

How I Did It: Michael Sitrick, Chairman and CEO, Sitrick and Co.

By Mark Lacter

You're getting buried in the press? You can't get your side of the story out? For business leaders and celebrities alike, Michael Sitrick is the PR man who makes things right.



Let Me Handle This Michael Sitrick, crisis manager to the stars.

When bad things happen to a company--a bankruptcy filing, a CEO's messy divorce, a proxy fight--Michael Sitrick is the public relations guy who gets the call. His clients, who have included billionaire investor Ron Burkle, Global Crossing (NASDAQ:GLBC) ex-chairman Gary Winnick, and Hewlett-Packard (NYSE:HPQ) ex-chairwoman Patricia Dunn, hire him to present their best sides to the press and public, by means that range from encouraging a reporter to see the client's point of view to placing a sympathetic op-ed piece in The Wall Street Journal. Sitrick, who runs his operation out of a sleek high-rise in L.A.'s Century City, is also the make-this-go-away guy for entertainment industry big--everyone from Rush Limbaugh to Halle Berry. Whomever's case he is presenting, Sitrick is not afraid to make waves with reporters and editors, day or night--at \$695 an hour, that's what his clients expect. He is the author of Spin: How to Turn the Power of the Press to Your Advantage.

I was born in Davenport, Iowa. My family moved to Chicago when I was three months old. In my senior year of high school, my father took over a group of radio and TV stations as group general manager and we moved to Birmingham, Alabama. My first year of college was at the University of Alabama and then I transferred to the University of Maryland and got a degree in business administration and journalism. I did some stringing for a couple of newspapers.

I was offered a full-time job at the *Baltimore News-American*, and I was also talking to the *Chicago Tribune*. They were paying \$125 a week back then. And then I was offered a job working for the University of Maryland for \$160 a week doing PR. I said to my wife, I'd rather be a reporter, but I'd rather eat. So I took the Maryland job. I went with my boss to visit local newspapers throughout the state and it gave me an amazing insight into the minds of news people. I remember hearing about what was important and not important and it really helped to shape my understanding of the thinking of journalists.

After the Maryland job, I went to Western Electric, where I was coordinator of press services. Then I went to the mayor's office in Chicago. I came to California as senior vice president at Wickes [a multibillion-dollar company whose businesses included home improvement, lumber, and furniture stores] in 1981. Wickes went through bankruptcy and then other crises, and then there was a normalized period when I was bored out of my head. We decided to sell the company in an LBO. The new owners asked me if I wanted to stay. I was trying to decide what to do when one of the subsidiaries that had been spun off said to me, "Look, we need some help on PR." People kept calling me to handle this or that. And I kept hiring people. Before I knew it, we had finished our first year in business.

I'm now running what for me is a pretty big firm--55 people in two offices. But I still draft press releases and I still interact with the media. I'm both blessed and cursed in that I love what I do. You have to be willing to work whatever hours are necessary--Saturday, Sunday, evenings. Last night I was about to go into a restaurant with my wife and a client called. So I sent my wife inside-

-she wasn't particularly happy. I sat and talked to the client for the next 20 minutes because that was when the client was available.

We still have an answering service. Our phones are all computerized, but this is a service business. Early in the history of the firm, we got a call from a law firm--it was a Sunday. And when I got the message and called the lawyer back, he had already hired somebody else to represent MGM. Giancarlo Parretti had bought the studio. The lawyer said, "You were my first choice but I couldn't reach you." The next day, I hired an answering service.

I never wanted to be a traditional PR agency. The model is more like a law firm. I always hire ex-journalists because I feel it's easier to teach journalists what PR is than it is to teach PR people what news is. Most PR people don't have a clue. Most PR people are terrified of the media. They think that if they say, "No comment," there's no risk. My all-time favorite is when they advise a client not to call the reporter back because that way the reporter won't write the story. That has to be the stupidest strategy I've ever heard. If we don't respond, they can't write anything because they have to get both sides, right? They don't have to get your side--they only have to *try* to get your side.

If a client is under attack, my job is to defend the client. If I think a reporter is wrong or has the facts wrong, I'll let him know. If I don't think I'm being treated fairly, I'm going to appeal by going to his editor. I'm not afraid to be in somebody's face. If somebody is wrong, he or she needs to be called on it. I've got to protect my clients' interests--they pay a lot of money and they expect it. A lot of PR people are afraid to do that. You can look at it the way a lawyer would argue a case in a court of law: We present our side, they present their side, the reporter is the judge and he or she makes a ruling.

To place an op-ed, you first have to determine whether the subject is of interest to the publication. A lot of times you don't want the client to write the op-ed; you'll want a third party to validate what your client is saying. You find an expert of some sort. It may be someone we've read about who has an opinion or has spoken on that topic. We'll say, "Our client is in the news, your opinions seem to coincide with ours, would you be willing to write an op-ed?"

We have 250 active clients in any given year. What we bring to the party that few firms can is access. When we call reporters or editors, there's a far better than even chance they're going to want the story as much as, if not more than, we're going to want to give it to them.

We have turned down clients for a number of reasons. Would I take on Osama bin Laden? Hell no. Would I take on Hezbollah? Of course not. Early in the life of the firm, a client came to us. They'd been killed in a front-page *Wall Street Journal* story and asked us to turn it around. I said I would make a couple of calls. So I called the reporter and he said, "Mike, these guys are really, really bad guys." I have enormous respect for the reporter and he said, "I'm telling you, as a friend, check them out." I came back to the client and said here's the deal: I'll take you, but conditionally. And the condition is that we have to do our own due diligence. I'll send two of my guys down to go over your books and records. And then they said, "We don't know whether we can move forward."

I'll drop a client, too. I had two of my women partners in a case and one of the executives came on to them in a way that was really over the top. I called the client up and said I'm not sending my people back. And he asked why. And I said that so-and-so made two of my people uncomfortable. And he said, "Well, we were going to fire you anyhow."

In order to be in this business, you have to be able to write. You should study journalism or learn to write as a journalist. You need to be a student of the news. I've been a critic of people in

my field. People view that as arrogance. But you have an obligation to your clients, and the first obligation is competence. I don't think most people in this business are competent.

When we get involved in a client situation, we try to learn as much about the situation as quickly as we possibly can. We want to make sure there isn't a surprise behind door two. And we want to know everything the reporter is going to know and then some.

There are different aspects of PR. If you're prominent in your community, and you have a divorce and all your dirty laundry is out there, it's going to be reported. You need to figure out how you're going to respond to it. If you have a plant explosion or some crisis, it's not enough to say you're sorry--you've got to talk about measures you're taking to ensure that what happened in the past can't happen again. For positive news, have realistic expectations. The fact that you hired a new director of personnel is not likely to be a story in Chicago or New York. You have to say, "What do I want from it?" If you say you want a story on your company, I start by asking if you could write the headline, what would it be? And why should anyone care?