

A conversation with **Rick Stamberger**

Briefly speaking, a lack of time
is on this news aggregator's side

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With all the newspapers, e-mails, magazines, blogs, texts and assorted urgent memos you have to read, wouldn't it be nice to have the corporate equivalent of that college pal who took great notes when you were "too busy" to go to class?

Rick Stamberger may have just the crib sheet you're looking for, and it won't cost you a six pack to get it.

Stamberger is president and CEO of D.C.-based SmartBrief, an e-mail service that delivers customized summaries of industry headlines to members of trade associations, corporations and nonprofits.

In media circles, SmartBrief is what's known as a news aggregator, a service that rounds up news of interest and does it out.

Stamberger is what could be known as an impressive career aggregator. The former White House Fellow and Harvard MBA has been a political campaign manager, an association executive, a PBS producer and a management consultant.

At the White House, he learned the appeal of taking shortcuts — at least when it came to gathering news. SmartBrief is the offspring of the daily presidential communications briefing and an idea for daily e-mails Vice President Gore used.

He's now delivering the executive branch practice to corporate executives who combine a need to stay informed with a constant crunch for time.

What exactly did you do as a White House Fellow?

I was in the domestic policy office and curiously created a briefing service for the president and the vice president of what was happening in the various agencies. And we used the technology of the times, which was the fax machine. The Cabinet offices would fax to me what the key issues were that they were dealing with each week.

What about business did the White House stint teach you?

That focus is everything. That there are too many decisions to make, there are too many issues to face if you do not have a clear sense of what it is that you need to do. And I think that probably the most important lesson that I learned is the extraordinary power, the leverage you gain, from hiring people who are smarter than you are. And some people in some administrations get it, and others don't.

When and why did you decide to start SmartBrief?

The impetus was Tom Wheeler, another one of our partners. He was president of CTIA, the Cellular Telecommunications Internet Association. We had discussed doing a version of SmartBrief inside CTIA. So we did that in the mid-'90s, and it was very successful. And again in 1999, when the bubble was teetering, about to fall off the table, we thought, "Gee, we ought to do this with other associations. This has been successful for CTIA. We could do it with other associations and nonprofits." So I quit my consulting, thought I'd be able to raise money quickly for such an obvious idea and started the company. And found out that raising money for an "obvious" idea in a dot-com bubble is not as easy as it seems.

So what did you do?

Well, we raised a small amount of money and launched the company and worked as hard as possible to get to cash-flow positive. One of the reasons we're successful is that we didn't raise a lot of money. We had to make it on a small amount. We didn't have the luxury of wasting capital.

Explain SmartBrief's business model.

We create partnerships with associations, and we provide them with our aggregated news service that goes out to their members and other important people in their markets. We sell advertising and sponsorships. So the revenue, the bulk of the revenue for SmartBrief comes from the advertising that is in each of our e-

mails. We have 30 e-mail services with trade associations and professional societies where we sell advertising. We have another 20 where we're paid a fee. But the bulk ... comes from the advertising business.

Why this trend toward aggregation in news delivery?

Well, I think Alvin Toffler assessed the issue correctly. It's information overload. It isn't that we don't have enough information. It's that we don't have enough time. We ... really serve more as the on-screen guide, cable guide, for what's playing in a professional's life each day, versus being a clipping service. We pick the eight to 10 stories that somebody absolutely needs to see to be smart about that day. And we're all competing for share of mind.

What's a common thread in your varied professions?

In all aspects of my career I've been dealing with ideas and communities. What we do is provide the front page for those communities each day, the news that the members need or the people who want to be a part of that community need to feel informed. That was true in politics as well. I realized in business school that I was likely to be what one of the professors called an information worker, a knowledge worker.

What gets people's attention?

I think a trusted source gets attention. Which is why brands matter, and, in our case, why associations matter. I think that a relationship with a reader that says to that reader, "I'm not going to waste your time" will get attention. I don't think that the scary headline is enough. If you're able to say to a reader or to a viewer that we're going to make you smart, we're going to get you informed and save you time, that should work. But we also have to keep looking at where the world is and where it's going. In some ways, we created SmartBrief in the MTV era, and we're now in the SMS, text-messaging era. We have to change.

What are you doing to change?

We're launching the Consumer Electronics Association SmartBrief, which will have our first podcast service. And we're working on research to determine how much content is enough. How much is enough for a reader to understand what the story is and determine whether or not to click through to the full text. How we reach that balancing point.

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COMPANY: SmartBrief

AGE: 46

RESIDENCE: Northwest D.C.

HOMETOWN: Youngstown, Ohio

EDUCATION: Williams College, bachelor's in history; Harvard Business School, MBA

NON-WORK TIME: Running, reading, travel

LAST VACATION: "We have a house up in Georgian Bay, Ontario. Swim, fish and turn off the BlackBerry."

LAST BOOK: "A Team of Rivals: The Political Genius of Abraham Lincoln." by Doris Kearns Goodwin

IF YOU WEREN'T DOING THIS, YOU'D BE ...? "I'd like to talk to interesting people on air and get paid for it. [Bill] Moyers had a great gig, and it has to be refigured for the next generation. On second thought, make that Charlie Rose."