

Time after time

Sometimes it seems like we're singing the same old song (and we're not talking about Cyndi Lauper's 1980s chart-topper), but timing has everything to do with media relations success.

In this issue of *Media Update*, you will read about how Ron Gebhardt'sbauer used flexibility and resourcefulness to beat the deadline and make cable news.

You also will read about how a well-timed media relations strategy helped turn the tables on a policy change in Washington.

And the timing was just right for the Academy's pension experts to grab the spotlight as airwaves and newspapers filled with questions surrounding the Pension Protection Act of 2006.

Still, these stories are only a small piece of what's turning out to be a big year for the Academy in the media. This year's efforts include the following:

- 577 media placements/pickups
- 83 media interviews
- 71 media requests
- 42 million media impressions
- 154 million Web impressions

We suppose in 2006, it's just been good timing. As for the song, we like it.

— *The Editors*

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Newsmakers

Hot summer for pensions: Academy assists media as debate intensifies

As summer heated up, so did a battle between pension conferees on Capitol Hill. While sides fought back and forth, the media struggled to stay on the heels of legislators in an attempt to anticipate provisions of a new pension reform bill. During this time, reporters turned to the Academy in the hope of a digestible explanation to many technical questions arising from proposed legislation. Topics ranged from pension funding to the Pension Benefit Guaranty Corporation (PBGC), to the effects of the Pension Protection Act of 2006, both now and in the long term.

The Academy's pension experts answered the media's calls for help, and their efforts to assist reporters resulted in an astonishing 205 placements and pickups during a four-month span—more than one-third of the Academy's placements and pickups received in 2006.

In mid-May, Reuters and CNNMoney reported on Senior Pension Fellow Ron Gebhardt'sbauer's remarks at a pension conference about how rising interest rates had improved the pension funding status of many plans sponsored by S&P 500 companies.

After the Federal Reserve boosted interest rates by a quarter-point in late June, CNBC was eager to learn if the interest rate-hike trend would save private pensions and what the government could do to improve pension funding. Pension Practice Council Vice President Donald Segal appeared on CNBC's "Closing Bell" to answer questions from co-anchor Bob Pisani.

Days later, AARP's "Prime Time Radio" hit the airwaves with a 23-minute conversation with Gebhardt'sbauer. He discussed with host Mike Cuthbert the PBGC, its history, and its current financial condition. Gebhardt'sbauer also discussed the current state of the U.S. pension system and pending pension legislation. He said he did not foresee any problems with the PBGC paying benefits before 2020. The show was broadcasted on more than 50 stations throughout the United States.

As the nation waited in late July for a final bill to emerge from conference, PBS's nationally televised "Nightly Business Report" welcomed



Academy Pension Practice Council Vice President Donald Segal appearing on CNBC's "Closing Bell."

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Gebhardtshauer on the show to explain provisions that likely would be in the new legislation. Gebhardtshauer discussed with Washington Correspondent Darren Gersh a provision that would allow the PBGC to lower companies' pension contribution rates and freeze benefits to allow those companies to remain responsible for their employees' plans.

Just days prior to the passing of pension legislation, Gebhardtshauer was on National Public Radio's "Morning Edition"—the most listened-to morning show in the United States—to explain how in addition to pension reform legislation, plan sponsors also would have to adjust to pension accounting law changes by the Financial Accounting Standards Board. He also warned that new legislation may cause a switch from defined-benefit pension plans to 401(k)-style defined contribution plans, which would set the stage for retirement-saving shortfalls.

Gebhardtshauer reinforced this message when he was on National Public Radio's "All Things Considered" on Aug. 17, shortly after President Bush signed the Pension Protection Act of 2006 into law. With more than 12 million listeners, "All Things Considered" has the third-largest audience of all radio programs in the United States.

In the wake of pension reform, print

and Web media have scrambled to discuss how the Pension Protection Act affects individuals. When CNNMoney reported on the impact of public plans, Larry Wilson, chairperson of the Academy's Public Plans Task Force, was there to assist. When the *San Francisco Chronicle* reported twice about how lump-sum payouts would be affected, Academy Secretary-Treasurer John Parks and Gebhardtshauer responded to the media requests.

As time passes and more questions arise regarding the new legislation, the Academy's pension experts will be prepared to assist the media.

Other Media Highlights:

Casualty—During C-SPAN 2's coverage of the U.S. Senate on May 8, a segment on medical liability referenced the Academy's work, which states that placing limits on unquantifiable, non-economic damages is imperative in stabilizing the physician professional liability insurance marketplace.

When the *Financial Times* reported in July about how state courts and legislatures have stepped up to alleviate the asbestos litigation crisis, they turned to Mass Torts Subcommittee Chairperson Jennifer Biggs to explain why a sharp decline in asbestos claims may not be permanent. The *Financial Times* is a leading international business newspaper

with 1.8 million estimated global readers in more than 140 countries.

Health—When legislation backing small-business health plans hit the Senate floor in May, PBS's "NOW" reported about what could have been the biggest reorganization of health care in the United States in decades. When explaining the potential effects of the legislation, "NOW" featured the Academy's comment letter to Senate leaders analyzing proposed legislation.

The *South Florida Sun-Sentinel*, one of the top 50 newspapers in the United States, cited the Academy and the American Medical Association as two organizations indicating problems ahead for Medicare. The report about the fast-approaching Medicare crisis said, "The actuaries understand the growth rate is unsustainable."

Life—Members of the trade media are regularly attending the Academy's principles-based webcasts and it has resulted in valuable print space for the Academy. A prime example is *National Underwriter L&H's* Web-edition article on Aug. 24 that focused on the Academy's Aug. 22 webcast. Coverage included comments from numerous Academy spokespersons and volunteers including Donna Claire, Dave Sandberg, Larry Gorski, Larry Bruning, Shirley Hwei-Chung Shao, and Mike Boerner.

Academy releases

May – August 2006

May 3	News Release: "Actuaries Call for DOE Pension Policy Repeal"
May 8	News Release: "Actuaries: Enzi Health Bill, 'Better, Needs Work'"
May 8	Media Advisory: "Actuaries Discuss Medicare and Social Security Solvency"
May 10	Media Advisory: "Actuaries Meet to Discuss Policy Issues"
May 16	News Release: "Chief Medicare Actuary Foster Gets Myers Award"
June 7	News Release: "Actuaries Raise Concerns with FASB Draft Guidance"
June 13	Media Advisory: "Actuaries Host Briefing on Retirement Risks"
June 20	News Release: "Actuaries Commend DOE's Suspension of Controversial Pension Policy for Contractors"
Aug. 4	News Release: "Actuaries Highlight Importance of Passed Pension Bill, Address Need For National Retirement Policy"
Aug. 17	Letter to the Editor: "Re: What You Need to Know About Pension Changes" (<i>Wall Street Journal</i>)
Aug. 18	Letter to the Editor: "Re: The Other Pension Crisis" (<i>Wall Street Journal</i>)

All “signs” point to flexibility: A hitchhiker’s guide to media relations

On Capitol Hill, he is described as the “Washington Warrior,” but we know him fondly as Ron. Academy Senior Pension Fellow Ron Gebhardtshauer is a familiar face and name in the trade and mainstream news media. He is always prepared and is even known to keep a pressed dress shirt, an appropriate “on-camera” tie, and a sport jacket hanging behind his office door to be able to fulfill television interview requests on short notice. But on a recent business trip, our warrior didn’t have his shining armor readily available.

The challenge

The Academy’s communications staff constantly monitors news coverage to anticipate the next breaking story and forecast any potential media opportunities for the Academy. However, the media’s fleeting attention span makes it nearly impossible to predict—without a crystal ball—exactly when the phone will ring or when a slot will open up for a spokesperson. The fast-paced media environment in the nation’s capital demands that spokespersons and staff remain flexible, composed, and resourceful. Ron Gebhardtshauer is up to the task.

Opportunity knocks

Those traits were tested on May 22 when just before noon, a producer from CNBC’s “Street Signs” called about the possibility of Gebhardtshauer appearing live on the show at 2:30 p.m. to discuss pension-funding reform. While the request provided the opportunity to shed light on the actuarial aspects of a high priority issue, Gebhardtshauer was 500 miles away with his Academy colleagues at a Pension Committee meeting in Charleston, S.C. The prospect of him appearing on cable news seemed lost. But staff would not give up that easy.

Off-site arrangements

The Academy staff was unable to commit to the time slot, but asked CNBC about the possibility of doing a remote-satellite interview from Charleston. The producer agreed to try to find an available studio, while the staff tracked down Gebhardtshauer. Knowing that time is of the essence when responding to the media’s spontaneous nature, Gebhardtshauer stepped out of the meeting to accept a call from the Andrew Simonelli, the Academy’s media relations manager, who briefed him about the media request. Academy staff

followed up with CNBC to set up the pre-interview, which producers use to judge potential spokespersons before appearing on-camera. Gebhardtshauer and Simonelli also reviewed a list of possible studio locations to conduct the satellite interview.

Nailing down the interview

Staff worked with Gebhardtshauer to craft message points for the pre-interview, which he would conduct from his hotel room. Using Web-based maps to locate the nearest studio, staff began making calls to book space for a *live* remote interview.

The pre-interview was successful, and Gebhardtshauer was slated for the 2:30 p.m. on-air interview at NBC’s local affiliate in Mt. Pleasant, S.C. Then came a real roadblock: Gebhardtshauer was without proper attire—his media uniform had been pre-packed for an upcoming trip to France.

What to wear?

A resourceful Gebhardtshauer returned to the Pension Committee meeting with an unusual question:

“Can I borrow some clothes?” Concealing a shirt that barely covered three-fourths of his arms with a seemingly well-fit sports coat, he was nearly ready to go, except for the fact that no one had a tie. After a call to the studio’s wardrobe department came up empty, staff called the hotel’s concierge. The concierge helped the staff map out a detour on the way to the studio—a pit stop at a men’s store to purchase a tie—and Gebhardtshauer was on his way.

Bouncing off the bird

On the 15-minute ride to the studio, Academy staff prepared Gebhardtshauer by peppering him with potential hardball questions. Thus, Gebhardtshauer arrived with key message points crafted. Quickly ushered to the set and wired, Gebhardtshauer was ready. The satellite feed, however, was not.

A minor equipment malfunction had nearly thwarted two hours of herculean efforts by the Academy and its warrior. Fortunately, by the grace of the media gods, the satellite feed (often called “bouncing a signal off of a bird”) was restored, and a composed, prepared, and quite snappily dressed Gebhardtshauer successfully explained pension-funding reform to the nation.



Academy Senior Pension Fellow Ron Gebhardtshauer is always prepared for unexpected calls to appear on camera. Here he appears on the CNBC program “Street Signs” last May.

Media Insights

Media's role in public policy

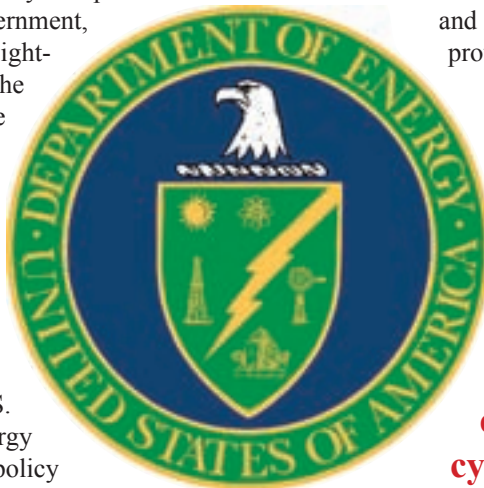
Case study: U. S. Department of Energy

The media often can be a vital instrument for those working in public policy. It can serve as a megaphone to sound attention to an issue, it can provide a forum for debate, and—in some cases—stories in the media can even incite action. When the Academy's pension experts were appalled by a planned policy change by a department of the federal government, they used the media to heighten awareness about the issue, to explain the actuarial reasoning for their objections, and to push policymakers to react. The results show just how powerful the media's role in public policy can be.

It began in late April, when the U.S. Department of Energy (DOE) unveiled a new policy that would eliminate reimbursement to contractors for defined benefit plan costs for new employees. The policy would have resulted in contractors switching their new employees' retirement plans from defined benefit pension plans to 401(k)-style plans. The Academy objected, saying it would deny contractors' new employees a predictable and secure retirement income. In addition, if the policy were to stand, it would set a precedent that other federal agencies likely would follow. The Academy swiftly drafted a letter to Energy Secretary Samuel Bodman condemning the policy. It then used the media to attract attention to the issue and turn up the pressure.

After a statement was released to the media demanding DOE rescind the policy, the Academy was able to establish a rapport with a prominent *Washington Post* journalist, Stephen Barr. The Academy became a go-to source on the issue, and spokesperson Donald Segal, vice president of the Academy's Pension Practice Council, assisted by providing an in-depth interview.

The interview became the primary source for an article in the *Washington Post* on May 9. The *Washington Post* is the nation's fifth largest newspaper based on circulation.



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The article helped push the issue into the spotlight inside the Capital Beltway, and soon after, Sen. Edward Kennedy (D-Mass.) introduced legislation blocking the policy change—citing the Academy and its objections in his floor statement.

During the next few days, the Academy kept in close contact with reporters in Washington, providing new information and lending its expertise for potential articles. The strategy proved to be successful as the “experts at the American Academy of Actuaries” were

referenced in a second *Washington Post* article on May 15 that detailed a newly orchestrated plan by an appropriations subcommittee in the U.S. House of Representative to block the policy change.

That same day, syndicated columnist Marie Cocco brought the issue onto the national stage. This time, Senior Pension Fellow Ron Gebhardtshauer was the lead source in the article that garnered a handful of media placements for the Academy, including two top-100 daily newspapers, the *Denver Post* and *Tulsa World*.

The following week, the House passed an amendment to an appropriations bill that would block the policy change. Facing a legislative road block, the DOE decided to suspend the order for further review. The Academy applauded the decision and released a statement on June 20.

An article on June 22 in the *Los Alamos Monitor*—a local newspaper in New Mexico that shares its home with the DOE-operated Los Alamos National Laboratory—recapped the saga from its inception and cited the Academy's involvement throughout the proceedings.

Unbeknownst to them now, future contractor workers employed at Los Alamos will have defined benefit plans. And the Academy will know that its efforts and a solid media plan played a role in that. —Andrew Simonelli