

RECORD

ACTUARIES AND THE MASS MEDIA

Moderator: DAPHNE D. BARTLETT. Panelists: RONALD SEMPLE, ROBERT WALDRON**, LINDA M. DELGADILLO****

MRS. DAPHNE BARTLETT: Welcome to this panel of media experts. Bob Waldron is the Manager of Press and Broadcast Relations for the American Council of Life Insurance. He has also represented the insurance industry in several recent TV and radio discussions with Andrew Tobias, the author of The Invisible Bankers. Bob has spoken before at Society meetings and is familiar with the actuarial profession. My other guest, Ron Semple, does not know much about actuaries. Ron is the publisher of The Winona Daily News in Minnesota. He has been in the newspaper business most of his adult life. He has also been a discussion leader at the American Press Institute, a professional organization of newspaper people. Linda Delgadillo, another media professional, is the Director of Communications for the Society of Actuaries. She has been our public liaison for the last several years.

MR. RONALD SEMPLE: I do not have any difficulty figuring out what actuaries do. It is pretty obvious; you study the past and present and then predict the future. You are fortune-tellers. If my ignorance of what you do is abysmal, your ignorance of what I do is probably worse, despite the fact that most of you probably read a newspaper everyday.

If I asked you what a newspaper's function was, and if you were polite, you would not say it publishes lies at every opportunity. Rather, you would talk about a free society, freedom of the press, the flag and Constitutional rights. Part of what a newspaper does involves those things. Our primary purpose, however, is to sell news to our readers. We also have a secondary purpose, which involves selling access to our readers through advertisers. We are economically dependent, though, on our secondary function because only about 20 to 25 percent of our revenue comes from the reader buying the paper.

What are the specific goals of a newspaper? They are to inform, enlighten and entertain, and they do so in that order. The goals of television are exactly the opposite: to entertain, enlighten, and, if there is any time left, to inform. To achieve the goals of a newspaper, our efforts are rooted in four areas: accuracy, fairness, objectivity and immediacy. Remember that these are goals, and so like salvation, we rarely reach them all. For example, I cannot think of two more incompatible groups than newspapermen and actuaries. You concentrate on precision, and we concentrate on accuracy. They are not the same. If you find precision in a newspaper, I assure you it is there by accident. Reporters deal in accuracy; in other words, we want to get a story

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"pretty well" correct. We will not tell you a story is 67.3 percent correct; we will say it is around 32 percent correct, and that is good enough for us. In dealing with us, therefore, you must remember that we are not precise, we never will be, and you will not make us precise. Even when you try to pound precision into our heads, if you are lucky, your story will be accurate.

As you recall, I mentioned four areas of concentration: accuracy, fairness, objectivity and immediacy. Immediacy, unfortunately, is the enemy of accuracy. Remember that we are a daily newspaper, and that we publish everyday. With that responsibility, it is a miracle that we meet our deadlines, let alone that our stories are correct. We are storytellers, and we will go with the story whether we have all the facts or not. You may not like that, but we are not historians, and we do not write history books. We go with what we have. From our point of view, we are going to publish again tomorrow. That means if we do not have the entire story today, we will come back with it tomorrow. What we create through this process is a rough draft of what happens in our community. As it unfolds over time, a rough form of accuracy also emerges.

Now, let me discuss fairness and objectivity. Fairness covers sins of omission. Fairness means that we should make every attempt to edit and write our newspapers to cover the things that have happened, and not zero in on the things that we want to happen.

Objectivity covers sins of commission. It means that reporters should be as accurate and as impartial as possible when writing the story. From your point of view, our concept of fairness and accuracy will be your allies when you try to interest the media in your message. I must caution you, however, that the things I have discussed are the goals of a newspaper. They are the standards against which newspapers measure themselves, but not the actual standards of performance.

When dealing with the media, who are the people you will meet? Reporters are the first line on a newspaper, the infantrymen. What kind of people are they? I look for three things in a reporter. I look for intelligence, because if a reporter is not intelligent, he will not be able to do the job. I look for curiosity, which should be obvious. Curiosity is the function that allows us to almost immediately learn how to read upside down and backwards so that we can read papers on your desk. By the way, we will read those papers! For most journalists, ethics are something discussed after the story is published. The third thing I look for is the killer instinct; that is, the willingness to pursue the story wherever it leads, regardless of consequences. Most good reporters have those characteristics. If they can write, that is marvelous; but if they cannot, we can teach them.

When you meet reporters, you are dealing with people who are intelligent but ignorant. All reporters are, by definition, ignorant. In my case, I got the job as a reporter for very good professional reasons. The editor was a Marine in World War I, and I was a Marine in the Korean War. I followed another reporter around for one week. On the eighth day, I wrote the lead story for the newspaper about an accident on the New Jersey Turnpike involving trucks, buses and cars and injuring fifty people. I did it without breathing hard. No one told me I should have had a very long apprenticeship.

Today most reporters emerge from four years of a journalism school. Before that impresses you, let me say that if medical schools did their jobs as poorly as journalism schools, we would all be dead. The question, then, is how will

you deal with people who do not know anything about what you know? Their job will involve mastering, in a matter of minutes, what it took you decades to learn, and then reporting on it in the press. I submit to you that this is not easy. Therefore, if any of the story is right, you should be thrilled.

In working with the media, you will also meet editors. Almost invariably, an editor is a reporter who did badly and was promoted! Seriously, though, the editor will be much like the reporter. In fact, an editor's and reporter's imperatives are exactly the same. At the top of the newspaper heap is the publisher, of whom I am one. There are only 1,800 newspaper publishers in the country, and those of us who did not have fathers who were newspaper publishers are stunned that we reached that point.

Now that I have explained how a newspaper functions, the next question is why do we function the way we do? There are two reasons. One, the primary one, is that we do what we do for the money. The secondary one is that we do it for the heck of it. Newspapermen have lots of fun, and they will not allow you to interfere with their fun.

Another thing you should realize is that not all reporters can work for newspapers like The Christian Science Monitor. The reality is that most of us work for newspapers like The Winona Daily News. Knowing and understanding this is the key to your situation. You may have difficulty getting your story into The Washington Post, but you will not have any difficulty getting your story into The Winona Daily News or its equivalent. We are accessible. If you have a quarter, and I have a newspaper, we can have a transaction. Believe me, I want your story. In fact, if you want to speak to me, you can telephone me--I answer directly.

What I am saying is that you do not have to rely solely on letters to the editor to get your message across. You can also use feature and news stories, because what you do is fascinating, whether or not you realize it. If your story is put into the proper frame, it will interest the public. You should not be afraid of us. Remember that we are just a pack of ignorant people. So if you talk to us, we may do something together which will benefit you. I might add, however, that benefiting you does not interest me, but benefiting my reader is my primary consideration.

MR. ROBERT WALDRON: I am in a more awkward position than Ron is to talk about the press so candidly. As a professional media relations man, I must tell you that media relations are not all of public relations, but they are the larger part of it. The media reach the largest audiences. Within those audiences are the most important people, such as legislators, customers, stockholders and managers. Reaching them cannot be done effectively on a one-on-one basis. However, in our continental society, with over 1,800 newspapers and even more television stations, the media are fragmented. If media people were historians or compilers of all the important and relevant facts relating to your enterprise, media relations would be a cinch. Reporters would seek you out and neutrally collect the facts to communicate to their readers. However, that is not their business. Rather, they are in the storytelling business; and they are in the business of being raconteurs, if they are good at it. If they are not very good at it, they are anecdotalists. Their field consists of the events and phenomena which arise everyday. Reporters are the organizers and rationalizers of the story. They take the raw yarn of fact and phenomena and spin it into a story. It is just as much a function as sitting around a campfire and lying about the fish you caught.

In telling a story, reporters are not necessarily hostile, but they are not neutral either. They try to create a plausible conclusion and support that conclusion with facts. Sometimes the facts are selected to support a conclusion which has been made in advance. What happens then is that only those facts supporting the conclusion are collected. Facts which do not support the conclusion are either downplayed or not sought out. If a reporter has a bias, however, it is a bias for a good story. Unfortunately, sometimes the last telephone call of the day, made to the person who has the facts which hurt that story, is the telephone call a reporter does not want to make.

To become seriously involved in media relations, there are a few things that a profession should routinely do. One important and valuable exercise in media relations centers on moving and promoting neutral information from your organization and then weaving it into a neutral informational story line. Stories containing such information should then be delivered regularly to numerous media outlets. The purpose is to establish your access to the media. By doing this, however, you will also establish knowledge and authority in your field so that when the critical or hostile story develops, the media know that you are an authoritative source of information to call about that story.

For all this to happen, however, you must pay the price of being there. You must become a credible and regular resource of facts and comments about your profession and its activities. When you have accomplished that, eventually you will have the opportunity to communicate with that mass audience when the hostile story breaks.

In communicating with that mass audience, you are primarily trying to balance a hostile story. You seek balance because the mass audience generally will not take a position in the face of ambivalence. Balancing a story generally prevents a hostile critic from organizing a constituency of change. You must remember that in the mass audience you are communicating with national leaders, community leaders, professional leaders, regulators and legislators. They all can affect outcomes and animate change. If that change is advisory to your interest or your professional goals and you have not balanced that hostile story, the public will interpret that as a constituency building for those changes. Once that happens, they will lose respect for you. If the public loses respect for you, you are out of business. It is essential, therefore, to establish your presence, authority, credibility and willingness to be available and accessible when the media need you.

The media are powerful, and media-effected events are proliferated. Some things take place in society today simply because they have gathered a constituency through the media. The media can and do create and cause change. In all your media relations efforts, then, remember that you should have two goals. The first is access, and the second is balance. Remember that when a hostile or negative story about your profession develops, you should strive to balance that story and create ambivalence in the public's mind.

MRS. BARTLETT: How does what you discussed relate to an actuary commenting on something? How can an actuary get a constituency?

MR. WALDRON: Remember that immediacy is a goal of the news-gathering process. Reporters want information today, when it happened, not a week and a half from now. Presenting yourself to a newspaper; becoming known as an authority in the areas in which you are an authority; and being available and willing to comment in hostile settings make you valuable and put you in the fact-gathering chain. This ultimately also gives you access to that story at the

immediate moment it is breaking. This task is not easy because it requires constant effort. That is why companies hire public relations practitioners. We earn our living by being accessible and going through the process I outlined before. We use the soft news story and letters to the editor. We show up in a city newsroom, find the reporter who wrote the story we may be interested in, and say, "I enjoyed that story, but there are a couple of facts you may not know. Do you have five minutes so we can talk about it?" Then you talk about it with clarity. You cannot use your professional jargon, so you must translate. Remember that a reporter's means of understanding is not the technical means of understanding you use. Reporters use metaphors and anecdotes.

MRS. LINDA DELGADILLO: How should actuaries handle an interview with a reporter, particularly if they do not feel the interview is going well or that the reporter is not asking the right questions to extract important information?

MR. SEMPLE: If you think the reporter is trying to do his job but is floundering, you should honestly say, "I do not think this interview is going very well. I do not think the questions you are asking have produced the most important information." You do not have to insult the reporter, but you can indicate what you feel the important issues are. Reporters, generally speaking, can quickly change the direction of a line of questioning.

MR. WALDRON: Something else to remember is that reporters respond best to information rather than to conclusions or impressions. Rather than telling a reporter that his idea may not be viable, lead with the facts which support what you believe. Remember that a reporter prints versions of the truth, and there are many versions of the truth. He is printing plausibility, not impeccably logical conclusions. That means he is looking for facts to support a plausible conclusion. If you give him those facts and then suggest that they lead more to one conclusion than another, that can be very helpful.

MR. SEMPLE: Let me give you an example of the reporter's mentality. Your president announced earlier in the General Session that the Canadian Institute of Actuaries was invited to report on its activities at this meeting, but did not send a representative. As a reporter, I want to know why. That is where I think my story is.

UNIDENTIFIED QUESTION: Will your public relations efforts provide information for the membership on crucial issues such as Social Security? A few years ago, some discussion was held about supplying us with information so that we could contact the media and tell people our point of view. Is there anything to report on this type of activity?

MR. DWIGHT BARTLETT: I must comment here because I think the profession really missed the boat on Social Security. For example, in the Trustee's Report that was recently published, we should have organized a panel and really "scrubbed" that thing over for the media. If we are representing ourselves as the profession that really is the most knowledgeable to interpret that information for the public, we should be out there doing just that. We were not.

MR. LEONARD TANDUL: Some time ago, I read an article which quoted an actuary in an interview. The actuary was identified as a consultant for a pension benefit firm. The article did not identify him as an actuary or as a member of the Society of Actuaries. Recently, another fine pension consultant had a letter published in The New York Times. He was identified as a partner in

an accounting firm working in employee benefits. Again the individual was not identified as a Fellow of the Society of Actuaries, a member of the Academy or any other affiliation as an actuary. How do we get ourselves identified in the media as actuaries? Are we not telling them we are actuaries or are they editing it?

MR. WALDRON: This question relates to establishing your authority to speak in an area. You must get involved in public issues. If you do want to affect events, most of the time you will be doing so in a negative context. Good news stories are negative news stories. Reporters are interested in why something did not happen, not why something happened. This is the mentality of the press. Unfortunately, your profession's reluctance to get involved in the give and take of the hostilities which occur in the media has lost you some authority to deal with those issues on which you do have authority. It is not enough for you to be technically competent. People must know that. The only way they will find out is if you tell them. Remember, the media do effect events but they are also institutionally ignorant.

MR. SEMPLE: Remember that we do not know what actuaries are. When you talk with us, you must use phrases like, "as an actuary, I..." or "because I am an actuary, I..." so that we learn to associate the expertise with the profession. We do not know what you do, but that is not my fault. That is your fault.

MR. WALDRON: I would like to emphasize that it is not that difficult to inform the press about what you do. Let me give you an example. Today, there are about 1,800 newspapers in the United States, with over 185 million readers. Do you know how many readers The New York Times reaches? About 1 million. You can figure out what the percent is. Newsweek Magazine reaches about 8 million readers. The heavyweight media that you like to see yourself in reach no more than 15 percent of that 185 million readership. Ron Semple's paper, The Winona Daily News, and other papers like it reach the rest of those people. They read them and they believe them. They believe them largely because they know the people who are presented in them. The credibility of the small- and medium-town press is much higher than the credibility of Newsweek Magazine or even The New York Times, and the readership surveys show it.

MR. WILLIAM HALVORSON: On the Social Security question, I would like to mention that Jim Swenson, Chairman of the Academy's Social Insurance Committee, has made several presentations at Congressional Hearings over the last year. As a result, he is preparing a series of four or five articles which the Academy will distribute around the country. About 1,000 papers should receive it.

I would like to ask the media professionals what they can do to help us attract the attention of Congressmen and Senators? Do you have any suggestions?

MR. SEMPLE: I can answer that very simply. Nothing. Why should I do anything to help you do anything? That is not my business. The business I am in is selling news to my reader. The question you should be asking is how can you take advantage of what I do to accomplish your goals? If you approach the issue with the idea of looking for my assistance, you will not get any unless I happen to be interested in what you do. You must remember that we really do not care. We are not interested in what is happening to you. What is happening to my reader is my primary interest.

Let me give you some hints on how to use us to achieve your goals. If you have local chapters, you can send a representative to my newspaper. If you walk into our office, introduce yourself and indicate you would like to talk about an issue like Social Security, you will find yourself in print. If you write a letter, and introduce yourself as an actuary, you can get the letter published without any problem, and you may be able to get a story. If you are affiliated with an association, you will receive almost automatic credibility in the smaller press and among the smaller newspapers. In addition, a story will be published, and you will have achieved access to my audience. The Congressmen in my area pay much more attention to The Winona Daily News than they do to The New York Times. Through me, you will have reached the leaders Bob Waldron mentioned. Remember, though, that this did not happen because I liked you or because I wanted to help you. It happened because you took advantage of my selfish interest, which is to sell news to the reader. That is the way to approach it.

Here is another hint to help you reach your goals. If you send me a press release, it will be thrown into the wastepaper basket. It may be looked at, but it will be looked at by a receptionist making \$162 a week. If, on the other hand, you had, as the president of the local chapter of the Society of Actuaries, walked that press release into my office, introduced yourself, talked with me and then shown me your news release, suddenly the effectiveness has been multiplied, particularly with people like me. The New York Times will pay attention to your press release, but I will not. I receive a million press releases a day; and seriously, if war breaks out, it has got to break out within 10 miles of my building, or I will not cover it. Remember, the personal contact is the key to success.

MR. MICHAEL WINN: I would like to address a question to any one of the panelists. We have not talked about the cost of a public relations effort. It seems that a public relations effort of any substance might be expensive. What can individuals do to help reduce the cost?

MRS. BARTLETT: Any decision to have an elaborate public relations program will be carefully considered. For example, if a decision were made to hire a public relations firm, I am sure you would be well informed about it. What is important is for those of you interested in helping the public relations effort to become involved. Every month I see something which offers a public relations opportunity. There are many things we can respond to, such as articles on Social Security, risk classification, or the "nasty old life insurance companies" which only pay 5 percent interest on their cash value. When you see something like that, what you have to do is pick up a pencil and respond. Please do not feel bad if no one prints it or if your name is spelled incorrectly. Do not feel bad if an editor or reporter makes a mess of what you said either, because if you did not try, you would not have anything. It is important that we try.

MR. SEMPLE: Some of your public relations efforts can be very inexpensive, especially if they are not conducted in the larger cities like New York or Chicago. As I said earlier, spend 20 cents, call your local newspaper and personally arrange an interview. I think that is cheap public relations.

