

FINANCIAL TIMES

MONDAY NOVEMBER 29 2010

Business Life

Bloomberg editor casts a wider net

Monday interview

Matt Winkler

Editor-in-chief, Bloomberg News

Two decades on, the news service's ambitions still rest on the exacting culture created by its co-founder, says **Andrew Edgecliffe-Johnson**

When Matt Winkler left his job reporting on the US bond market to help Michael Bloomberg, the current mayor of New York, set up a news service for his financial data empire, he would get staff into its office at 3am to write summaries of every story in the newspapers.

"By 7.30 in the morning you had everything that mattered in front of you on the Bloomberg," he says. "It was sort of like the Wizard of Oz. We projected this wonderful aura but if somebody said 'what's behind the curtain?' there would be a bunch of people in their underwear at three in the morning."

Two decades later, Bloomberg News has 2,300 people in 72 countries, their output spread across the black terminals of "the Bloomberg", television, radio, the web, print magazines, mobile applications and iPad-ready newsletters. Its expansion, already without parallel in a news industry besieged by declining revenues, has accelerated with the acquisition of BusinessWeek magazine and the launch of specialist products such as Bloomberg Government and Bloomberg Law.

But the task of keeping this increasingly diffuse news empire coherent rests largely with the same editor-in-chief who started with barely a dozen reporters.

That is the sort of statement



Shared interests: Matt Winkler's coverage of markets that other journalists found obscure drew him to the attention of Michael Bloomberg (below)

Laura Barisonzi

to which Mr Winkler would object, not out of modesty but because it does not accord with the "Bloomberg Way", his codified set of instructions for reporters and editors, which takes a particular dislike to assertions that are not swiftly supported by hard data. (The company manual also urges the avoidance of the word "but" and introductions beyond four paragraphs.)

The Bloomberg Way's aversion to "pseudo colour" would probably also ban reporters' awed descriptions of its fish tank-filled New York offices. Still, the aquariums, the vivid screens displaying the weather in Warsaw and the Julian Opie artworks illustrate its unique status in the cash-strapped news industry.

Mr Winkler sits in a glass box decorated with illustrations from Dr Seuss books such as *Hop on Pop*. Round the corner is an overcrowded wall of trophies won by his

reporters, who sit in trading room-style rows, a two-screen terminal on each desk. Beside his chair, an orange bow tie floats in a bank's Lucite deal memento, echoing a sartorial quirk that provides easy "pseudo colour" for every profile of the 55-year-old.

Bloomberg News has come a long way from news round-ups to aspirations of global influence – which put it in a sector with long-established peers, including the Financial Times. Asked how he measures progress, he says simply that, given Bloomberg's audience of "the people with most at stake", its yardstick remains how often its stories move markets.

Bloomberg News is an adolescent with little sense of its mortality, "unlike other news organisations", he says. But its 20th birthday falls at a pivotal moment, when its parent is hinting that the long subsidised news service will now have to pay its way.

"Media was initially conceived as marketing for the terminals, but we don't see it that way any more," Dan Doctoroff, Bloomberg's chief executive, told the New York Post in October.

It also comes as an organi-



The CV

Born: June 1 1955

Education: Kenyon College, Ohio (history)

Career: 1976-77 reporter, Mount Vernon News; 1977-78 public relations specialist, Gehrung Associates; 1978-80 assistant editor, Bond Buyer; 1980-1990 Dow Jones (including London correspondent and credit markets correspondent for the Wall Street Journal); 1990-present editor-in-chief, Bloomberg News

Books: Co-author, *Bloomberg by Bloomberg*, 1997

Family: Married with three children

sation once intensely focused on finance is branching into new areas, from weekly magazine journalism to deep coverage of Washington policymaking, requiring its reporting to appeal to a far wider audience.

Mr Winkler says he sees no conflict between its specialist and generalist markets. When we meet, the menu of top news on his outsize Bloomberg screen is leading with an exclusive on the International Monetary Fund's role in Ireland's bail-out. "The markets are fluctuating in part because of this," he says, pulling the story up as evidence that we live in what he calls "the age of debt".

The story of money is driving politics and policy, he argues. "You pick any subject that you consider part of a general interest publication or news organisation, you will find the link to debt – money – is inescapable."

An interest in markets that other journalists found obscure were what brought Mr Winkler to Michael Bloomberg's attention. The young reporter had trained on a local Ohio newspaper and a trade publication on bonds, and developed a fascination for the US Treasury market at the Wall Street Journal.

Bloomberg's founder had made his first fortune as a bond trader at Salomon Brothers. He was fired from the bank and used the pay-off to start Bloomberg. The company was just six years old when Mr Winkler featured it in a front-page article detailing the incursions it was mak-

ing into territory once dominated by Dow Jones and Reuters. He was Mr Bloomberg's first call when he decided two years later that the company needed a news service akin to those of his rivals.

Asked what it would take to start such a newswire, Mr Winkler's provocative response was to ask his future boss what he would do if his biggest client called up demanding that he pull a story.

There have been plenty of Bloomberg News stories its clients would rather not have seen since then, not least during the peak of the financial crisis. But Mr Winkler de-

'If somebody said "what's behind the curtain?" there would be a bunch of people in their underwear at three in the morning'

scribes the financial unraveling of 2008 as "without doubt, the most exhilarating period for us ...because you could prove that Bloomberg News was coming into its own".

That period also set the stage for one of Mr Winkler's biggest fights for transparency, when he pushed the Federal Reserve to disclose details of emergency loans made to financial institutions in 2008. Bloomberg's Freedom of Information Act request was denied, so it sued. Courts have backed it three times, leading the Fed to drop its opposition, but a group of banks is still contesting the ruling.

"Transparency is everything. You cannot have a vibrant capitalist system and

you cannot have a functioning democracy [without it]," he says. Bloomberg exists to light up obscure corners, starting with the once opaque bond market, he adds.

There is a paradox in hearing this from an executive of a private company that guards financial details closely, but Mr Winkler raises a bigger paradox. There is "a dark, satanic-like struggle" between information and misinformation, he says, and too many news organisations are financially hobbled, incapable of doing the rigorous reporting required for information to prevail. He dodges a question about what business models might reverse that trend but adds that he still sees room for improvement and growth at Bloomberg itself.

New York magazine once likened Mr Winkler to CNN founder Ted Turner and Hugh Hefner of Playboy, in having devised "a new journalistic paradigm through sheer force of will". He rattles off a list of colleagues with whom to share the credit but it is clear that the Bloomberg News culture flows from one man and his rules.

Bloggers have mockingly chronicled Mr Winkler's sometimes angry enforcement of the Bloomberg Way, reprinting intemperate memos that lambast loose adjectives or careless tweets. Such stories paint him as a tyrant, running an anachronistically centralised organisation.

"Tyranny's always bad, actually. I'm not a fan of

tyrants," he comments coolly. "You can't come to work every day and do the things we're trying to do without a passion for excellence but I don't believe anger is an effective way of managing. I have learnt over the years we are far more effective by figuring out ways to inspire people."

Since Mr Doctoroff stepped down as Mr Bloomberg's deputy mayor to run the company owned by the founder's blind trust, Mr Winkler's editorial power has been shared with two media veterans. Norm Pearlstine – Mr Winkler's former managing editor at the Wall Street Journal, became chief content officer in 2008. Mr Doctoroff also brought in Andy Lack, the former president of NBC News, to rethink its television and multimedia operation.

Mr Winkler dismisses the notion that Bloomberg's chiefs are destined for a clash. "Wouldn't it be great to bring together all of the people you respect and admire in your profession? I am living that dream."

Bloomberg's resources have allowed it to continue hiring new stars, both senior and junior, but Mr Winkler says there is "relentless pressure" to justify every expense. "There's nothing whimsical about it," he insists.

Even the fish tanks? "Oh yeah, and we've got our own piranhas running around Bloomberg imposing a discipline on us if we don't make it pay."