly comfortable" in its dealings with Rotbart.

The directory, which sells for \$249, says on the cover that it is "A service of PR Newswire."

A PRN press release dated May 23, 1991, announcing PRN's partnership in the directory, said, "TJFR represents the highest levels of editorial quality and integrity in financial media relations."

PRN clients like seminar

"Our clients seem to like Newsroom Confidential," Capps said, adding that PRN organizes or co-sponsors more than 100 media or other seminars each year.

"We have not [co-sponsored a seminar] with TJFR for approximately two years, although others have," said a PRN statement. It continued: "We now have an understanding with TJFR which gives us the opportunity in the future, at our discretion, to co-sponsor seminars with them. If these are of interest and value to our clients, we shall take advantage of that opportunity as appropriate."

Other TJFR services

Besides the twice-monthly newsletter, directory and seminars, TJFR provides what the May 23, 1991 PRN release described as a "dossier service" on reporters.

For \$49.95 per "profile," as a TJFR

Continued on next page

BUSINESS NEWS
CONFIDENTIAL™

THE DEFINITIVE DIRECTORY
OF BUSINESS JOURNALISTS

Industry Groups: Apparel Retailers
Dollar Is Pushed Lower on Profit-T.
Rumors of Big Speculative Sales in

A SERVICE OF
PR NEWswire

What Divorcing Couples Need to Consider

Before they sit down to negotiate a settlement, divorcing couples should try to work through questions pertaining to their taxes and benefits:

- Should you sell the house? In most cases, there are important tax advantages to selling a home at the time of divorce.
- How will retirement assets be split? This includes pensions, IRAs, 401(k) plans, Keoghs and deferred compensation.
- Who will pay for medical benefits? A non-working ex-spouse might be entitled to coverage under the other spouse's plan, but premiums are costly.
- What changes should you make in your benefits package at work? You might need to put back on 401(k) contributions, start funding a child-care account, or change the medical plan.
- Who will claim the kids? The custodial parent is usually entitled to claim the child on an income tax return, but changes as the child's age and status change, and the non-custodial parent can usually still file as head of household.

TJFR PUBLISHING CO.

This directory, listing names, addresses, phones, etc., of more than 4,000 journalists, was first published by PR Newswire and TJFR Publishing Co. in 1991. The directory, which sells for \$249, was published "in partnership with PR Newswire," says a statement in the book by Dean Rotbart, its Editor.

Top biz mags stung

Continued from page 17

flyer describes it, the company will fax business and personal details about a reporter. These include the reporter's age, supervisor, spouse, names and ages of children and hobbies, in addition to work and educational records. A sample bio gives a wife's occupation.

WSJ comments

Roger May, Director of Corporate Relations for Dow Jones, publisher of the WSJ, said, "Rotbart should get his



Varney

facts right before criticizing anyone."

The Rotbart talk, one of whose main themes was that publishing companies are profit-minded businesses just like other businesses, had pointed out that the WSJ had co-sponsored a trade show with Compaq [Sept. 13-17, 1993 in Houston] at which WSJ "editors and reporters" spoke.

"But how do you speak at Compaq if you're an editor and cover the company objectively the next day?" asked Rotbart, providing the answer: "You don't."

May said that there were a number of corporate sponsors of the show including the ad department of the WSJ.

A WSJ reporter spoke at the show but he doesn't cover Compaq, May said, adding he resented Rotbart's insinuation that the WSJ has been "soft" on Compaq.

Raymond Healey Jr., Director of Editorial Information, Forbes magazine, said he believes there were "many inaccuracies" in the Rotbart presentation and that he would protest strongly to Rotbart.

EDITOR'S DESK

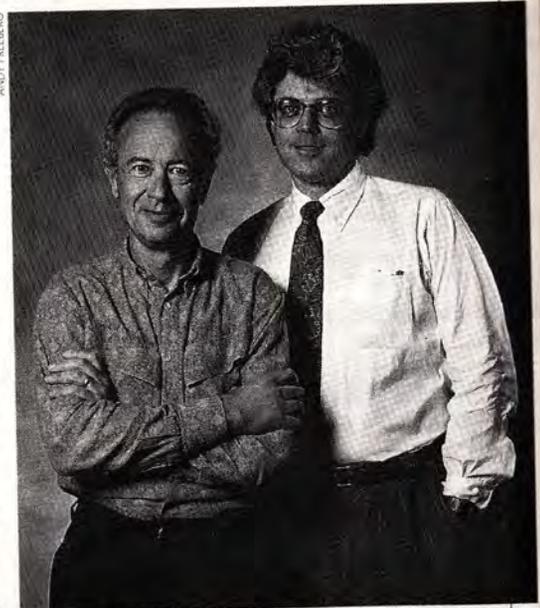
IT'S TIME TO INVEST AND BUILD

A NEW YEAR and a new President promising to stimulate investment in our economy have done much to restore confidence in America. But where does U.S. industry really stand? Dangerously close to blowing our chance at a lasting comeback, says senior writer Edmund Faltermayer.

After spending two months interviewing more than 80 experts, he found an alarming decline in spending on capital equipment and R&D—the engines of long-term growth and prosperity. Richard Kirkland, who edited the cover story beginning on page 42, says Faltermayer's conclusions "really make the case that it's time for American companies to shift gears from cost cutting to building for the future."

Could we be going the way of Britain at the turn of the century, when it lost its economic dominance? Says Faltermayer: "The economy of the whole country may be in danger because of this stagnation."

But there is a brighter side, as shown in



Intel's Andy Grove and FORTUNE's Strat Sherman

Someone Else Will, a book about how Jack Welch led General Electric through a corporate revolution. Grove believes that the lessons from his company's expe-

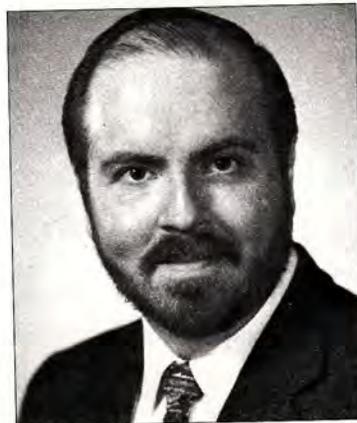
A picture of Intel's Andy Grove and Fortune's Strat Sherman ran in the "Editor's Desk" department of Fortune.

Further Loeb comments

Loeb, one of America's most respected business journalists, said Rotbart had made a judgment about Fortune editorial board meetings without ever having attended one.

"There is no correlation between advertising and editorial at Fortune," he said. "The topic never comes up. It is absolute madness to say otherwise."

As an example of editorial independence, he referred to the cover story in the May 3 issue of Fortune on three "dinosaurs" of American industry--



Dean Rotbart, who wrote the "Heard on the Street" column for the Wall Street Journal, started his own firm in 1987.

General Motors, IBM and Sears.

Rotbart is entitled to his opinion but he is not entitled to "bad reporting," Loeb added.

Referring to the overall Rotbart presentation, Loeb said Rotbart has made "a blanket indictment of journalism, impugning some of the finest journalists in the U.S. such as Susan Faludi and Stuart Varney."

Faludi was called "a not particularly acute business reporter" by Rotbart and Varney's "contribution to the world" was said to be that he "reads the news on CNN in the morning."

[Faludi, a former WSJ reporter, won

Continued on page 20

Top biz mags stung

Continued from page 18

a Pulitzer prize for her book, *Backlash: the Undeclared War Against American Women*; Varney, CNN morning business news co-anchor, is a graduate of the London School of Economics and is a heavily booked speaker on economics.]

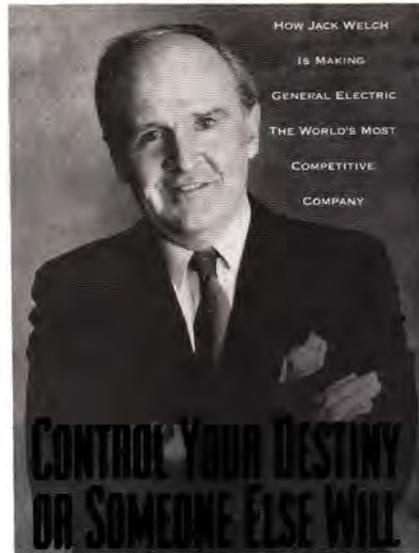
Loeb, commenting on Rotbart charges that reporters are selfish and obsessed with money, said he knows many journalists who are in the field "because it is one of the highest forms of public service and monetary rewards are not their sole motivation--by a long shot."

Stratford Sherman, Editorial Board member of Fortune, said he was "deeply offended" by his portrayal in the Rotbart talk.

Rotbart, who used a slide projector, showed a picture of Sherman alongside Andrew Grove, CEO of Intel Corp., whom Sherman had interviewed. The picture had run in the "Editor's Desk" department of Fortune.

Rotbart predicted that some journalist would sign a "multi-million dollar book deal" to co-write a book with

Grove "and it's going to be some journalist who has been cultivating him by writing positive stories. And I don't know if it's going to be Strat Sherman, but we'll see."



Stratford Sherman of *Fortune* co-authored with Noel M. Tichy "Control Your Destiny or Someone Else Will," which told "How Jack Welch is making General Electric the world's most competitive company."

[At least three Fortune writers including Sherman have written business books; Sherman co-authored with Noel

M. Tichy *Control Your Destiny or Someone Else Will*, which told "How Jack Welch is making General Electric the world's most competitive company."]

Sherman said he only met Grove four times and there is "zero chance" he will co-author a book with him. He said Rotbart falsely implied he was a close friend of Grove and was using that friendship for a selfish purpose.

PRSA backs seminar

PRSA President Hal Warner said Rotbart has the right to express his views.

"Others can express their opinions as you (the magazine) are planning to do. We encourage that kind of exchange and believe it will produce a good result," said the PRSA statement.

Betsy Solberg, of Fleishman-Hillard, Chair of the Professional Development Workshops at PRSA, said Rotbart was put on the program, without compensation, after being recommended by someone who attended one of his "Newsroom" seminars. Another PRSA member also interviewed him, she said. She would not identify either person.

PRSA's code forbids members from doing anything that might corrupt the integrity of the media. A further explanation says an ad commitment or "any form of payment" must not be used to obtain "preferential or guaranteed coverage" in a medium.

James Little, Chairman of the Board of Ethics and Professional Standards for PRSA, "believes Rotbart was providing his personal assessment of the media and individuals in the media" and that "Rotbart does not recommend that PRSA members violate the code in dealing with the media."

Rotbart declined to be interviewed for this report.

Return media calls

One piece of advice was to return media calls and be available to comment on topical issues.

As an example of someone who does this and is widely quoted, he named Hugh A. Johnson, a stock Analyst of First Albany Securities.

He said he called up Johnson and asked him why he was quoted so frequently while analysts from some of

Official Interpretations of the Code For Professional Standards for the Practice of Public Relations, Public Relations Society of America

Interpretation of Code Paragraph 1, which reads, "A member shall conduct his or her professional life in accord with the public interest."

The public interest is here defined primarily as comprising respect for and enforcement of the rights guaranteed by the Constitution of the United States of America.

[Emphasis by the magazine.]

Interpretation of Code Paragraph 6, which reads, "A member shall not engage in any practice which has the purpose of corrupting the integrity of channels or communication or the processes of government."

1. Among the practices prohibited by this paragraph are those that tend to place representatives of media or government under any obligation to the member, or the member's employer or client, which is in conflict with their obligations to media or government, such as:

- a. the giving of gifts of more than nominal value;
- b. any form of payment or compensation to a member of the media in order to obtain preferential or guaranteed news or editorial coverage in the medium;**
- c. any retainer or fee to a media employee or use of such employee is retained by a client or employer, where the circumstances are not fully disclosed to and accepted by the media employer;
- d. providing trips, for media representatives, that are unrelated to legitimate news interest;
- e. the use by a member of an investment or loan or advertising commitment made by the member, or the member's client or employer, to obtain preferential or guaranteed coverage in the medium.**

Top biz mags stung

Continued from page 20

the bigger firms were not.

Johnson told Rotbart that he returned media calls even though it kept him at his desk far past the regular closing hour.



Hugh A. Johnson, a stock analyst of First Albany, is frequently quoted in the media because he is available to reporters and returns calls, says Rotbart.

Rotbart said members of the audience would be hard-pressed to read business publications for a week and not see a quote by Johnson.

Media need \$\$

Media are under heavy cost pressures and "the business aspect of the news business governs news reporters more than at any time in modern history," Rotbart remarked at one point.

At many newspapers, circulation and advertising are off and costs are up,

DON'T PANIC!
AN INSTANT GUIDE TO
CRISIS COMMUNICATIONS
☆ BY ALAN CARUBA ☆

Ten Top Trade Secrets Plus Poster/
Checklist with Nearly 50 Options!

SEND \$5.00 PER COPY TO:
THE CARUBA ORGANIZATION
Box 40, Maplewood, NJ 07040
(NJ add 30¢ Tax/Canada and foreign, add \$1.50)

he said. The papers are going into many types of new businesses--trying to "redefine themselves as multi-media organizations."

He urged the PR people present to "stop thinking of newspapers as some kind of calling" or that journalists are "somehow public servants."

The real end of the news business is to generate profits for shareholders and pay the salaries of management,

'There are two classes of reporters--'stars' and 'grunts.' For the latter, news is 'drudgery' done by those who are 'underpaid and overworked.'

reporters and editors, he said.

Publications are more worried about revenues and less about "serving readers with information they need to know," he continued.

"If it's a question of serving readers or serving profits, over the long term, profits will win out every time," he added.

Squires book quoted

Rotbart showed a slide of the cover of a book by Jim Squires, former Editor of the *Chicago Tribune*. The book is *Read All About It*.

According to Rotbart, Squires wrote that news coverage is being affected by demographic studies.

Such studies determine the age, income, tastes, etc., of readers, and publishers remake the editorial profile to more closely match these demographics and the desires of advertisers.

Said Rotbart: "The journalism establishment has in effect lost control over the content of its newspapers. What the news media do for a living is no longer journalism at all...it is some form of popular entertainment."

Some publications, he said, will help advertisers to write the editorial copy in their "advertorials."

As one indication of where readers fit on publishers' totem poles, he referred to the manner in which publications handle calls from readers.

He suggested that members of the audience call up the *New York Times* or *Washington Post* and experience the

"voice mail marathon nightmare" that they offer to such callers.

Readers are eventually told to visit their local libraries and learn to look up items through various reference services, he said.

Sections pull ads

One major trend, according to Rotbart, is creating editorial matter to go with related ads.



Rotbart showed a slide of the cover of a book by Jim Squires, former editor of the *Chicago Tribune*. The book is *Read All About It*. According to Rotbart, Squires wrote that news coverage is being affected by demographic studies.

He mentioned the column on advertising news that may run in a newspaper. Ads near such columns are often sold at a premium rate, he noted.

He gave the recent *Time* magazine special issue on immigrants as an example of a publication dependent on an advertiser.

The sponsor of the magazine was Chrysler. The company and its former CEO, Lee Iacocca, have "great ties" to the new immigrants and therefore backed the issue, he added, saying, "No Chrysler, no special issue of *Time* magazine." [Chrysler was the only advertiser in the 88-page issue which was published in the Fall of 1993; Chrysler Chairman Robert J. Eaton stressed the company's "commitment to cultural diversity" in a letter printed in the magazine.]

Rotbart also recounted how the *Wall Street Journal* ran a sports page in 1992 in connection with the Olympics although there were many who doubted the *WSJ* would ever cover sports.

The section ran because Kodak put
Continued on page 24

he even competes with himself.

Would you believe it? Craig McCaw says he is risk-averse

By Fleming Meeks

THIS WAS NOT your standard dignified gathering of corporate brass. During dinner the chairman flings a grape across the dining room at Ocean Reef Club in Key Largo, Fla., scoring a solid hit on a woman executive. Soon strawberries and grapes are flying. When the chairman steps to the podium for his after-dinner pep talk he is greeted with a barrage of dinner rolls.

Deadpanning, Chairman and Chief Executive Craig McCaw says to the assembled brass of McCaw Cellular Communications, Inc.: "Thank you for that dose of respect."

Beneath the high jinks, however, was tension among the 130 McCaw executives. Youthful, mostly in their 30s and 40s, they were anxious about their futures. Only last November McCaw announced the sale of one-third of the Kirkland, Wash.-based company to AT&T for \$3.8 billion (see box, p. 81). Now he's about to talk to the group about the deal for the first time.

They are clearly worried. Will their entrepreneurial company be smothered by \$65 billion (revenues) AT&T? McCaw reminds them of an earlier investment in his company made by another larger company, Boston Globe publisher Affiliated Publications.

McCaw: "While I won't predict, yet, that we will do the acquiring of AT&T, rather than them of us, we were partners with Affiliated years ago. They bought 45% of the company for \$12 million in 1981. At the time they were worth about 30 times more than we were. Eight years later, when they spun our stock [then worth \$2.6 billion] off to their shareholders, we could have bought Affiliated and not even known we'd done it."

The following evening AT&T Chairman Rob-

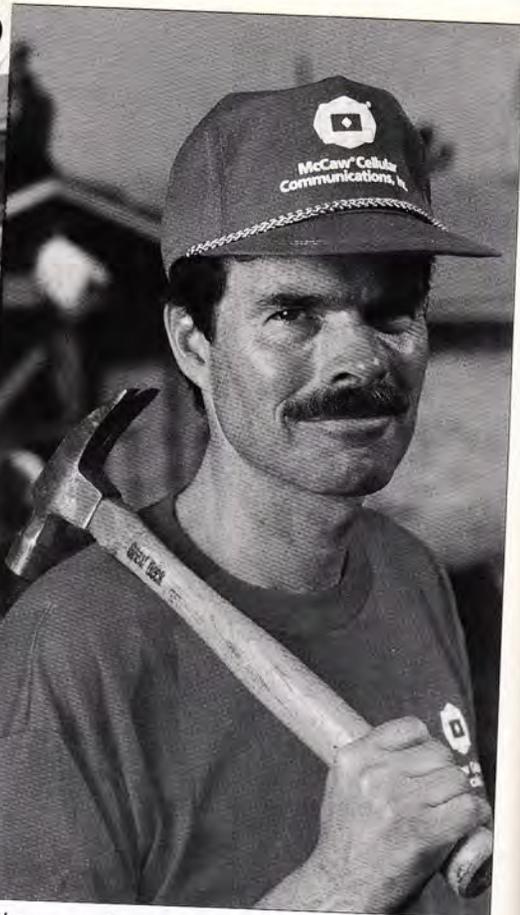
ert Allen addresses the group, invoking NCR Corp. as an example of AT&T's hands-off management strategy (FORBES, Feb. 1). "We have no desire to make over NCR in AT&T's image, and we certainly have no intention of doing that with anytime later." Allen promises. "Not now and not pulls a dinner roll from his pocket and throws it at McCaw, who deftly sidesteps it.

A self-made billionaire at 43, Craig McCaw fits no obvious mold. A skilled pilot who flies his own Falcon 900 jet, he is also a vegetarian—though his PR man says he occasionally eats salmon, even chicken. Sartorially he prefers Patagonia outfits to business suits. He owns a 150-foot yacht and says Patton is his favorite movie. What makes him tick? "I haven't figured me out either," McCaw laughs when a reporter tries to reconcile McCaw's low-key personality with his enormous success.

Here's one thing that can be figured out by anyone with a pencil: The McCaw family's stake in their company is now worth about \$1.6 billion, making Craig Seattle's second-wealthiest young chief executive, behind his 37-year-old neighbor, Microsoft's Bill Gates.

Like many successful business people, McCaw, the second of four brothers, started learning business almost as soon as he learned his ABCs. His father, John Elroy McCaw, was a daring and often reckless entrepreneur who bought and sold dozens of radio and TV stations

Craig McCaw
"I haven't figured me out either."



Rotbart referred to the March 1, 1993 Forbes magazine which had a cover story on McCaw Cellular, headed by Craig McCaw. Fleming Meeks, Senior Editor of Forbes, had been allowed to attend a company meeting in Key Largo. At one particular dinner meeting, McCaw threw a grape and hit a women executive. Later, McCaw was pelted with dinner rolls. These incidents served as the lead of the story by Meeks.

Top biz mags stung

Continued from page 22

up \$4 million to sponsor it, he said.

As another instance of advertising driving editorial, Rotbart said he remembered seeing an ad supplement in Forbes on "duck decoys" because "somebody was willing to pay for them to do something on decoys."

However, this magazine called up Forbes to doublecheck the decoys story and staffers could find no such story or ad section in Forbes in the past half dozen years.

Publications that "lend" their reporters to the advertising side came under criticism from Rotbart.

The instance of a Wall Street Journal reporter addressing a trade show sponsored by Compaq Computer, the WSJ and others, was discussed earlier.

Rotbart said Fortune is a business publication that asks its reporters to speak to potential advertisers.

The magazine, he said, puts on a conference and has the ad staff attend and invites business executives.

Editorial staff members also attend, he noted.

He feels the executives who speak at

such conferences get "positive coverage in the magazines and newspapers" although he admits he has not done a "scientific" study of this.

Rotbart feels it's hard for reporters to continue being objective about a company when they're involved in a seminar that also involves advertising salespeople.

Reporters want big \$\$

As an indication that reporters are out after "big dollars," Rotbart said that more than 75 journalists at business and national news organizations are writing books on the side.

This could bring them annual salaries in the neighborhood of \$125,000, he commented.

"Many journalists, I think I can say most journalists, these days are out first and foremost to promote their own careers and own self interests," Rotbart said.

Journalists may be idealistic when they come out of school but after about 18 months in the field they "lose that idealism and start worrying about surviving" in their chosen profession.

PC has effect

Also affecting news coverage in these times of political turmoil, according to Rotbart, is political correctness.

News organizations are very interested in giving all sides of an issue an equal shot at space or time.

The organizations are likely to pay less attention to how accurate an analysis may be and more attention to what demographic groups are being represented by the analysis, he noted.

News organizations want to make sure that the people they quote and write about are "politically correct--representing all demographic groups, races, genders and sexual preferences."

From a practical point of view, this means that a member of a minority group or a woman might have more of a chance of getting heard than a white male, he said.

Rotbart on several occasions in his presentation urged PR people to open doors and be sources for reporters rather than making reporters' lives difficult.

One way of doing this, he said,

Continued on page 26

Top biz mags stung

Continued from page 24

would be to walk around the plant or company offices and try to think like a reporter would, looking for various story leads.

Helping a reporter with general information about an industry--as opposed to specific information about the PR person's own employer--can help to

puter; Andrew Grove, CEO of Intel Corp., and the late Sam Walton, founder of Wal-Mart.

Walton would take journalists on airplane rides. "He would seduce journalists with his charm and get them to see only the good side of him," said Rotbart.

He noted that Fortune Senior Editor John Huey co-authored a biography of Walton.

Rotbart displayed a picture of Gates, Jobs and Brenton Schlender, Editorial Board member of Fortune who is now

as he thinks he does, and as long as Bill Gates and Steve Jobs allow him to think he belongs, then the kind of coverage that they're going to get from Brent Schlender...is dramatically different from anything else that you or I could get..." said Rotbart.

'Stars' and 'grunts'

The economic and other pressures on the media have created two classes of reporters, according to Rotbart--"stars" and "grunts."

The "high-powered stars" do high-profile stories and get star billing while the lower "grunt" class of reporters "do all the hard work and get very little of the credit."

For them, news coverage is "drudgery," like working on "an assembly line."

These are the reporters that most PR people are apt to deal with when they are seeking placement for their stories, says Rotbart. They are from the "grunt class" and are "rather unhappy with what they're doing."

Quoting a Freedom Forum survey, he said that about one out of five journalists want to get out of the field in five years and most of these are from "the grunt class."

"They don't have the financial flexibility to leave or the courage to leave or a variety of other things," he added. #

'You'll find at major national news organizations publishers are now consistently tapping on the shoulders of the newsroom and saying, would you help us in various conferences and seminars in order to sell ads.'

give the reporter a new view of the PR person, he said.

Company executives who don't mind allowing reporters into intimate company events can expect to get good and even great coverage, he said.

Rotbart specifically referred to the March 1, 1993 *Forbes* magazine which had a cover story on McCaw Cellular, headed by Craig McCaw.

Fleming Meeks, Senior Editor of *Forbes*, had been allowed to attend a company meeting in Key Largo, off the Florida Coast.

At one particular dinner meeting, Craig McCaw threw a grape and hit a woman executive. Later, when McCaw got up to speak, he was pelted with dinner rolls.

These incidents served as the lead of the story by Meeks. The story was also an in-depth look at the growth and finances of the company.

McCaw, noted Rotbart, and certain other executives, have "good" personalities and are "comfortable" with journalists, thus winning "a lot of good press."

Executives who like this sort of attention and become known for it can expect "a lot of very wet kiss stories," said Rotbart.

As further examples of major executives who like to be friends with reporters, Rotbart mentioned William Gates, Chairman of Microsoft, Steve Jobs, former Chairman of Apple Com-

based in Tokyo and who covers the high-tech industry.

Noting that Gates is worth "several billion" and Jobs is worth "a few hundred million dollars," Rotbart said Schlender is worth "about four dollars and fifty cents," provoking a round of laughter in the audience.

"Don't tell Brent that he doesn't belong in this picture, because...as long

Rotbart attacks "media myths"

As part of his presentation, Rotbart attacks a number of what he says are "media myths."

Among them are that "the value of a story as news is a principal guide to whether or not it is used," and that news organizations and journalists "are dedicated first and foremost to the service of their readers or viewers."

Many reporters look at stories from the viewpoint of whether or not the stories will advance their careers, said Rotbart.

Other considerations may include whether the source is an advertiser or a supplier of news tips.

Individual reporters aren't worried about advertisers but publishers certainly are, he said.

Reporters "bend the rules" to reward news sources, including ignoring "bad small stories" of such sources, he said. And reporters may look for bad stories to write about those who don't supply tips, he also said.

"In many ways, journalists thrive on companies that don't talk to them...they beat up on you and they have nothing to lose in the course of doing it," said Rotbart.

Reporters today are also looking for people to quote who represent all races, ethnic groups, religious and political persuasions so that balance is achieved, Rotbart said.

Hundreds of valid news stories never get used while many others that are "minor negative news items" are used, he added. #