

Why Your Press Release Sucks

written by Stephen Lautens | June 6, 2022

...but doesn't have to.

There is not a lot of love in the market these days. The junior mining sector has been suffering for a decade in spite of increasing commodity prices, and for a while cannabis and cryptocurrency took all the oxygen and money out of the room leaving solid exploration properties and valid businesses gasping for breath. While it is unrealistic for any one company to buck the macro trends and investment cycles, there are still things they can do to help build their story and investment audience, starting with their press releases.

As someone who reads – and has written – hundreds if not thousands of press releases, I see the daily disappointment of news falling flat in the market. I have been in the corner office with management watching the market at the opening bell in anticipation on the day big news is released. Typically the discussion goes like this:

President: “How much of a share price bump are we going to get with today’s news? 10%? 15%?”

CF0: “At least. Maybe 20%. It’s great news.”

Markets open, news is released, trade volumes go up and they watch in disbelief as their stock price inches down. They have forgotten the old adage, **“Buy on rumor, sell on news.”**

They also forget that investors and analysts are almost always disappointed by news. If a company finds a gold nugget half a kilometre across, there will always be someone on a bullboard

who complains that it wasn't a full kilometre long. Good press releases rarely create more than a blip on a chart, but solid, well-written press releases build on each other and tell a clear story over time and build attention and confidence.

Ignoring those who will never be pleased, how do you write a press release that encourages confidence in your company and makes shareholders want to keep (and add to) their holdings?

Start with a headline. Actually, end with your headline. It will be the thing that convinces a busy reader or investor to keep reading, otherwise they will click away and never see. As an editor and writer of headlines for others, you often don't come up with the headline that both sums up your news and grabs your reader until you have finished the press release or story, so write your headline last. Headlines need to use key words that investors and online indexers look for. If you are a gold company, the word "gold" had better be in your headline. But don't put in the kitchen sink. Headlines should be short and punchy while conveying the information that will make the reader want to keep reading.

Not enough companies start their press releases with short, bulleted highlights. With the vast amounts of information flying at investors, they have no patience to hunt for the essential points of a press release. You have to spoon feed them. This isn't condescending – it's respecting people's time.

Highlights should be followed by a quote from a company representative. Investors need to know there is a person behind the company's news. Quotes from a president or lead geologist / technologist is an opportunity to explain why the news is important before you get into detailed facts and figures. It is a chance to convey excitement and interpret the news in plain English for readers even if they don't read any further, which

they often don't.

Companies often forget the reader when writing a press release. Too often presidents or IR people choose to emphasize something in a press release that they personally think is important. Sometimes what you care the most about is something the market couldn't care less about. Know your audience and what drives their investing decisions.

There is a compliance aspect to press releases and the information companies are required to make public in a full and timely manner, but that doesn't mean you shouldn't work hard to make them accessible to the average reader. You are not writing for geologists, industry insiders or technologists. Companies should avoid waxing poetic about "allowing node runners to push towards a fully decentralized infrastructure to improve the Web3 ecosystem without taking away any roles of masternodes", or explain "mineralization is hosted in the ultramafic units associated with secondary splay structures as illustrated by the important gold districts that occur worldwide related to geological events of Paleoproterozoic age."

You can almost hear the clicking on sell orders.

One CEO I worked with loved to use the word "hence" in press releases. Just don't.

Technical details belong at the end. They may be needed for compliance or to flesh out the story for people in the industry, but don't lead with them. It is a guaranteed way to turn off most readers.

There was a time when simply publishing a press release through one of the handful of news dissemination services was enough to get the message out. Not anymore. The investor information landscape is cluttered with data, and social media can still be

the Wild West when it comes to accuracy.

A press release is now the starting point, not the end point of getting news out. News no matter how good needs to be amplified and brought to the attention of an audience overwhelmed with information. Your Twitter audience may be different from your Facebook audience which may be different than your subscribed email list audience. At one time video was expensive and time-consuming, but now many CEOs routinely schedule post-press release Zoom and video interviews to reach their audience of investors and analysts.

Picking the right – and compliant – partner for news dissemination and amplification has never been more important. The point is that no one thing works in this multi-channel, self-directed investor universe.

It all starts with a well-written press release, but always remember that press releases are not their own reward.