

25TH
ANNIVERSARY
EDITION

THE BLOOMBERG WAY

A Guide for
Reporters and Editors

Matthew Winkler

Editor-in-Chief

with **Jennifer Sondag**, Standards Editor, Americas

**THE
BLOOMBERG
WAY**

Since 1996, Bloomberg Press has published books for financial professionals, as well as books of general interest in investing, economics, current affairs, and policy affecting investors and business people. Titles are written by well-known practitioners, BLOOMBERG NEWS® reporters and columnists, and other leading authorities and journalists. Bloomberg Press books have been translated into more than 20 languages.

For a list of available titles, please visit our website at www.wiley.com/go/bloombergpress.

THE BLOOMBERG WAY

A Guide for
Reporters and Editors

Matthew Winkler

Editor-in-Chief

with **Jennifer Sondag**, Standards Editor, Americas

WILEY

Cover design: Wiley

Copyright © 2014 by Matthew Winkler. All rights reserved.

Published by John Wiley & Sons, Inc., Hoboken, New Jersey.
Published simultaneously in Canada.

The Bloomberg Way was previously published in eleven editions by Bloomberg for its employees. The twelfth edition was published by Wiley.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600, or on the Web at www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Neither the publisher nor author shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services or for technical support, please contact our Customer Care Department within the United States at (800) 762-2974, outside the United States at (317) 572-3993, or fax (317) 572-4002.

Wiley publishes in a variety of print and electronic formats and by print-on-demand. Some material included with standard print versions of this book may not be included in e-books or in print-on-demand. If this book refers to media such as a CD or DVD that is not included in the version you purchased, you may download this material at <http://booksupport.wiley.com>. For more information about Wiley products, visit www.wiley.com.

ISBN 978-1-118-84226-3 (Paperback)

ISBN 978-1-118-84231-7 (ePDF)

ISBN 978-1-118-84233-1 (ePub)

Printed in the United States of America.

10 9 8 7 6 5 4 3 2 1



Contents

Introduction	xi
Acknowledgments	xvii
Chapter 1: The Bloomberg Way	1
Guiding Principles	2
Ethical Standards	3
Chapter 2: The Five Fs	5
Chapter 3: The Four-Paragraph Lead	7
Headlines	12
Leads	13
Size and Scope	18
Reinforcing the Lead	19
Quotations	20
Details	22
Nut Paragraphs	24
To Be Sure	26

vi CONTENTS

Chapter 4:	Show, Don't Tell	27
	Characterizations	28
	Assertions	30
	Anecdotes	31
Chapter 5:	Writing Well Matters	33
	Precision and Brevity	34
	Jargon	37
	Clichés	38
	Word Echoes	38
	Tense and Voice	39
	Concise Writing	39
Chapter 6:	Preparation	41
	How to Prepare	41
	Source Development	43
	Curtain-Raisers	44
	Templates	45
Chapter 7:	Headlines	47
	Improving Headlines	48
	Headline Style	49
	Grammar and Punctuation	51
	Stand-Alone Headlines	52
	Story Subheads	53
	Avoiding Headline Errors	54
Chapter 8:	Covering News	55
	Breaking News	56
	News Releases	57
	Attribution	58
	Anonymous Sources	59
	Corrections	61
	Sending Corrections	63
	Rumor and Speculation	64
	Media Summaries	65
	Story Mechanics	67
	Complete Coverage	69

Chapter 9: People	71
Interviewing	72
Obituaries	74
Chapter 10: Enterprise	77
Idea to Story	78
Preparing a Pitch	78
Types of Enterprise	81
Reporting	85
A Model of Reporting	86
Writing the Story	88
Chapter 11: Ethics	91
Working for Bloomberg	92
Covering Bloomberg	93
Fairness	94
Public Responsibilities	95
Endorsements and Paying Our Way	96
Plagiarism	97
Access	97
Transparency	98
Accuracy	100
Contests	100
Conduct	101
Libel	102
Red Flags	103
Avoiding a Libel Claim	104
Chapter 12: How We Work	107
Reporters	108
Interviewing	109
Accuracy	111
Editors	112
Editing Checklist	113
Bloomberg First Word	114
Going Online	115

Chapter 13: The Data Advantage	117
More News-Inspired Functions	120
Functions for Markets	122
Functions for Stocks	123
Functions for Bonds	125
Functions for Currencies	127
Functions for Commodities	127
Functions for Companies	128
Functions for Economies	130
Functions for Government	131
Chapter 14: Five Easy Pieces	133
Chapter 15: Markets	137
How to Cover Markets	138
Four Pillars of Market Reporting	143
Writing Market Leads	145
Keeping Stories Fresh	146
Technical Analysis	147
Markets Enterprise	149
Stocks	151
Themes for Stocks	151
Bonds	152
Government Bonds	153
Themes for Government Bonds	154
Corporate Bonds	155
Themes for Corporate Bonds	156
Swaps	157
Money Markets	158
Currencies	159
Covering Currency Markets	160
Themes for Currencies	161
Commodities	162
Themes for Commodities	164
Chapter 16: Companies	167
Market Perspective	168
Debt	169
Earnings	170

Mergers and Acquisitions	174
Valuation	176
Value Comparisons	178
Financing	180
Initial Public Offerings	181
Bond Sales	183
Repurchases and Dividends	184
Company Exclusives	186
Chapter 17: Economies	189
Covering Economies	190
Economy Enterprise	193
Chapter 18: Government	195
Follow the Money	198
Financing Government	199
Opinion Polls	200
Government Exclusives	202
Chapter 19: Grammar	205
Agreement of Subject and Verb	205
Commas	206
Hyphens	207
Only	207
Which and That	208
Has and Have	209
Who and Whom	211
Chapter 20: Words and Terms	213

Introduction

ON THE SECOND Wednesday in November 1989, I got a phone call that would mark the birth of an implausible news organization led by an unlikely publisher: “Hi, it’s Bloomberg. I need some advice. What would it take to get into the news business?” Michael Rubens Bloomberg, former partner of Salomon Brothers and now president and founder of Bloomberg Financial Markets, was asking me, at the time probably the happiest reporter at the *Wall Street Journal*.

The question was intriguing. Bloomberg had no experience in journalism. His almost two decades of selling securities would prove to be an advantage. The computer terminal he created in 1982 with his name on it already used an array of historical and current data to show investors and traders how to buy the cheapest securities and to sell the most expensive ones—a service unmatched by any news company and as valuable as any Pulitzer Prize-winning story, or so I thought.

Mike Bloomberg surprised me when I parried his initial query about what it would take to get into the news business with another question: “All right,” I said. “You have just published a story that says the chairman—and I mean *chairman*—of your biggest customer has taken \$5 million from the corporate

till. He is with his secretary at a Rio de Janeiro resort, and the secretary's spurned boyfriend calls to tip you off. You get an independent verification that the story is true. Then the phone rings. The customer's public-relations person says, 'Kill the story or we will return all the terminals we currently rent from you.' "

"What would you do?" I asked.

"Go with the story," Mike said. "Our lawyers will love the fees you generate."

That was the deciding moment. I could then say, "You and the few hundred people working at Bloomberg know more about money, markets and balance sheets than any collection of journalists. You show this knowledge daily on your electronic screens. If you can somehow marry this knowledge to prose and attach comprehensive data to each published story, you will have something that doesn't exist anywhere."

Bloomberg intuitively knew as much. Here was an opportunity to make the world of money more transparent—nonstop, throughout the day, throughout the year—as only people who had the experience of buying and selling money could. The journalists who would join Bloomberg would be the translators and narrators. If we could make Bloomberg's printed and spoken word lucid enough, even to Aunt Agatha, Bloomberg would become a journalistic benchmark for instant perspective on money. And money increasingly was becoming the mother of all stories. For those who recall Watergate, the best advice any two reporters received in the 20th century was: "Follow the money!"

The first Bloomberg byline appeared June 14, 1990, on 9,500 leased computer terminals delivering real-time data and news to people with the most at stake. That byline came at the end of four paragraphs exemplifying the essence of the Bloomberg Way—a new model for the news business at the end of a century celebrated for the journalism that brought down governments, created celebrities and encouraged everyone to be masters of money. None of the dozen Bloomberg reporters and editors in New York and London in their initial summer would have dared to predict that they would become two hundred times more numerous in bureaus from Atlanta to Zurich.

The Bloomberg Way, a guide to reporting and editing the story of money in all its forms, initially was a 30-page manifesto for writing about currencies,

bonds, stocks, commodities and the economy. It aspired to create the sensibility for an electronic newspaper, and it was inspired by an exquisite little book, *The Elements of Style*, by William Strunk Jr. and E.B. White. This expanded *Bloomberg Way* remains true to its origins.

Mike Bloomberg laid the foundation for a global news organization when he created the first computerized system that provided the relative value of bonds. For someone who had traded only equity securities, this was especially noteworthy and it would prove unique in 1982, when Merrill Lynch became the first customer of the so-called Market Master from the startup Innovative Market Systems. Less than eight years later, he decided his now-eponymous company couldn't prosper without news.

When he asked me to join him, Bloomberg News was born. That was four years before Netscape introduced the Internet to the world, marking the beginning of the end of newspapers as the essential medium with a captive embrace of advertisers. We didn't know that when Bloomberg Business News, as it was then called, published its first story. What we did know when we started a news service is that people in the bond, stock, currency, commodities, energy and derivatives markets needed to know everything worth knowing on a real-time basis.

Until that point, such reporting was dominated by a handful of traditional news wires whose pedigrees began around the time of Abraham Lincoln and who ruled the real-time journalistic landscape as quasi-monopolies. They left narrative reporting, so vital to understanding the meaning of events, to newspapers and magazines. The people who needed real-time news received little more than staccato headlines, and this was long before there was Twitter. For context and perspective, these traders, investors and fiduciaries still had to wait for their favorite newspaper the next day.

About the same time that newspapers found themselves literally enslaved by the printing press with the legacy costs of mass circulation and daily distribution of harvested forests, Bloomberg News conceived itself as an electronic newspaper dedicated to providing everything a newspaper does well with none of the drawbacks of once-a-day delivery.

To succeed, we needed a Bloomberg Way because there was no curriculum in journalism schools or manual that provided a step-by-step guide for the growing, and increasingly rigorous, demands of real-time producers of