

# talking points

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**Mixed messages:** The lines between U.S. business news, opinion and analysis are rapidly blurring. The rise of the financial punditocracy is creating both new opportunities to engage with the press and new pitfalls to avoid. [CONTINUED ON PAGE 2 >>](#)



The spirited mix of news and financial opinion that increasingly fills the pages of American newspapers, the airwaves and the blogosphere is a new phenomenon for U.S. audiences. Technology, from the Internet to cable TV, has driven the rise of a business commentariat by breaking down barriers to entry for would-be pundits, commoditizing “straight news” and overwhelming news consumers with information. These days, some of the same people who are reporting and breaking the day’s leading financial news are also telling you what to think about it, wielding a power to reshape corporate reputations that was unimaginable a few years ago.

Blending news and opinion is old hat to audiences in the U.K. home to a longer history of a gray area between the two. It’s less familiar to American audiences for a number of reasons, including more clearly demarcated job roles at U.S. newspapers, where reporters didn’t tread on columnist territory and columnists rarely broke news; a decades-long U.S. reward structure geared toward Pulitzer Prize-winning long form journalism; and a post-Watergate view of journalists as professionals performing a civic duty, which created a premium on maintaining objectivity.

For companies, that translated into clear areas of engagement: ideally, you knew your beat or sector reporters well from mainstream and trade publications and had good working relationships with them, with clearly defined rules of engagement. Occasionally, depending on your line of business, you might cross paths with a feature or management writer wanting to chronicle a trend; meet with an editorial board; or perhaps wind up as the subject of a *Barron’s* piece or a “Heard on the Street” column in *The Wall Street Journal*. But you rarely found yourself in the sights of an at-large columnist, commentator or blogger who didn’t necessarily know you or your industry but had something pungent to say about you anyway.

No more. Now there’s a virtual army of financial journalists, bloggers and commentators who may weigh in on your company or your sector at any given time. And given the press’ appetite for controversy,



## “Good stories need conflict and drama and struggle.”

Dennis Kneale, CNBC's media and technology editor



it may not be at the most advantageous moment, barring a contrarian or counter-cyclical story. “Good stories need conflict and drama and struggle,” says Dennis Kneale, CNBC’s media and technology editor.

The shift is changing how financial news is delivered and how it is consumed. Ultimately, the very definition of “news” is changing, with different outlets serving it up in different ways that create both challenges and opportunities for corporate communications. A quick scan of the current financial news landscape may help companies rethink how to engage, especially with pure commentary writers who are accustomed to talking to executives on background and who aren’t as driven by the need for a quote.

Financial commentary in the U.S. has exploded just in the past year. The WSJ, taking a page from the *Financial Times*’ “Lex” column – along with several Lex writers – has turned “Heard on the Street” into a daily commentary forum. *The New York Times* runs analysis by financial commentary provider Breakingviews, hosts blogs written by lawyers and economists, and is giving leading columnists such as Joe Nocera, Andrew Ross Sorkin and David Leonhardt an increased presence and prominence in the paper and on the web site. *The New Yorker* magazine has a business blog, James Surowiecki’s “The Balance Sheet,” *Slate* has a new online business site, “The Big Money,” and even *The Atlantic* magazine just jumped into the game with what it describes as “a web site devoted to decoding the mysteries of today’s economic order.”

While Wall Street’s meltdown and economic gloom clearly reflect the driving news of the day, the proliferation of commentary follows the rise of CNBC and independent blogs such as Silicon Alley Insider, Seeking Alpha, 24/7WallSt.com and TechCrunch.

Brunswick spoke with editors and senior journalists at a number of leading financial news outlets, including *The Wall Street Journal*, the *Financial Times* and its Alphaville blog, CNBC, *Fortune*, Bloomberg and Reuters. All say they welcome a healthy give-and-take with companies. While instantaneous deadlines and the appetite for snap commentary allow little time to weigh in before a story or a post appears, the writers making judgments say they welcome a debate. “It’s actually not a difficult thing to do, to come on and say, ‘You know, we think you’re wrong,’” says Paul Murphy, editor of the *FT*’s Alphaville blog. “That kind of feedback is valuable to us and it’s valuable to the readers, because the readers aren’t looking for just one line.”

The trick is to be able to respond as quickly and directly as possible, whether via a phone call or email to an editor or a direct comment in a blog’s comment box. That may not always be possible in sensitive situations, but there are times when a quick “here’s what you’re missing” call or email may help.

Well before a post or a column appears, today’s pundits still welcome contact from companies, and commentary writers are accustomed to talking to people without

attribution. “By default, we are always on background, so we never quote people,” says Rob Cox, U.S. editor of Breakingviews.com. “This means you can actually develop a dialogue or a debate.” Cox adds that “it’s always helpful for the company to at least inject their perspective into our thinking, and hopefully it is always reflected in the writing.”

At the *FT*, U.S. Lex Editor Stuart Kirk, a former portfolio manager, notes that the voices that inform the paper’s commentary needn’t be limited to the CEO: “There are people who sit in on strategy committees, second-in-command IR people who straddle the entire company and know where every factory is – those sorts of people are great to talk to.”

Today’s financial commentary reflects the diverse backgrounds of the people writing it. Lex columnists have long come from the financial sector. The writers at the WSJ’s revamped “Heard” column are a mix of former bankers, business consultants and veteran journalists with deep industry knowledge. “We’re not trying to be pure opinion,” says Thorold Barker, the former U.S. Lex editor and Bain consultant who now edits “Heard.” “It’s analysis with a point of view, and numbers are a key part of that.” He adds, “We want to be thought-provoking on the news of the day without slavishly following it. And our real aim is to be ahead of it.”



As news becomes increasingly commoditized, even the most basic providers of breaking news – the wire services – are broadening their roles to offer commentary.

Jonathan Ford, the former Lex writer and Breakingviews co-founder who recently joined Reuters as its new commentary editor, says the goal is “to cover the most important issues and stories in financial markets in ways that will give some readers insightful ideas to help them in their work, while providing other readers with peripheral vision of the wider financial world.” Ford plans to hire between 20-25 columnists, based mostly in the U.S. and U.K., with the rest scattered in Asia and emerging markets. The commentators will weigh in on such areas as political risk, the intersection of government and business, the financial industry and financial markets, and energy and commodities. Ford emphasizes that while news and commentary will be cross-referenced, they won't be blended in any ambiguous way: “Our comment and ideas will be based on unimpeachable fact.”

Bloomberg, which already has both staff and contract opinion columnists, plans to start a push for op-eds by “big names.” Amanda Bennett, Bloomberg's executive editor for enterprise and opinion, says she's hoping to draw recognizable names that can “put issues in a broader context that would be interesting and provocative to someone not in their industry.” Perspectives that reflect history, geography, erudition or a contrarian view are welcome; narrow, self-serving lines of reasoning are not.

Dow Jones, meanwhile, is building a global team of commentary writers focused exclusively on providing corporate finance news, analysis and opinion for the investment banking community. The dedicated team of 15 full-time commentators and editors is drawn from various sectors, and all have strong backgrounds in corporate finance with banking or research experience behind them. The writing team is based in New York, London and Hong Kong and has already begun writing for Newswires.

While newspapers have the option of flagging commentary with a different type layout – the so-called “ragged right,” which refers to the way copy is justified on the printed page – that's not the case at wire services, where everything looks the same on a screen. Both Bloomberg and Reuters clearly flag commentary as such and keep it slightly at arm's length with a disclaimer that “the opinions expressed by the writer are his/her own.”

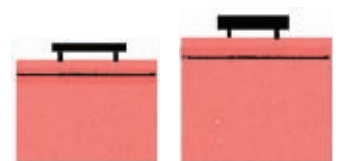
The current state of business coverage evokes an earlier era when American newspapers were vehicles for the flamboyantly opinionated views of their editors and, later, their star columnists. Given the contemporary volume of coverage and the fierce competition to add value to the news, the blending of news and opinion is bound to increase. Companies should therefore seek out writers behind influential opinion pieces to ensure they are as well-informed as possible, and shouldn't ignore the parts of the blogosphere that matter most. Finally, it's important to keep in mind



that even as you struggle to keep up with the barrage of information, journalists and bloggers are doing the same thing – and they don't want to be wrong.

**“Our readers are complete news junkies, and they want the information right away. This is the biggest dilemma we face and I don't know of any news organization on the planet that has cracked it yet.”**

**Paul Murphy, editor of the FT's Alphaville blog**



# Key Players

## Bloomberg

[www.bloomberg.com](http://www.bloomberg.com)

and via Bloomberg Terminal

Bloomberg has both staff and contract columnists writing commentary and is launching a drive to run more op-eds from well-known outside contributors.

## BusinessWeek

[www.businessweek.com](http://www.businessweek.com)

Like the other newsweeklies, *BusinessWeek* has moved toward a greater emphasis on news analysis and commentary.

## Breakingviews.com

[www.breakingviews.com](http://www.breakingviews.com)

Breakingviews.com was founded in London in 1999 by former Lex editor Hugo Dixon and set up shop in the U.S. in 2005. The subscription commentary service also appears in *The New York Times*, which runs the column daily, and *Fortune*, as well as other publications around the world.

## CNBC

[www.cnbc.com](http://www.cnbc.com)

CNBC, the leading broadcast business news outlet, features a number of highly influential commentators who regularly weigh in on the fortunes, stock prices and strategies of public companies.

## Dealbreaker

[www.dealbreaker.com](http://www.dealbreaker.com)

An online business tabloid and Wall Street gossip blog, Dealbreaker revels in its role as Wall Street gadfly, reporting with pride that it has been blocked by Merrill Lynch's corporate internet server.

## Dow Jones Newswires

[www.djnewswires.com](http://www.djnewswires.com)

Dow Jones is starting a new paid commentary service focused on corporate finance that will launch in full this fall.

## Financial Times, Lex Column

[www.ft.com/lex](http://www.ft.com/lex)

Lex is the *FT's* daily commentary column on business and financial topics. The inspiration

for a host of imitators and an absolute must-read in the U.K., Lex is working to build its profile to a comparable level in the U.S. In addition to Lex, the *FT* features a number of well-read columnists.

## FT Alphaville

<http://ftalphaville.ft.com>

Unlike Lex, FT Alphaville is more akin to a blog and invites comments from readers. *FT* editors and reporters supply the news and analysis.

## Footnoted.org

[www.footnoted.org](http://www.footnoted.org)

Founded in 2003 by financial journalist Michelle Leder, Footnoted.org roots through routine SEC filings and highlights its findings on its web site – many of which are often unflattering.

## Forbes

[www.forbes.com](http://www.forbes.com)

Most of *Forbes'* financial columnists are outside contributors with economist backgrounds.

## Fortune

<http://money.cnn.com/magazines/fortune>

*Fortune's* roster of columnists weighs in on a wide range of corporate, business and financial news.

## New York Times, DealBook

<http://dealbook.blogs.nytimes.com>

DealBook began as a daily email in 2001 featuring breaking news about Wall Street and corporate America. It has since grown into a financial news report on [NYTimes.com](http://NYTimes.com). In addition to the DealBook blog, the *Times* features a number of influential financial and economic columnists in its news pages.

## Reuters Dealzone

<http://blogs.reuters.com/reuters-dealzone>

Styled as a blog that is “behind the deals and deal-makers.” Reuters is also home to numerous other industry-specific blogs and plans to begin a commentary service this year.

## RGE Monitor

[www.rgemonitor.com](http://www.rgemonitor.com)

RGE Monitor was founded in 2004 by prestigious team of economic and political experts, and hosts Nouriel Roubini's Global EconoMonitor blog. A New York University economics professor, Roubini gained fame by predicting the recession and housing collapse in 2005 and 2006, earning him the nickname “Dr. Doom.”

## Seeking Alpha

<http://seekingalpha.com>,

## Blogging Stocks

<http://www.bloggingstocks.com/>

## Naked Capitalism

[www.nakedcapitalism.com](http://www.nakedcapitalism.com)

The largest aggregators of financial blogs.

## The Business Insider

[www.businessinsider.com](http://www.businessinsider.com)

Originally founded by Editor-in-Chief and infamous ex-Wall Street technology analyst Henry Blodget as Silicon Alley Insider, Business Insider now includes Silicon Alley Insider, Clusterstock and The Business Sheet, among others. It operates in a gray area that includes news, analysis, commentary, and aggregation.

## Wall Street Journal, Deal Journal

<http://blogs.wsj.com/deals>

The *Journal's* “up-to-the-minute take on deals and deal makers.” The *Journal* also runs a biweekly column in the paper called “The Game,” and hosts a number of industry-specific blogs.

## Wall Street Journal, Heard on the Street

<http://online.wsj.com/public/page/news-wall-street-heard.html>

The *Journal's* venerable financial analysis column was revamped in 2008 with new editorial oversight and an expanded global team, several of whom were lured from the *FT's* Lex column.

# Brunswick viewpoint

## Engaging with commentators and bloggers

**“A lie can travel halfway around the world while the truth is still putting on its shoes.”**

**Mark Twain**

The explosion of financial commentators and bloggers means that instant analysis is now de rigueur. That means company communicators, from the CEO to media relations professionals, must recognize that their every utterance – official or off-the-cuff – will be pored over as never before. Web sites such as Footnoted.org will scour regulatory filings and post newsworthy items, and Breakingviews will declare its verdict on a just-announced corporate strategy within hours. Thanks to the financial punditocracy, what was once quaintly called “a second-day” story now jockeys for attention with wire stories just as they cross.

Companies must therefore be prepared to respond almost instantly to the latest sector news, potentially damaging rumor or even the minutiae of their company’s latest filing. News consumers are overwhelmed by the sheer amount of information now available and want their news distilled instantly, especially in a period of unprecedented economic upheaval and uncertainty. That is why such commentary is widely read, widely syndicated and becoming a differentiation point for many newspapers and wires.

But good preparation doesn’t mean that the default approach should be a defensive one. Ongoing dialogue with the likes of Breakingviews, Lex, Heard on the Street and important bloggers should be positively encouraged. The aim should be to foster sensible, sophisticated conversations that

should help reinforce the business case and the company story.

Identifying the commentators and bloggers who matter most to a particular company and industry can be done via a combination of tools such as Technorati, Google Blogs, page hits, advertising revenues and even word of mouth to assess credibility. This will ensure that you don’t waste time chasing commentators and bloggers who are either writing in bad faith or who are making cogent, fair criticism that no one reads.

Most commentators want to enjoy a good relationship with you, but they also want to vigorously debate the key issues that affect your company and your industry. That also means conversations with the writers are more often than not conducted on a background basis. As with conventional media, be sure to establish the ground rules before you talk.

Underpinning these more cerebral relationships are reporters who are paid to be more rigorous and analytical in their approach. In many cases, comment writers and credible bloggers are ex-analysts, bankers, money managers and consultants. All the more reason why you need to be prepared to debate your argument vigorously, and to sustain your engagement with the more credible commentators. You’ll need to arm yourself with substantive facts and be prepared to have your case stress tested.

Being obstructionist is a sure way to make enemies. If there’s information you want reporters to know, it’s best to give it to them quickly rather than filibustering (e.g. burying them in “document dumps”). The Internet has fostered an expectation of transparency.

Accept that and play to it by being open, candid and accessible in your communications.

Even so, it’s unrealistic to expect commentators to completely abandon their premise and take your side, even if you invest time and effort educating them on your company’s issues. Financial pundits’ *raison d’être* is to articulate an explicit and unique point of view – and that may run counter to your arguments, even if you manage to soften the tone. But it’s important to engage with commentators and to let them know if the facts or assumptions driving their arguments are wrong or fundamentally misguided. No one wants to be embarrassed or get it wrong.

It’s equally essential to tailor your approach to meeting commentators or bloggers. A phone call is probably best for a comment writer, but an e-mail may be more appropriate (or even the only way) to contact a blogger. For bloggers who follow your industry or your company closely, it may help to cultivate relationships at a senior level, including CEO and CFO. Senior business unit heads or other executives such as your CIO or head of strategy can be useful educators who can also help stave off misperceptions in future commentary.

Given the speed at which news travels today, pundits and bloggers feel under no obligation to call and offer you the opportunity to comment when they write about you. That’s why you should call them, especially around natural news events such as earnings. They may not always write, but they like to have the call, and it helps build a longer-term relationship.

# A blogger's view

By Lane Hudson



An award-winning former blogger, Lane Hudson is Brunswick Group's Director of Integrated Media.

**I never set out to become a blogger. It all began when I had some free time on my hands. In retrospect, the notion that my views would matter, much less influence opinion, sounds presumptuous. But that's how it turned out, and the road wasn't always smooth. Along the way, I learned hard lessons about both the freedom of independence and the accountability that comes with the medium. It was a unique and humbling experience.**

The first thing I learned was that credibility is the currency of the blogosphere. Without it, your readers will flee and you can say goodbye to links from the major blogs that drive large amounts of traffic. Bloggers who don't understand this usually end up with no traffic and are essentially talking to themselves.

I don't remember what my first big mistake was, but I remember how horrified I felt the first time a commenter pointed out an inaccuracy in a blog post. I was flat-out wrong and needed to address it. I wrestled with how to do it best: correct the blog post and act as if I'd been right all along, or 'update' the post in a way that acknowledged both the error and my better-informed commenter? In the end, the choice was

simple. I owned up to my mistake and expressed appreciation for being corrected.

I quickly learned that readers and fellow bloggers admire someone who can admit a mistake. When I got a fact wrong, I heard from all kinds of people: friends, bloggers, readers, my mother – and, a few times, the person or organization I was writing about. The latter tended to approach me in two ways: some subjects assumed I was out to destroy their reputations, while others would cordially provide me with the right information for an appropriate correction.

When people approached me assuming I had sinister motives, I was frankly inclined to respond in a way that validated their fears. It took a little extra effort to understand where they were coming from. Once I understood that, it was easy to let them know that I wanted to be as accurate as possible and that I appreciated their reaching out to me.

For the most part, this was the beginning of healthy two-way communication. For bloggers, the pressure to provide meaningful, accurate and unique content increases as your readership grows. At some point, as you work to remain true to your blogging voice, you begin to receive pitches from others who want you to expose them to your readers.

The pitches came in all forms. The ones that grabbed my attention were either clearly addressed to me or somehow personalized. There's a lot to be said for those who take the time to read your blog and understand what motivates you. Those who didn't stood out like sore thumbs and never received a moment of my time. After all, my readers came back every day, and they expected a

certain kind of writing. Given the difficulty of maintaining fresh content, the pitches that understood this were very helpful. The pitches that felt completely disconnected from the blog and that seemed to have been generated by an impersonal robot ended up in the virtual trashcan.

Sources were crucial. Getting information before anyone else is incredibly valuable. Breaking some kind of news on your blog can earn lots of links from other blogs, which will drive traffic, including new readers, to your blog. My sources always expected strict adherence to statements made off the record or not for attribution. Not wanting to lose the source, I always honored their requests.

Likewise, if I sought a comment from a person or an organization, I was routinely asked if we could go off the record. I would always agree. Most people going off the record usually reiterate the request a few times. At first, I found that a little annoying, but didn't realize that some reporters would later claim to be "confused" about whether a comment was on or off the record. I never left room for misunderstandings on that subject.

For those who now wonder about how to deal with bloggers, I'd remind them that relationships are just as important – and as possible – with online journalists as they are with print media (and in any case, the boundaries between the two are quickly dissolving). Whether the person on the other end of the call or the e-mail is a traditional journalist or a blogger, it's important to keep in mind that he or she still responds to old-fashioned personal interaction.

# By the numbers

The internet has become a major source of news and commentary in recent years amid fierce competition. While newspapers have established their own finance and business blogs, their smaller internet rivals often shape the debate online.

## Important finance and business blogs

24/7 Wall Street Bespoke Invest **Blogging Stocks**

Bronte Capital **Calculated Risk Clusterstock Deal Breaker**

**Deal Journal DealBook** Fierce Finance

footnoted.org **FT Alphaville Infectious Greed Market Movers**

**Naked Capitalism** Naked Shorts

**Roubini's Global EconoMonitor Seeking Alpha**

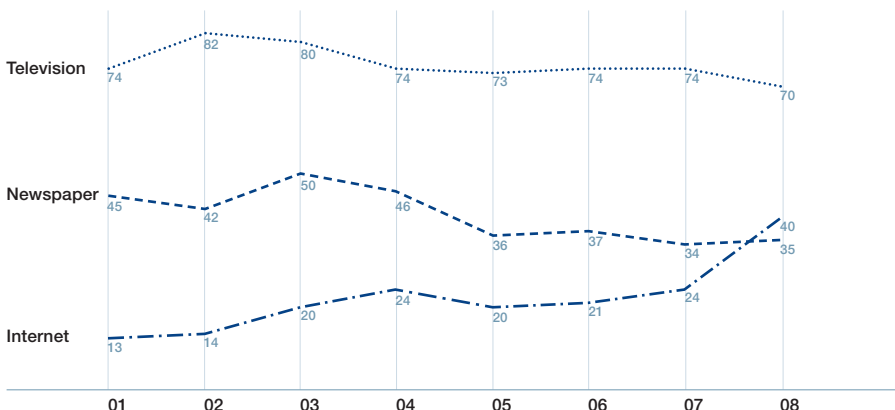
**Silicon Alley Insider** The Balance Sheet The Big Picture

The font size indicates the relative online influence determined by a combination of page hits, Technorati score, media mentions and average number of posts per day.

Source: Brunswick Research

## The Internet has overtaken newspapers as a news outlet

Where do you get most of your National and International news?



Source: Pew Research Center for the People & the Press (12/2008)

## About Brunswick Group

Brunswick Group is a leading corporate communications consultancy with offices in major financial and regulatory centers around the globe. The firm is a 21-year-old partnership with professionals who have a wide array of backgrounds, including politics, journalism, law, investment banking and accounting.

We provide strategic advice to companies and other organizations, helping them address communications challenges that may affect their valuation, reputation or ability to achieve business objectives. The firm's service offer comprises financial and corporate communications, investor relations, public affairs, internal communications and opinion research. Brunswick was ranked in first position in the global league tables for M&A communications advisers for 2008.

For more information please contact:  
TalkingPoints@brunswickgroup.com



[www.brunswickgroup.com](http://www.brunswickgroup.com)