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OTHER VOICES

Why Sell Your Soul At No Rate of Return?

By Andrea Obston

As a business owner, it baffles me to think that any institution would consider selling off its competitive advantage, especially when others in its industry are dropping like flies. But, if you believe the charges in a recent lawsuit against Variety Magazine, that's exactly what they are being accused of.

As they say in Hollywood, "Here's the back story."

Calibra Pictures recently filed a lawsuit against Variety for giving its film a bad review. In its suit, the production company claims that it paid \$400,000 for an "exclusive promotion partnership" to support the movie, "Iron Cross," but that Variety's film critics had the temerity to pan the film. The crux of Calibra's claim is that Variety's advertising and editorial departments both promised positive publicity. Calibra said both departments of the magazine claimed this agreement would help secure distribution for the film and a chance at one or more Academy Awards.

Wait! What? Variety's being sued for doing its job? Do I have that right? And do I also understand that they sold away their right to do unbiased movie reviews because the editorial department of the publication went along with this \$400,000 deal? Isn't the most important thing that any legitimate publication brings to the table is its ability to be an unbiased observer? Isn't that what readers expect from it? It's the reason these publications still exist, and what they are supposed to do best.

In my world, that's called a competitive advantage. That is something a company does

that makes it stand out among its competitors.

The fact is that the competitive advantage that print journalism has over its blogified, tweet-ified competitors is its promise of unbiased observation. It's why lots of us still turn to print for the whole story, even while we peruse the blogs and check our twitter accounts. That unbiased observation comes from the "Chinese Wall" between the editorial

and advertising departments.

Yes, I know the economics of keeping a paper alive and journalists fed has been stretched to the limit. But, when critics can't do their job because sales people have

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"promised positive publicity" that should make anyone who depends on them question their judgment.

The outcome of this lawsuit is probably years away and I'm sure this is just the opening salvo of publicity bombs slung by both sides. So there's no final lesson yet. But, the fact that it's been filed should give us all pause.

Once advertisers believe they have the right to dictate editorial content, I believe all of us who depend on journalists will stop turning to them for information. And when that happens, newspapers and trade magazines will have sold their competitive advantage down the river, with no ultimate rate of return. ■



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