



## **Emerging Manager Monthly, August 2007**

**StreetSavvy Marketer<sup>sm</sup>**

*Wednesday, August 1, 2007*

### ***Mailbag - Questions from our readers...***

**An employee at our firm was recently misquoted in a published article in a major U.S. publication. What would be the next step or plan of action? What is the best way to obtain a correction and how does one avoid instances like this in the future?**

Great question. The first thing to ask is, how egregious was the error? Is it a misrepresentation of a material fact? Are there regulatory or compliance implications? Is it going to reflect badly on your reputation or the way you do business? Was it an error of omission or commission? Does it really matter? Would it bother your Mom?

Before you go too far, you need to balance the “need” for a correction with the importance of the reporter and their publication. Is being “right,” worth jeopardizing that relationship?

You should start by looking at the degree of harm caused by the error. If it's not of particular consequence and of very little or no meaningful harm, you might consider simply letting it go – after alerting the reporter to his or her mistake—so they get it right next time around.

If the mistake is of a more serious factual nature, then you have a responsibility to get it corrected, and quickly, especially in this age of electronic and Internet news retrieval. Articles now have an indefinite shelf life and blogs can spread information and perpetuate mistakes in a matter of seconds. If the mistake is significant, most reporters will volunteer to make an immediate correction if an internet version of the article exists, followed by a print correction in a subsequent issue of the publication. If the reporter doesn't volunteer to correct the facts that he or she has misreported, don't hesitate to ask.

And if the reporter refuses? Then tell the reporter that you'd like to move your request up the food chain and ask to set up a conference call with his or her editor. That's usually where it ends. No one wants you to pick a fight with their boss, especially if you're on the side of the angels.

The important thing to remember is to start with the reporter who wrote the story and approach the issue evenly and professionally. Ranting and raving, no matter how right you are, is not going to help your cause. Is there a way to minimize the possibility of being misquoted? Sure. Among other things, try to deal with journalists who have a good track record. Read their stuff before you sit down with them. The more experienced and knowledgeable the reporter, the less likely you'll be misquoted or your comments taken out of context. That alone, though, may not protect you against a sloppy copy desk. So make sure you are

familiar not only with reporter with whom you will be speaking, but their publication or broadcast program as well.

You will also want to make sure you set and understand the ground-rules for your interview before the interview starts. Make sure both you and the reporter know what's going to be covered and what's off limits. Although it's highly unlikely a reporter is going to supply you with a list of questions before an interview, or supply you with a copy of your interview before it goes to press, you may be able to get them to let you to review your quotes and fact-check information you've given them to ensure its accuracy. The more complex the story, the more open reporters are to this request.

Lastly, as a former reporter, I feel compelled to point out that most errors that occur in an article are errors of omission—as often on the part of the interviewee as the interviewer—or the result of sloppy editing. The vast majority of reporters get it right the first time.

**We just landed a sizeable institutional mandate and our client has asked us not to publicize it. We're thinking about leaking it to a reporter anyway. In fact, we think we can make it happen without anyone seeing our fingerprints on the story. What do you think?**

Few questions receive as much spirited or vocal closed-door debate or cause more grinding of teeth and gnashing of gums. It's like someone has let loose the forces of evil against the forces of good. I mean, why not leak the story? It seems, so simple. Just ring up the reporter and it's a done deal. Yeah, right.

Clearly, someone thinks you do good work. That same someone also made an assumption that you're good people. I'm mystified why anyone would want to risk the possibility of jeopardizing his or her reputation, the equity in their brand, and the prospect of doing future work with a client by leaking a story. It may not seem fair, but your client, apparently, has a reason for not wanting to publicize it. Sometimes it's something as simple as a matter of timing. Whatever the reason, it's worth a conversation with your client so you understand what is and what isn't permitted.

There are ways of working through or preventing these kind of log jams. Most investment management firms—and institutional clients—include language in their contracts specifically addressing how mandates can be promoted. One hedge fund manager we work with, for instance, includes an “opt-out” clause in all its contracts that allows them to promote new mandates unless their client specifically checks the opt-out box.

Even without an opt-in or opt-out promotion clause, a client's restriction on promoting a win may not be as Draconian as you think. I have never heard of an instance, for example, where an institutional client did not allow a manager to promote a mandate with prospects, current clients, the consultant community or use them for a reference.

As for telling a reporter about the mandate “off-the-record”—I've been at this a long time, and to my mind, there is no such thing as “off-the-record”—and I speak as a former journalist. Even if the reporter doesn't give you up intentionally, memories fade, and what will you do if he or she forgets their deal with you? It won't take your client or others too long to figure out the leak probably started with you. Bad idea.

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