

Malaysian PM's Office Drops Controversial TV Contract

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Written by Our Correspondent

Planting favorable news stories in the international media now over?

The Malaysian government appears to have abruptly dropped a controversial multi-million contract with a London-based media company that was designed to plant favorable news stories about Malaysia with some of the world's leading television networks, according to a Kuala Lumpur news portal, Malaysian Insider.

Publicity over the contract, first reported by the Sarawak-based blog Sarawak Report, has resulted in embarrassment to both Malaysia and some of the world's biggest television networks.

Tengku Sarifuddin, Prime Minister Najib Tun Razak's press secretary, said in a telephone interview that he hadn't seen the story and asked for time to read it. He did not respond to repeated telephone calls after that. If the contract was dropped, as Malaysian Insider reported, it was uncertain when. The news portal said only that it was "in the past week."

As Asia Sentinel reported on Aug. 11, the Malaysian government and Sarawak State Chief Minister Abdul Taib Mahmud paid separately for Fact Based Communications, which describes itself on its website as a "European-based media and entertainment group specializing in television format creation, production and distribution," to plant the stories with international television networks including CNBC, BBC and CNN, all of which have abruptly dropped the company's programming and ordered investigations into the content. Prime Minister Najib was interviewed by one CNBC program produced by FBC Media 10 times over two years.

The story appeared to have escaped the notice of the media both inside and outside of Malaysia. Fact Based Communications, also known as FBC Media, reportedly was touted to Sarawak Chief Minister Abdul Taib Mahmud by Prime Minister Najib Tun Razak as a cure for Taib's severe image problems in the wake of convincing allegations that he had funneled billions of dollars out of the state into companies owned by his family in Canada, the United States, the United Kingdom and Australia and denuded the East Malaysian state of most of its tropical hardwood timber through illegal logging permits.

Taib is being investigated by Swiss authorities on allegations that he has stashed millions of dollars in Swiss banks. Malaysia's Anti-Corruption Commission has announced it would investigate the charges as well.

Malaysian budget records show that between 2008 and 2009, the prime minister's office paid RM57.68 million (US\$10 million at exchange rates at the time) to FBC Media to

conduct a “Global Strategic Communications Campaign” for the Malaysian government. The government’s supplementary budget 2010, according to Sarawak Report, specifies another RM28.35 million to pay the cost of implementing a similar campaign for 2009 and a further RM42 million was spent in 2010 on “Public Affairs and Government Services and Strategic Communication, Public Relations and Press Outreach.”

Efforts to reach Alan Friedman, the FBC Media chairman, were unsuccessful. An aide in his office routed all requests to Friedman’s email address but he didn’t answer a request for comment. However, according to the company’s website, the company’s syndicated stories reach more than 300 million television households in seven languages in 100 countries and more than 30 of the world’s leading airlines.

Companies like FBC Media have been reaping a bonanza over the past two to three decades as television news bureaus have continued to contract, bitten by declining revenues and falling viewership. The networks’ answer has been to buy “video news releases” off the shelf. Often the videos are nothing more than out-and-out propaganda for governments and corporations that is disguised as news. The stories are rarely if ever identified as having been produced at the behest of corporations or countries that paid the media agencies to produce them.

FBC Media itself says on its website says the firm’s “team of senior-level executives provides one-on-one strategic communications advice and support to government and corporate leadership as well as one-stop management of media buying and media partners.” The team, the website said, “handles all relations with news channels and media partners in order to maximize prices, discounts and value for money for its clients.

“These face-to-face meetings with editors and senior representatives from leading publications ensure that our clients’ events stay firmly on their radar.” Elements of the process, the website said, include “proactive news stories: managing the news agenda; Reactive news stories: reacting to the news agenda; Forward features: influencing the news agenda.”

Taib was reported by the Sarawak Report to be paying FBC Media RM15 million (US\$5 million) annually to produce its reports. The website singled out BBC World’s ‘Develop or Die’ series, made by FBC Media, which concentrates on Malaysian palm oil and the claim that “sustainable development is being used increasingly as a convenient argument by those in the richer world to protect their global economic dominance.”

Sarawak Report accused of FBC Media of also establishing a network of bloggers to tear apart the NGO’s reports on Taib in a US\$55,000 campaign using online sites and “special blogging” in order to “provide a blanket of positive coverage” about Taib and Sarawak in the Western media.

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