Media Myth: Nine Worst Business Stories (of the Last 50 Years)

By Nathan Burchfiel

Some of the toughest obstacles American businesses face come not from other companies or the economy, but from the media – journalists exaggerating an issue to make a story sexier or anti-business groups influencing the media to advance their agenda. Four of the stories on the following list started with a press release or report from an environmentalist group, labor union or "consumer group."

Those exaggerations or manipulations resulted in lost jobs, lost revenue, unfounded health scares, unnecessary government intervention, and even deaths. The Business & Media Institute has compiled a list of the nine worst business stories (of the last 50 years).

9. Food Lion Accused of Repackaging Meat

On Nov. 5, 1992, ABC's Diane Sawyer teased a "Primetime Live" investigation "into charges customers at the nation's fastest-growing grocery chain don't always know what they've been sold."

The ensuing report aired undercover footage of Food Lion workers repackaging old meat and other perishables with new expiration dates.

Food Lion was at the time the fastest growing grocery store chain in the nation, having implemented a revolutionary business model based on wholesale purchasing and distribution to its stores. But Sawyer accused the company of being so driven by profits that it neglected health concerns in order to sell tainted meat.

The report didn't note that state inspection records gave Food Lion average sanitation marks, according to a Nov. 30, 1992, Washington Post report by media critic Howard Kurtz, who questioned the use of undercover cameras.

Amidst numerous lawsuits filed against ABC over the report, Food Lion alleged that footage was manipulated, staged and not representative of normal business practices at the stores. In reviewing the 45 hours of videotape taken during the investigation, Food Lion representatives said the report "was not supported – indeed, was contradicted – by the footage it had," an Aug. 30, 1995, Washington Post article said.

As the Media Research Center <u>reported at the time</u> – based on a report in The New Republic – the 45 hours of hidden camera footage showed "a combination of staged events and selective editing to fit a pre-conceived story line and systematically fabricate a story to deceive the public."

It turned out that the report was part of an intense union-backed campaign to discredit the non-unionized chain. The United Food and Commercial Workers Union put ABC in touch with many of its sources for the report and helped producers secure jobs at Food Lion stores by providing references.

The Los Angeles Times reported on earlier UFCW tactics against Food Lion in September 1992, when the union accused Food Lion of child labor and overtime pay abuses, which resulted in a \$16.2-million penalty levied against the chain by the Department of Labor.

The union tried another approach in 1994, when in February of that year The Washington Post wrote about a report accusing the company of selling expired baby food.

In her introduction, Sawyer insisted that Food Lion workers were "hard-working people who care about their jobs, but what this report will show is the kind of thing that can happen when the pressure for profit is great and you break the rules." Despite Sawyer's note of appreciation for individual employees, the workers were the ones who suffered in the story's fallout.

The chain announced plans to close 88 unprofitable stores and open 40 to 50, amounting to a loss of at least 33 stores in the two years after the report, according to the April 19, 1994, Wall Street Journal. Food Lion had opened as many as 100 new stories in previous years.

Food Lion reported a 55-percent drop in fourth-quarter profit after the report aired, according to the March 1, 1993, Washington Post. The company's stock lost almost half its value, and revenues fell 2.6 percent in 1993.

In 1996, a federal grand jury in Greensboro, N.C., found ABC guilty of trespassing and fraud for the report. The case didn't hinge on the journalistic merits of undercover reporting, but on the fraud used by producers to obtain jobs and the illegal taping inside stores without the company's permission. Food Lion was awarded \$5.5 million, but the verdict was eventually overturned.

ABC stuck by its story. Even though Food Lion challenged the veracity of the claims made in the report, ABC News President Roone Arledge in 1997 maintained that "the fact of the matter is the broadcast was true."

The company gradually regained its footing and began reporting strong revenues again in 1994, but the story affected hundreds if not thousands of workers who lost their jobs in

the aftermath of the investigation. UFCW <u>still doesn't list Food Lion</u> as one of its unionized stores.

8. Oprah's Beef with Beef

Talk show host Oprah Winfrey holds huge power over public opinion. Her book club routinely launches writers from obscurity to instant fame. Her presidential endorsement of Sen. Barack Obama (D-Ill.) garnered massive media attention. And, according to the beef industry, her fear of mad cow disease meant millions of dollars in lost sales.

On April 6, 1996, Winfrey dedicated her show to mad cow disease, also called bovine spongiform encephalopathy (BSE), a neurological disorder in cattle that had caused widespread panic in the United Kingdom because it can be transferred to humans as variant Creutsfeldt-Jakob Disease (vCJD).

The broadcast featured an interview with Howard Lyman, a former cattle rancher who had become a vegan and worked for the U.S. Humane Society as an opponent of meat products. Lyman confirmed Oprah's fear that vCJD "could make AIDS look like the common cold."

Lyman claimed American farmers routinely ground up dead cows, including cows possibly infected with BSE, and fed them to healthy cows that were sold for beef. Another guest, National Cattlemen's Beef Association spokesman Dr. Gary Weber, denied Lyman's allegation and pointed out that the United States hadn't seen any cases of BSE.

Weber was right. According to the <u>Centers for Disease Control and Prevention</u>, the United States didn't see its first case of BSE until 2003. (Canada saw one case in 1993.) The United States saw one more case in 2004 and another in 2006. The CDC also reported only <u>three cases of vCJD</u> – how BSE manifests in humans. Two of the victims were connected to Great Britain, where BSE had been more common. The third was raised in Saudi Arabia and the CDC cited "strong evidence" that he was exposed to BSE there, not in the United States.

Nonetheless, Oprah declared that Lyman's claims "just stopped me cold from eating another burger." The next day, cattle futures plunged, and they continued dropping for weeks.

One rancher, Paul Engler of Amarillo, Texas, claimed he lost \$6.7 million due to the drop in cattle and cattle futures prices following the show's airing, according to The Wall Street Journal. A group of farmers sued Winfrey, Lyman and the production companies responsible for the show for \$12 million.

The lawsuit was filed under the Texas False Disparagement of Perishable Food Products

Act, which made it easier for food producers to bring libel charges against people who falsely criticized their production methods. Texas was one of 13 states to pass similar legislation in the aftermath of the Alar apples scandal (see Myth #2 on this list).

The Los Angeles Times reported April 17, 1996, that lower cattle prices were "partly due to worries sparked by Oprah Winfrey's television show."

Even Lyman acknowledged on his <u>Web site</u> that the show aired on Monday and beef futures fell on Tuesday. (They had already been declining "due to drought, over-supply and a number of complex factors," he said.) "Pundits referred to this as the 'Oprah crash," Lyman said.

In an editorial Jan. 5, 1998, The Washington Post mentioned the lawsuit and called the laws it was based upon "wrong-headed and probably unconstitutional." The editors felt that "the society-wide discussion of food issues is not just freewheeling but at times positively brawling. And this is as it should be."

The lawsuit was eventually dismissed because the courts determined cattle did not fall within the definition of perishable foods and because the growers failed to demonstrate, as the law required, that Winfrey and Lyman were knowingly spreading false information about beef safety.

Cattle ranchers and investors may have lost millions of dollars thanks to Winfrey's unfounded fear of mad cow disease, but at least the trial gave the world Dr. Phil McGraw, who began his business relationship with Winfrey as a consultant for the trial. That launched McGraw into a career that would bring fame and fortune – according to Parade Magazine's April 13, 2008, issue, he made \$90 million last year. Grabbing people's attention has made Winfrey into a \$260-million enterprise.

7. 'Dateline's' Exploding Trucks

Imagine being in a low-speed side-impact collision during which your truck bursts into flames, engulfing the cab and burning you alive. On Nov. 17, 1992, NBC's "Dateline" made that fear a reality in one of the most notorious Worst Stories.

"Dateline's" report focused on an abnormally large number of fires resulting from sideimpact collisions on certain models of General Motors trucks. The trucks featured gas tanks mounted outside the frame rails, where they were, according to NBC, more vulnerable to crumpling and explosion in a side-impact hit.

To demonstrate the danger, "Dateline" commissioned test-run collisions. The first, a 40-mile-per-hour side-impact crash, resulted in absolutely no fire. But the second, a 30-mile-per-hour collision, erupted into flames engulfing both the truck and the car sacrificed for the visual effect.

There was some basis for the report itself – "Dateline" cited accident statistics showing GM trucks were "more than twice" as likely as other pickup trucks to be involved in fiery crashes. GM faced numerous lawsuits over the truck, including one civil suit in early 1993 that ended in a \$105-million penalty against the manufacturer over the death of a 17-year-old Georgian.

But the powerful visual effect for "Dateline's" report had been staged. In a press conference in February 1993, GM showed that the test runs were rigged. Screen captures taken moments before impact showed "plumes of smoke" from underneath the truck, the result of small igniters placed on the gas tank to ensure a fire.

GM contended that the trucks used in the demonstration used after-market gas caps that didn't protect the car's internal systems as well as factory-installed pieces. <u>It was also revealed</u> that NBC used "tightly edited shots" to make the 15-second blaze look worse than it was.

In a statement issued immediately after the news conference, NBC News President Michael Gartner defended the report, calling it "fair and accurate." While Gartner acknowledged the use of sparking devices, his statement attributed the fire to a broken headlamp.

But the next day, NBC admitted via anchors Jane Pauley and Stone Phillips that it was wrong to stage the crashes. "We apologize to our viewers and to General Motors," the statement said. "We have also concluded that unscientific demonstrations should have no place in hard news stories at NBC. That's our new policy."

The network also settled the defamation lawsuit GM had filed against it over the report, the Los Angeles Times reported Feb. 10, 1993.

Former NBC News President Reuven Frank <u>called it</u> "the worst black eye NBC News has suffered in my experience, which goes back to 1950."

But if anything good came out of the report, it caused journalists to reflect on the use of demonstrations, visual aids and other easily manipulated tactics in attacks on businesses.

6. Rolling Jeeps

SUVs have had their share of public relations problems. Nowadays they're chided for their gas mileage. But a public scare about SUVs rolling over started back in 1980.

"I'm only going 8 to 10 miles an hour," Morley Safer said from behind the wheel of a Jeep in a Dec. 21, 1980, CBS "60 Minutes" broadcast. "But this is what can happen when

the Jeep makes a J-turn at 22 miles an hour," he added, as a video showed the vehicle flipping and rolling on top of dummy passengers.

In 1980 the Insurance Institute for Highway Safety, a group funded by auto insurers, released statistics on the Jeep CJ-5 suggesting it was prone to roll over under "normal" driving circumstances.

The Wall Street Journal and Washington Post ran the story, but the visual aids in Safer's "60 Minutes" report were perhaps the most stunning – showing Jeeps turning over and tossing dummy passengers to the pavement, in what was implied to be normal driving circumstances.

The IIHS report, obtained from the group's archives by the Business & Media Institute, shows that the group's researchers ran a total of 435 tests to obtain eight rollovers. One of the Jeeps was tested at least 87 times before it rolled over. It was then reconfigured and tested another 72 times before it rolled over again.

More than a year later, American Motors Corp. was still suffering from image problems due to the reports. The Wall Street Journal reported in February 1982 that Jeep sales were "already 50 percent below" 1979 numbers when the report aired, and they "sank to about 65 percent below that rate" in 1981.

The Journal also reported AMC's side of the story, noting the manufacturer was questioning the validity of the IIHS study as well as other studies suggesting Jeeps were more likely than other SUVs to roll over. "The auto maker contends that the driving patterns were unrealistic because steering was extreme, speed was prolonged, and brakes weren't applied," it reported.

The National Highway Transportation Safety Administration agreed. In a 1981 internal memo, the NHTSA critiqued Dynamic Science Incorporated, which conducted the IIHS tests, for using "abnormal test conditions and unrealistic maneuvers ... generated by an automatic control device which ... was programmed to provide input not entirely representative of driver input," according to the book "The Liability Maze" by Peter Huber, a lawyer who is currently a senior fellow at the Manhattan Institute.

Unfortunately for auto manufacturers, stories like these can create stereotypes that live on even after the stories are debunked. The "60 Minutes" report and the IIHS report it highlighted, though discredited, are still being used to tarnish Jeep's reputation.

A 2002 PBS "Frontline" special on the dangers of SUVs cited the reports. After outlining the rollover risk without bothering to mention the tests were discredited, the narrator noted, "Despite the rollover risk, Americans flocked to the Jeep." Maybe it was because Americans realized Jeeps weren't as dangerous as the media made them out to be.

A 2004 book, "High and Mighty: SUVs – The World's Most Dangerous Vehicles and How They Got That Way," cited the CBS report, also without mentioning that the study had been criticized by vehicle safety experts.

A 2005 University of California-Berkeley Traffic Safety Center newsletter cited the IIHS study and the CBS report in an article about SUV safety. That article didn't mention the debunking of the IIHS's findings.

5. Silicone Breast Implants

Is increased self-esteem worth suffering "flu-like symptoms," "constant pain," "extreme fatigue," "fevers," "hair loss" and "bizarre skin rashes?" That's the question Connie Chung posed in 1990 in a glaring attack on silicone breast implants that led to a ban on the product for most consumers.

"Most of us know little about breast implants. We've seen the ads. We've heard the rumors about which celebrities have them and which don't. But we don't know anything about the dangers," Chung said in the introduction for her segment.

On her CBS show "Face to Face" Dec. 10, 1990, Chung featured five women who claimed to be victims of faulty silicone implants. According to the women, their implants had leaked into their body tissue, causing what one woman called "silicone-associated disease."

Chung noted that one of the women, Karen Bollea, suffered from achy joints, extreme fatigue, hair loss and skin rashes, among other symptoms. Chung also noted that Bollea would later be diagnosed with Lupus, a disease with symptoms including achy joints, extreme fatigue, hair loss and skin rashes. Chung implied that that symptoms were caused by Bollea's implants.

"We have done a large-scale clinical experiment on an unproven, probably unsafe medical device," Dr. Douglas Shanklin of the University of Tennessee said in the report. Chung displayed graphic images of "mangled and infected" breasts, the result of multiple surgeries to replace and remove implants.

The segment featured five women and two doctors who alleged that silicone was connected to tissue disease. She noted that Surgitek, the maker of a silicone implant, and the Food and Drug Administration both declined to comment. About 26 seconds of the more than 12-minute segment focused on their side of the story.

The Food and Drug Administration was already investigating complaints about silicone implants, according to Chung. But her report led to increased attention to the research as well as congressional investigations.

The FDA banned silicone implants in April 1992 when it said manufacturers couldn't come up with enough proof that they were safe. But the ban applied only to cosmetic implants. Women who had undergone mastectomies could still obtain them. The decision implied that the FDA didn't consider silicone so dangerous that it warranted a full ban.

On Nov. 17, 2006, the <u>FDA lifted the partial ban on silicone</u>, calling the implants "safe and effective." The agency reported that some complications existed in studies of the implants but that "the majority of women in these studies reported being satisfied."

"In the past decade, a number of independent studies have examined whether silicone gel-filled breast implants are associated with connective tissue disease or cancer," the agency said. "The studies, including a report by the Institute of Medicine, have concluded there is no convincing evidence that breast implants are associated with either of these diseases."

In the time between Chung's "Face to Face" report and the FDA deeming the implants safe, however, businesses were on the chopping block. A "flood" of lawsuits followed the ban, according to a June 1996 article in the New England Journal of Medicine. One Texas woman received a \$25-million settlement. NBC later reported that "thousands of women won billions of dollars in lawsuits."

Dow Corning, a major manufacturer of silicone implants, <u>filed for bankruptcy</u> in 1995 as a result of the overwhelming number of lawsuits. It didn't come out of bankruptcy until <u>nine years later</u>, in June 2004.

And while women who had lost breasts to mastectomies were allowed the implants during the FDA's 14-year testing period, women who wanted the products for cosmetic reasons faced tough restrictions, despite FDA surveys showing a majority of women wanted them on the market with knowledge of potential risks.

Even after the FDA exonerated silicone, the <u>media couldn't let go of the myth that it was widely dangerous</u>. NBC anchor Brian Williams reported on Nov. 17, 2006, that "a lot of people are going to have a hard time with the government blessing for this particular product, being a foreign substance being sewn inside the bodies of women." He didn't mention other "foreign substances" sewn into patients' bodies routinely, like pacemakers.

While the FDA statement clearly said there was "no convincing evidence" that implants were dangerous, Katie Couric declared in a Nov. 17, 2006, "CBS Evening News" report that "there are still safety concerns."

The Washington Post led its November 18 story saying the ban was lifted "despite lingering safety concerns from some health advocates." The "health advocates" were Diana Zuckerman, president of the National Research Center for Women and Families, and Susan Wood, a former FDA official who, ironically enough, quit in 2005 because the agency took too long to approve the "Plan B" morning-after pill. It appeared that to Wood, 14 years of study weren't enough to prove silicone was safe, but Wood was

willing to quit her job because the FDA wanted more than two years to study Plan B's safety.

The New York Times at the same time quoted Dr. Sidney Wolfe of the anti-business, pro-regulation Public Citizen, who insisted that implants were "the most defective medical device ever approved by the FDA."

In 2007, the first full year following the lifting of the ban, American plastic surgeons performed 347,524 breast augmentations, with silicone accounting for 35 percent – more than 121,600 – of the augmentations, according to the American Society of Plastic Surgeons. For comparison, in 1994, the first year after the ban for which the ASPS provides statistics, only 6 percent of breast augmentations used gel-based implants.

4. Accelerating Audis

Vehicle problems are a common theme in anti-business reporting. The media seem eager to show vehicles as dangerous and manufacturers as careless in their approach to safety.

A Nov. 23, 1986, "60 Minutes" segment called "Out of Control" reported the odd problem of cars, specifically the Audi 5000, suddenly accelerating and injuring or killing children.

"What we're talking about is the sudden rocketing of a car out of control after the driver switches gears from park into either drive or reverse," Ed Bradley reported, according to a transcript in Peter Huber's 1992 book "Galileo's Revenge." (One CBS archivist told the Business & Media Institute a transcript of the segment was unavailable due to a "legal hold." Another did not respond to requests for a copy.)

The segment highlighted Kristi Bradosky, an Ohio woman who killed her son Joshua in February 1986 when she ran him over with the family's Audi.

The Audi brake pedal, unlike many American models at the time, was small and located closer to the gas pedal than some drivers were accustomed to. Nonetheless, Bradosky told "60 Minutes" and all of its viewers that Audi's manufacturer, Volkswagen, was to blame for her son's death.

The family had a \$30-million lawsuit pending against Volkswagen at the time the "60 Minutes" report aired. (A jury determined in 1988 that the death was not due to a defect with the car, based at least in part on testimony that Bradosky admitted to police that her foot had slipped off the brake and onto the accelerator.)

The report used video to illustrate a car suddenly accelerating out of control. But it was later revealed that the car used in the demonstration was rigged with a pressurized transmission set up by William Rosenbluth, one of the experts who testified for the

Bradoskys in their lawsuit against Volkswagen.

In "Galileo's Revenge," author Huber called the segment "an opening shot in the litigator's struggle for public sympathy, tactical advantage, and psychological edge."

The report was devastating for Audi, which had a peak year in 1985 selling more than 74,000 cars. Under pressure from the U.S. government, the manufacturer issued a recall on the model in January 1987. Fewer than 23,000 Audi 5000s were sold in 1988.

Sales slumped so badly that analysts suggested Volkswagen consider taking Audi off the U.S. market. By 1989, lawsuits against Audi sought a total of \$5 billion, according to a report in the journal Media & Marketing Decisions. Parking lots even banned Audis from their spaces.

While some legal decisions found Audi liable for damages due to the design of the brake pedal, more and more decisions came down in Audi's favor. Alice Weinstein, who had suffered a broken nose in a "sudden acceleration" accident and filed four lawsuits against Audi, was fined \$20,000 for frivolous litigation, the New York newspaper Newsday reported on Dec. 5, 1989.

Weinstein, with help from the New York Public Interest Research Group (NYPIRG), had created the Audi Victims Network in 1984 to collect complaints about "sudden acceleration" and help "victims" pursue retribution from Volkswagen.

In March 1989, the National Highway Traffic Safety Administration released a report attributing the acceleration to "pedal misapplication," and found no mechanical errors in the vehicles that would have caused arbitrary movement.

Did CBS or "60 Minutes" apologize? Not quite. Bradley tacked a report on the NHSTA study onto the end of the March 12 broadcast, the first episode after the study was released. He said the NHTSA "supported the position of Audi and other manufacturers."

But he also rebroadcast the claims from litigious drivers that they had been pressing the brake. He kept the blame focused on Audi by focusing on the report's finding that "the problem could be aggravated by vehicle design, the shape, location and feel of gas and brake pedals." And he didn't mention the rigged demonstration.

The legal decisions and NHTSA report in its favor weren't enough to salvage Audi's damaged reputation in a timely way. The New York Times reported in 1993 that Audi had "still not fully recovered from the incident."

3. Wendy's Finger Food

Journalism schools teach aspiring editors not to put disgusting images or stories on the front page of newspapers, because readers don't like being grossed out over breakfast. But occasionally they just can't resist, especially when a story is just a little bit too disgusting to be true.

An infamous case occurred March 22, 2005, when Anna Ayala alleged she found a piece of human finger in a bowl of chili she bought at a Wendy's in California.

National newspapers largely ignored the story. The New York Times was the only major national paper to report the case in the week after the allegations surfaced. It published a short Associated Press report on March 25, saying "a woman bit into part of a human finger while eating a bowl of chili at a Wendy's restaurant."

ABC's "Good Morning America" was a different story.

Bob Woodruff on March 24 reported "a grisly discovery for a customer at Wendy's. A California woman found a human finger in a bowl of chili this week." He didn't even question the validity of the report.

The next morning, ABC's Robin Roberts followed up by making the story about safety in fast food restaurants nationwide. Without bothering to mention that hoaxes were attempted frequently, Roberts wondered "how concerned should we all be about the safety of the food we consume?"

Roberts even called in Caroline Smith DeWaal of the anti-business Center for Science in the Public Interest, who called the incident "a terrible process control failure," "horrible" and "terrible." She noted that "most restaurant food is very safe," but assumed Ayala's story was true.

At one point, Roberts questioned whether "sabotage" could be a factor, and DeWaal allowed that it could have been "a grotesque prank or some kind of industrial sabotage," arguing that "the finger appears to have been in the chili for some time."

During a March 28 interview, Chris Cuomo asked Ayala how she was dealing with people questioning her story. Cuomo asked Ayala and her attorney how they responded to people who thought the story was too much to be true, but never directly questioned her on the truthfulness of her claim.

Ayala's lawyer, Jeffrey Janoff, insisted there was "documentary proof" of the incident and "no one is saying it's not true. The medical examiner has examined the finger, proved that it was a finger. So, this is obviously not a hoax."

Yet on April 12, after Ayala's home had been searched by police, Diane Sawyer reminded viewers that "some of the highest-profile incidents like this have turned out to be hoaxes." The segment even featured a food industry defense attorney, who said "food fakers may be attracted by the aroma of easy money."

But the story still reported that Ayala "is upset over the direction the investigation is taking" and let her continue making her baseless claims.

As police investigated the case, it became clearer that Ayala had staged the event and by April 14, she had dropped plans to sue Wendy's. The AP reported April 9 that Ayala had a history of suing corporations, including the fast food chain El Pollo Loco. She had also sued General Motors over a car accident, but the case was dismissed, according to the AP.

"Wendy's is in a serious image pickle," USA Today reported March 30. "Wendy's is desperately trying to prove its innocence. The company says it investigated the March 22 incident and insists the 1.5-inch fingertip – which appears to be a woman's because it was manicured – did not come from the restaurant or any of its suppliers."

Ayala was arrested April 22 and the case was labeled a "hoax" on April 23 when she was charged with attempted larceny. But in the month between her allegations and arrest, Ayala's false claims and the media's failure to be skeptical of them damaged the company.

Wendy's reported 2-to-2.5-percent losses across all of its restaurants and 20-to-50-percent drops in its San Francisco Bay Area restaurants, according to The New York Times. The story also encouraged "copycats." At least 20 people across the country claimed to find "everything from fingernails to a chicken bone" in their food.

The storyline wasn't original. In 1996, a New Jersey doctor claimed to find a rat tail among the french fries in his son's McDonald's Happy Meal. He tried to get \$5 million out of the company, but a jury later convicted him of attempted extortion. The same doctor had already received a settlement from Coca-Cola after claiming he consumed a greasy substance in a can of Coke.

In 2000, a woman claimed to find a fried chicken head in her box of McDonald's wings in Newport News, Va. The Washington Post reported more than two years later that "we'll probably never know if this was a hoax by [Katherine] Ortega" because she refused to turn the head over to health inspectors.

In 2004, a woman in Hampton Roads, Va., claimed to find a dead mouse in her soup at a Cracker Barrel restaurant. The woman and her son attempted to get a settlement from the food chain, but an investigation revealed they had planted the mouse.

In spite of the history of attempts to extort money from large food companies with ridiculously disgusting health scares, in the Wendy's case the media failed to apply a "smell test" to a suspicious story. But it's the businesses in question, not the media, that suffered for those mistakes.

2. Alar-ming Apples

It was another left-wing campaign that started one of the biggest food scares in U.S. history.

Spurred by a study from the leftist Natural Resources Defense Council, CBS's Ed Bradley reported a Feb. 26, 1989, "60 Minutes" segment on daminozide, a pesticide used to keep apples attractive that Bradley dubbed "the most cancer-causing agent in the food supply."

Calling the NRDC report "the most careful study yet on daminozide and seven other cancer-causing agents," Bradley parroted its finding that "we know that they do cause cancer." Daminozide, sold under the brand name Alar, metabolized into unsymmetrical dimethylhydrazine (UDMH), which had caused cancer in lab mice.

A cancer risk in the food supply would be cause enough for panic. But Bradley took it a step further, claiming that "kids are at a high risk because they drink so much apple juice" and adding that there was no way to prevent consumption of the deadly toxin. "It's supermarket roulette," one expert said in the report. "You don't know."

For "60 Minutes," the story had the potential to be a ratings monster. For NRDC, it was a fundraising boon. A Sept. 13, 1998, article in The Washington Times quoted NRDC's media consultant David Fenton saying, "A modest investment by NRDC re-paid itself many-fold in tremendous media exposure (and substantial, immediate revenue ...)." The article also reported that Fenton "expressed delight in watching as farmers and manufacturers wound up trampled in the NRDC gold rush."

Meanwhile, the hammer fell hard on apple growers, while scientists later determined that the threat wasn't as grave as the report had implied.

Apple growers were rebounding from a bad year in 1987. Before the report aired, analysts were expecting apples to reach \$15 a bushel in 1989, which an industry spokesman told the Los Angeles Times on Nov. 5, 1989, would be "an excellent year."

But when school districts quit serving apples during lunch and families stopped buying apples and apple products at the grocery store after Bradley's report, sales and prices plummeted. They dropped to \$12.62 a bushel on average. Red Delicious apples dropped from \$18.67 per bushel in September 1988 to \$8.40 per bushel in June 1989.

Sales dropped so rapidly that the United States Department of Agriculture bought out \$9.5 million worth of unsold apples to help farmers stay in business.

Eleven apple growers sued CBS, NRDC and the public relations firm Fenton Communications for product disparagement in November 1990. That case ended in a decision for CBS because the courts decided the growers didn't prove the report had lied.

On April 7, 1989, three years after the report aired, Science Magazine published an editorial by Daniel Koshland comparing the "60 Minutes" segment to "the fable of the boy who cried wolf." He described the public's reaction as "predictable: school districts quickly canceled apple distribution and the fruit piled up on grocery shelves."

"The facts came more slowly," he added. "Only 5 percent of apples are treated with Alar, and in that 5 percent the levels of Alar are well below conservative Environmental Protection Agency tolerances. Even in the worst case scenario the probability of cancer among the affected group would change from 25 percent to 25.025 percent." A risk that might increase by only 25/1000ths of 1 percent – far from the widespread cancer scare the report had portrayed.

The EPA didn't even issue a firm conclusion on whether or not the chemical was actually harmful because Uniroyal, the company that manufactured Alar, pulled it off the market after the report. EPA's analysis concluded that there is "evidence that UMDH causes tumors in laboratory animals and that lifetime dietary exposure to this product may result in an unacceptable risk to public health."

Bradley had claimed kids were at a higher risk because they consumed more apple products than adults, but <u>according to The Heartland Institute</u>, "the amount fed to mice before any effect was noted is equivalent to an average adult eating 28,000 pounds of Alar-treated apples each year for 70 years, or a 10-pound infant eating 1,750 pounds per year."

Other media coverage showed the impact of the Alar controversy:

- The LA Times later referred to the scare as "overblown" (June 5, 1990, and again on Sept. 1, 1993)
- In 1993, the LA Times reported that demand for organic apples rose so rapidly after the scare that they went from \$25 a bushel to \$75. (July 8, 1993)
- The Washington Post noted in 1993 that "no one wants another Alar scare." (July 5)
- USA Today referred to the scare as "trial by press release," noting that such reporting "does not mean that the truth has been revealed." (June 24, 1993)

1. DDT

The media campaign against the pesticide dichloro-diphenyl-trichloroethane, more commonly known as DDT, began in 1962 with the publication of activist Rachel Carson's book "Silent Spring."

"The most alarming of all man's assaults upon the environment is the contamination of air, earth, rivers, and sea with dangerous and even lethal materials," Carson wrote. "This pollution is for the most part irrevocable; the chain of evil it initiates not only on the world that must support life but in living tissues is for the most part irreversible."

The New York Times quickly picked up Carson's banner with its review of her book and rarely looked back, leading the charge against DDT until it was finally banned in 1972.

As late as August 1962, the Times was recommending DDT as a pesticide in its gardening columns. But the paper did an abrupt about-face with the review titled "There's Poison All Around Us Now."

While The Wall Street Journal's review reasonably declared that "the evidence is not yet in" to fully support Carson's claims, the Times's reviewers didn't express any hesitation in accepting her claims as proven fact. Another Times review published in April 1963 criticized industry reaction to the book and claimed that "everything that has happened in research since the book was published ... has confirmed her thesis that the residues of poisonous sprays are getting into our food supply."

While noting here and there that DDT still was effective in pest control efforts, the Times engaged in a campaign to support the book's premise by documenting what seemed every bird and fish death thought to be attributable to the chemical: "Thousands" of fish in California; lake trout in New York; 70,000 trout in Oregon; "millions" of fish in the Mississippi River; and an untold number of Gulf shrimp in 1963 and 1964.

In January 1966, the Times even warned that pesticides were being found in stillborn babies – although the report mentioned there appeared to be no link between stillbirths and pesticides. Then in 1969, a report warned that "the pesticide DDT could be seriously affecting man through sex organ changes" after female rats experienced "increases in the weight" of the uterus and "stimulation of production" of estrogen.

In a story foreshadowing today's claims that the science of global warming is "settled," a Feb. 6, 1966, article in The New York Times by Jane Brody criticized "cries of 'more research is needed."

The Times issued its first editorial call for a ban on March 21, 1967. Calling the chemical "highly poisonous," "obnoxious" and "totally unnecessary," Times editors praised legislative efforts to "bring its complex technology under humane, civilized control."

While it took a more measured tone two years later in an April 20, 1969, editorial calling the chemical "potentially dangerous," the Times declared victory in reporting that "the days of DDT are clearly numbered."

A year later, when the chemical still hadn't been banned, editors renewed their call for a ban, this time urging an "immediate" ban rather than a phase-out being pushed by some government leaders.

When the ban started looking extremely likely in 1971, the Times started to print stories seriously questioning the need for a ban. The paper ran columns declaring that "environmentalists are 'irrational,'" "DDT is Good for You" and questioning "Why Are We Exterminating DDT?"

But equally negative reports and letters to the editor accompanied the too-little, too-late coverage, and the Times officially praised the ban in an editorial calling the decision "landmark in the national struggle to preserve and restore the country's natural heritage."

Even after its ban, The Washington Post blamed DDT for everything from toxins in the Great Lakes to lower sperm counts in American men, in two separate articles in the Sept. 12, 1979, edition.

During the 34-year prohibition, however, there were rare instances in which reporters mentioned the negative effects of the ban. A 1979 flea "invasion" was attributed in part to the ban when Dr. C. Bruce Morley said in an Oct. 27, 1979, article in The Washington Post that "since the ban of DDT, the insecticides used are not as effective as the ones in the past ... I guess that's because of environmental regulations."

"The primary difference between then and now is that the problem has become worse," Ralph Livingtone of California Rural Legal Assistance told Congress of pesticide use in June 1979, according to The Washington Post. The June 30 article went on to say that "pesticide use has more than doubled [since 1969]. The banning of a handful of pesticides, notably DDT and certain chlorinated hydrocarbons, has shifted sales to more toxic compounds."

In the decades following the U.S. ban, as other nations followed suit, "millions of people around the world suffer[ed] the painful and often deadly effects of malaria because one person sounded a false alarm," the Competitive Enterprise Institute says on its Web site RachelWasWrong.org.

Malaria infects more than 500 million people every year, killing more than one million of them, according to the World Health Organization. In 1970, the <u>National Academy of Sciences reported</u> that DDT had prevented "500 million deaths due to malaria that would otherwise have been inevitable" in the previous two decades.

CEI reported that "because of reduces use of DDT, <u>malaria rates skyrocketed</u> in the 1990s after having reached historic lows in the 1960s while DDT was in use." <u>Sri Lanka alone saw a dramatic increase</u> in cases of malaria after it stopped using DDT – from a low of 17 cases to more than half a million in 1969.

"When a malaria-endemic country stops using DDT, there is a cessation or great reduction in the numbers of houses sprayed with insecticides, and this is accompanied by rapid growth of malaria burden within the country," <u>according to the Malaria Foundation International</u>, a non-profit organization dedicated to fighting malaria.

The group notes that "without DDT, malaria rates are returning to those seen in the 1940s, affecting additional millions of infants, children, and adults."

The World Health Organization announced it was reinstating DDT for use in malaria control on Sept. 15, 2006. While the organization noted in its announcement that "extensive research and testing has since demonstrated that well-managed indoor residual spraying programmes using DDT pose no harm to wildlife or to humans," the media insisted on declaring the decision "controversial" and risky.

The Washington Post announced the lifting of the ban on Sept. 16, 2006, by noting that "DDT has few if any adverse effects in human beings," but gave voice to the Pesticide Action Network North America, which claims that DDT causes premature birth and development retardation in children.

The New York Times on the same day blasted the WHO's global malaria program director, Dr. Arata Kochi, calling him "abrasive" and noting that he has "powerful allies on DDT and, more broadly, on using insecticide spray, in Congress and the Bush administration."

In a column in the Times on Oct. 5, 2006, Tina Rosenberg attempted to be both for and against DDT. The headline (which Rosenberg likely did not write) referred to DDT as "notorious." In her column, she both defended the use of DDT in Africa and its ban in the United States.

A Sept. 18, 2006, editorial in The Wall Street Journal praised the decision, noting that "there is no evidence DDT used in proper amounts is environmentally dangerous, but plenty that it is best intervention against malarial mosquitoes."

The media, and especially The New York Times, played a critical role in keeping fears about DDT at the forefront of Americans' minds, leading to its eventual ban. It took 34 years for world leaders to realize that the ban was hurting people in malaria-prone thirdworld countries.

But even the lifting of the ban didn't stop the media campaign against a life-saving pesticide.

Three days after the announcement, on Sept. 18, 2006, USA Today reported a link between DDT and Parkinson's disease without mentioning that the WHO had declared DDT harmless when used with proper supervision.

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