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Market turmoil, dwindling budgets, and fierce competition online and at the newsstand are reshaping financial media. For some PR pros, this means adjusting to a tabloid approach to coverage.

Drew Ferguson, VP in Ketchum's Midwest corporate practice, points to last August, when the credit crunch boiled over and the secondary markets for financing mortgage securities ground to a halt.

“In the financial services sector, it's almost as if the tabloid style of journalism has led reporters and editors to try and top each other with the most outrageous headlines and insinuations – whether or not the facts supported their thesis,” he says. “As we've worked with one of our clients through this environment, we've certainly had to do more work to correct misinformation or factual errors.”

More than ever, Ferguson says, financial PR pros must be able to sniff out a reporter angling for a sensationalistic scoop.

“In so many cases recently, reporters see an item in a 10-Q or 8-K that looks like it's perfect for a screaming headline, but the truth is that it's hardly news at all, just legalese,” Ferguson says. “By listening to reporters' premises, we've found that we can work more closely with them to develop more accurate stories.”

Facing such relentless fishing, Joe Poulos, VP/group manager in Edelman's financial communications and IR practice, says financial PR pros must constantly hone crisis management skills and financial acumen.

“By the time the reporter picks up the phone seeking comment, he's spent a week examining your numbers,” he explains. “Half the time, the thesis is so far out of whack, with the right explanation, you can kill the story.”

Refuting such claims, though, requires strong comprehension of the financials, including familiarity with the bad, as well as the good.

And, unfortunately, journalists often don't readily reveal the full scope of the story, especially if the slant

slams the company.

“The reporter may ask three or four questions, but not give you a chance to respond on the overall thesis,” Poulos says. “So though you had a chance to respond to questions, it is impossible to respond to a story you're not yet... aware of.”

To help with this, Poulos advises asking probing questions.

“You don't have to handle each media inquiry as an ‘either-or’ – either you comment or you don't,” he notes. “Ask the journalist some questions. If you hit a wall, then get in touch with the editor. Get as much information out of the reporter as you can to answer questions.”

However, it's important to not be too tough during this line of questioning.

“Don't be [too] quick to put up barriers, because a lot of reporters won't want to tell you what they are working on,” says John Schmeltzer, a *Chicago Tribune* business writer for 35 years who recently stepped down. “If the reporter is pushing back, give that journalist some latitude to dig. They may be more willing to tell you what they are working on.”

Additionally, Ketchum's Ferguson recommends exploring the idea of working on background with reporters where it makes sense.

“A simple [off-the-record] conversation that's geared toward educating a reporter can be quite useful,” he says. “We don't know of any reporter who doesn't want to get his or her story right.”

Lastly, Lauren Silva, a correspondent at *BreakingNews.com*, advises PR pros not only memorize the balance sheet, but also learn the story behind the business.

“The most successful PR people are the ones that can get from one end of the argument to the other,” she says. “I typically don't have my mind made up. When I start asking questions, you have to be able to respond logically. And to do that, you just can't fake it.”

Technique Tips:

Do

- Know the balance sheet by heart
- Probe the reporter to find the story's premise
- Understand the opposing view

Don't

- Be afraid to work on background
- Fake it. Make sure you know the logic driving major trends
- Refuse to comment