

The Dubai Ports World Controversy: Analysis of U.S. News Coverage in Online Media

CARMA International, Inc. analyzed U.S. online media coverage about the Dubai Ports World (DP World) acquisition of British company Peninsular and Oriental Steam Navigation Company (P&O) and the resulting controversy that U.S. ports would come under control of the UAE-based company. CARMA's analysis found:

- U.S. media were more likely to print statements made by critics of the deal than those made by supporters
- Leaders and academics from the UAE were the least likely sources to be quoted by U.S. media in support of the deal
- Sources critical of the deal were most likely to be quoted when they discussed potential links between the UAE and terrorism

CARMA tracked 266 public statements about the DP World deal from February 15 through March 10. For each statement, CARMA searched online U.S. media coverage to determine the popularity of each statement with the media, based on how many times each statement was reprinted in various media outlets.

Critics of the DP World deal were 36 percent more likely to be quoted in U.S. media than supporters. Each critical statement about the DP World deal appeared an average of 205 times, while each supportive statement appeared only 151 times. Neutral statements that expressed a "wait and see" attitude or provided balanced information about the deal were the least likely to be reprinted, with each neutral statement appearing only 114 times.

President George W. Bush was the most frequently quoted individual about the DP World deal. Each statement made by President Bush appeared an average of 343 times. Bush's comments most often focused on issues of national security and port security. For example, the president's most frequently printed statement was that "people don't need to worry about port security." Bush's veto threat was also quite popular in U.S. media and ranked as the second leading comment from Bush.

Statements about potential links between the UAE and terrorism appeared almost three times as often as statements that the UAE is a trustworthy U.S. ally. The most frequently appearing statement was that "U.S. lawmakers said the UAE was an important transfer point for shipments of smuggled nuclear components sent to Iran, North Korea and Libya."

In contrast, statements that the UAE is a trusted U.S. ally appeared nearly one-third as often. The most source on this subject was DP World chief operating officer Ted Bilkey, who described his company's long-standing commitment to the U.S. and stated that "the UAE is a very solid friend." Most other support came from the Bush administration: sources from the UAE appeared far less often.

In fact, sources from the UAE were least likely to be quoted in U.S. media. The only statement from a UAE official to appear frequently was made by the UAE prime minister following DP World's announcement that it would relinquish its stake in U.S. ports. The UAE foreign minister's statement that his country "has worked closely with the United States on... the combat of terrorism" appeared only 57 times.

Overview

Date Range: February 15 – March 10, 2006

Total Number of DP World Stories: 8,980

Number of Statements Tracked: 226

Supportive Statements: 124 (55%)

Critical Statements: 90 (40%)

Neutral Statements: 12 (5%)

PR Lessons for Foreign Companies

Gauge the risk your company will be perceived as a security threat, and plan your response accordingly.

In the post-Sept. 11 era, national security issues are top-of-mind for the U.S. media. Coverage of the DP World deal showed a heavy bias toward issues of port security and national security. For instance, New York Governor George Pataki, the most influential critic of the deal, stated that "ensuring the security of New York's port operations is paramount." Governors Jon Corzine of New Jersey and Robert Ehrlich of Maryland were less popular with the media, focusing on the approval process itself, rather than what that approval might mean for national security.

Along these lines, security concerns due to allegations of terrorist links in the UAE were the most likely to be printed in U.S. media.

Put an American face on your company.

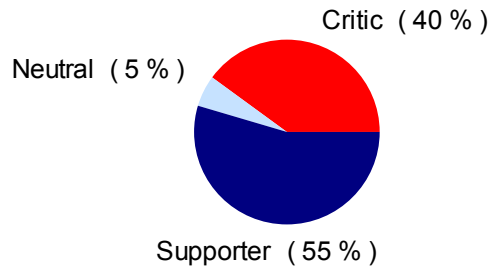
DP World COO Ted Bilkey, an American, was twice as likely to be quoted as DP World CEO Mohammed Sharaf, and statements from P&O North America president Michael Seymour was more than three times as likely to be quoted as the UAE foreign minister Sheik Abdullah Bin Zayed al-Nahyan. The only statement from a UAE representative to appear with great frequency came after DP World agreed to relinquish its stake in U.S. ports.

Evaluate the "truthiness" of your allies.

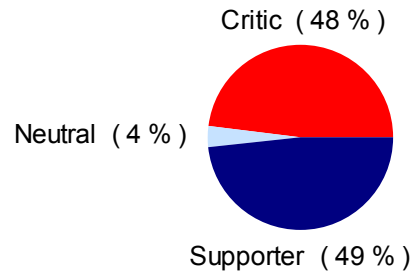
President George W. Bush was the most influential supporter of the DP World, but his own trustworthiness was often called into question by the U.S. media. Make sure your advocates are trusted sources in the news.

Critics vs. Supporters: Overview

NUMBER OF STATEMENTS



NUMBER OF REPRINTS



Bias	Reprint Rate	# of Statements	# of Reprints
Critic	205	90	18,475
Supporter	151	124	18,720
Neutral	114	12	1,372

More statements were made in support of the Dubai Ports World deal than in opposition to it between Feb. 15 and March 10, but supportive statements were less likely to be printed in online U.S. media coverage.

CRITICS: Most statements against the deal were made by members of Congress; however, governors were more influential in U.S. media. Statements from governors appeared an average of 317 times, while statements from members of Congress appeared an average of 203 times.

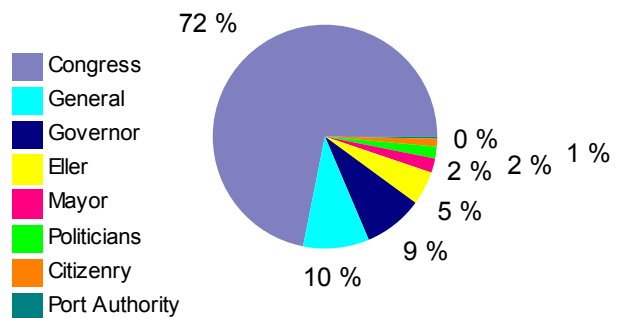
New York Governor George Pataki was the most influential critic of the deal. His statement that he was “very concerned” about the deal due to port security issues appeared in 492 online reports. Of governors, Maryland Governor Robert Ehrlich was the second most influential critic, followed by New Jersey Governor Jon Corzine. Ehrlich focused on the approval process, stating that “we needed to know before this was a done deal” and calling the process “overly secretive.” Corzine also focused on the process, stating that “this lack of undisciplined review is unacceptable” and expressing a “deep, deep feeling that this is the wrong direction for our nation to take.”

SUPPORTERS: The Bush administration was the most fervent supporter of the DP World deal. In fact, President Bush was the most likely individual, across both critics and supporters of the deal, to be quoted in online reports.

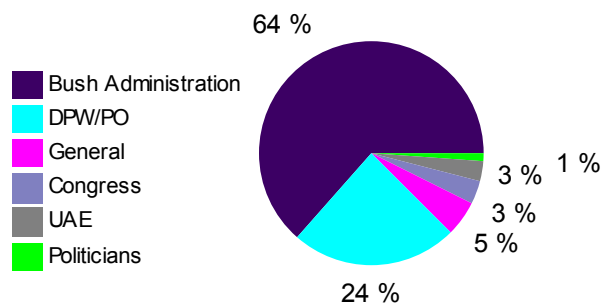
DP World and P&O sources made nearly one-fourth of comments in support of the deal. COO Ted Bilkey was the most frequently quoted DP World official, and he ranked third in terms of print rate, behind President Bush and Deputy Treasury Secretary Robert Kimmett. Bilkey was quoted most

NUMBER OF REPRINTS

CRITICS



SUPPORTERS



frequently following DP World’s announcement that it would submit to further scrutiny, stating the company’s hope that this action would demonstrate “our commitment to our long-standing relationship with the United States.” He also spoke to the American point-of-view, stating that “the reaction in the United States has occurred in no other country in the world” and explaining that “we need to understand the concerns” of the American people and “make sure they are addressed.”

Top Ten Statements in U.S. Media

The UAE was an important transfer point for shipments of smuggled nuclear components sent to Iran, North Korea and Libya.



“It’s unbelievably tone deaf politically at this point in our history.” – Senator Lindsey Graham (R-SC)



The UAE was an operational and financial base for the hijackers who carried out the Sept. 11 attacks.



“People don’t need to worry about security.” – President George W. Bush



Eller & Co.: The deal would make us an “involuntary partner” with the Dubai government



“We hope that voluntarily agreeing to further scrutiny demonstrates our commitment to our long-standing relationship with the United States.” – Ted Bilkey, COO of DP World



“It is not only unreasonable but also impractical to suggest that the closing of this entire global transaction should be delayed.” – DP World



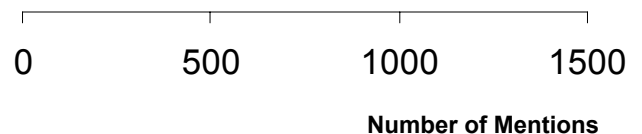
“I am very concerned with the purchase of Peninsular & Oriental Steam by Dubai Ports World.” – Governor George Pataki (R-NY)



“We didn’t ignore the law. Concerns were raised. They were resolved.” – Deputy Treasury Secretary Robert Kimmett

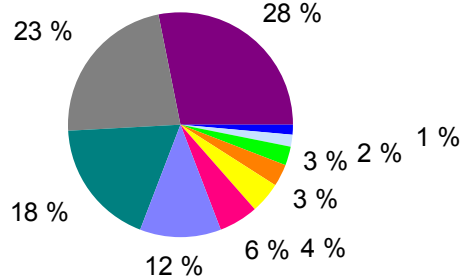
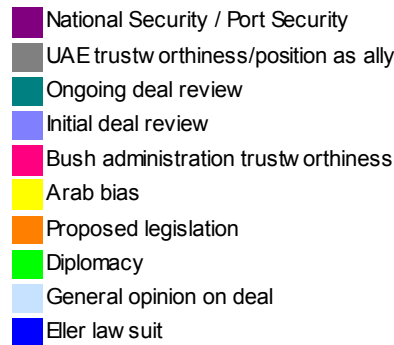


“If they pass a law, I’ll deal with it with a veto.” – President George W. Bush



Topics of Discussion

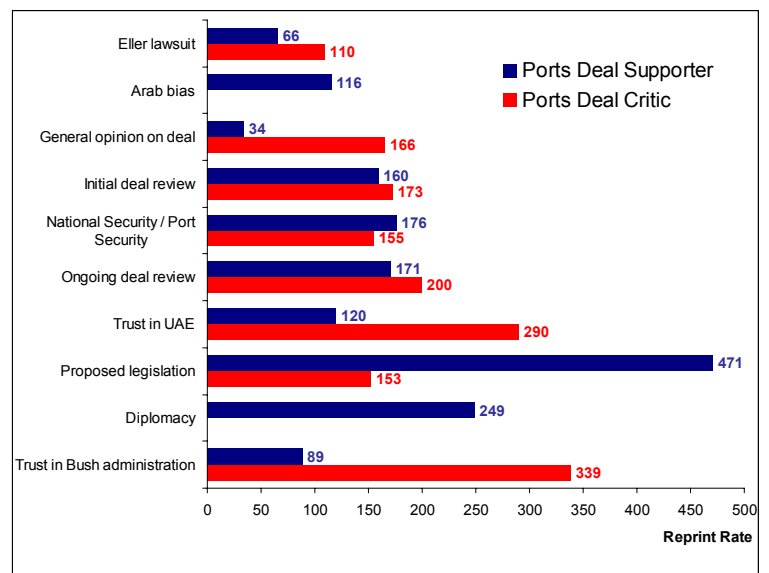
NUMBER OF REPRINTS



Message Focus	Reprint Rate	# of Reprints	Statements
Diplomacy	249	4	994
Proposed legislation	215	6	1,289
Bush administration trustworthiness	214	10	2,143
UAE trustworthiness/position as ally	196	45	8,807
Ongoing deal review	173	41	7,084
Initial deal review	167	27	4,507
National Security / Port Security	165	65	10,739
General opinion on deal	140	5	699
Arab bias	116	15	1,734
Eller lawsuit	71	8	571

Statements most often focused on national and port security issues. President Bush was quoted most frequently on this issue. In fact, three of the top five statements on security issues came from the president, who tried to reassure the American people by stating that “people don’t need to worry about security” and concluding that “the more people learn about the transaction that has been scrutinized and approved by my government, the more they’ll be comforted that our ports will be secure.” However, the Bush administration’s own trustworthiness was frequently called into question. Statements about the trustworthiness of the Bush administration were the third most likely to be printed, and critics of Bush were far more likely to appear than supporters.

Following security, U.S. media focused on the UAE’s trustworthiness as an ally in the war on terror. Critics of the UAE were more likely to appear than supporters. The most frequently printed statements came from U.S. lawmakers who called the UAE a transfer point for shipments of smuggled nuclear materials and an operational and financial base for the Sept. 11 hijackers. Deal supporters were rarely quoted

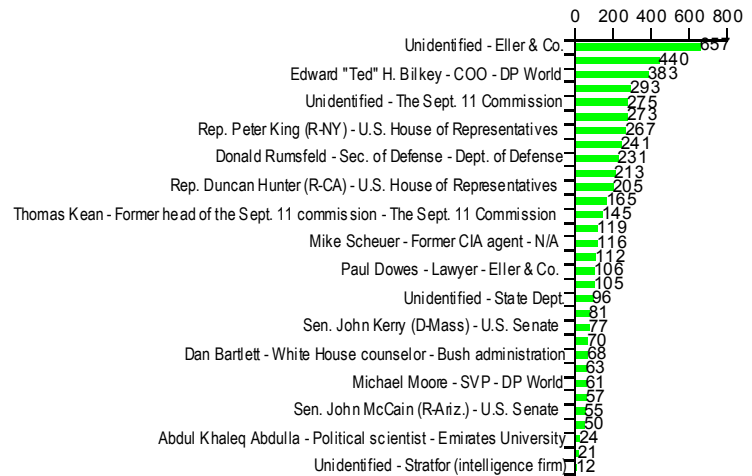


on this issue. For example, statements by Senator John McCain (R-Ariz.) and UAE foreign minister Sheik Abdullah Bin Zayed al-Nahyan were quoted half as frequently as the relatively unknown Paul Downes, a lawyer for Miami-based Eller & Co. that filed a lawsuit against DP World. Senator McCain's statement that "Dubai since 9/11 has been a good ally" appeared online only 55 times, while Downes statement about concerns that the UAE was "a player" and associated with terrorist funding appeared online 106 times.

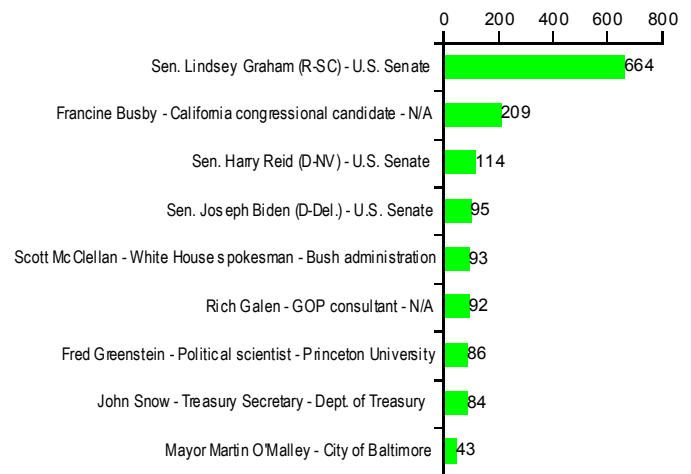
The ability of the American people to trust the President's judgment about the deal was frequently questioned by the media and was one of the subjects most biased toward deal critics. Critics were quoted on this issue more than three times as often as supporters, due in large part to Senator Lindsey Graham (R-SC), who called the president's stance "tone deaf" and said Americans were "scratching their heads" about the deal. California congressional candidate Francine Busby accused the Bush administration of under-funding port security and said that given its record, "'trust us' is not a safe enough answer for the American people."

U.S. media were least likely to print statements suggesting anti-Arab bias as a factor in the deal controversy, and all statements on this issue were made by supporters of the deal. Secretary of State Condoleeza Rice was the most frequently appearing source, stating that while the review process might raise security concerns, it did not "presume that a country in the Middle East should not be capable of doing a deal like this." Rice was also quoted on general diplomatic issues with the UAE, and her statements were less aggressive than those made by President Bush, who demanded to know "why all of a sudden a Middle Eastern company is held to a different standard than a Great British company." Statements by spokespersons from Arab-American organizations were the least likely to be printed. American-Arab Anti-Discrimination Committee officials Katherine Abbadi and Laila al-Qatami were quoted only seven times each, and Arab American Institute president James Zogby was quoted only eight times.

STATEMENTS ABOUT TRUST IN UAE



STATEMENTS ABOUT TRUST IN BUSH ADMINISTRATION



STATEMENTS ABOUT ANTI-ARAB BIAS

