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Big Oil Uses Newsletter Ads to Spread Misinformation Ahead of Big Oil Misinformation Hearing

Molly Taft, Emily Atkin : 11-14 minutes : 10/27/2021

A screenshot of Axios Generate newsletter on Wednesday, the day before a major hearing to hold Big Oil to account for misinformation. 

Screenshot: Axios/Gizmodo

This is a special joint investigation from Earther and HEATED, a newsletter for people who are pissed off about the climate crisis. HEATED is a must-read news outlet for anyone who cares about the future of the planet. Subscribe here.
On Thursday, a cadre of Big Oil CEOs will testify at a high-profile Congressional hearing examining whether their companies engaged in a campaign to mislead the public about climate change.

In the run-up to that hearing, those same Big Oil companies have been running ads to mislead the public about climate change in the nation's most popular political newsletters.

The email newsletter Punchbowl News, for example, was sponsored by ExxonMobil last week. Each day, three times a day, Exxon told more than 100,000 Punchbowl subscribers that the company is “working to reduce emissions and help advance climate solutions,” and “advancing climate solutions like carbon capture and storage to help create a lower-carbon energy future.”
An Exxon ad featured prominently in Punchbowl News from October 18 to October 22. It costs upwards of $100,000 to sponsor Punchbowl News for a week, according to the group Climate Power.

Image: Punchbowl News

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The statements use a misinformation technique called “paltering,” said John Cook, a climate change communication researcher at Monash University. The term refers to the practice of saying things that are, on their own, literally true—but create a misleading overall impression.
“Paltering is commonly used in greenwashing, a form of climate misinformation where companies attempt to distract from their polluting behavior,” Cook said. “A company boasting about capturing CO2 when their core business is emitting CO2 into the atmosphere through burning fossil fuels is a textbook example of greenwashing.”

Exxon is technically working to reduce emissions by using and investing in carbon capture, a climate solution. But carbon capture is only effective if paired with ambitious reductions in actual emissions—and Exxon, the world’s fourth largest climate-polluting fossil fuel company, is planning to increase its oil and gas output over time. Exxon also doesn’t use carbon capture to reduce emissions; it sells the captured carbon to businesses that use it to produce more oil. The company is also aggressively lobbying against climate policy and a lobbyist was recently ensnared in a sting talking about its tactics.

But Exxon needs the public to believe it is addressing climate change in order to increase its social license to operate—particularly right before a potentially damaging hearing on the subject, said Robert Brulle, an environmental sociologist and visiting professor at Brown University. “As threats [to the oil industry] increase, these [greenwashing] efforts increase,” he said. “This is an old cycle.”

Indeed, a joint analysis conducted by HEATED and Earther found that oil company advertising has exploded in DC-based newsletters in the lead-up to the hearing being put on by the House Oversight Committee looking into what the committee calls “the fossil fuel industry’s long-running, industry-wide campaign to spread disinformation about the role of fossil fuels in causing global warming.”

Moreover, most of the advertisements contain misinformation about the oil companies’ climate efforts, making this yet another chapter in a decades-long story. The results show that lawmakers, lobbyists, policy professionals, and industry insiders—those involved in shaping on-the-ground climate policy—have been barraged with propaganda from fossil fuel interests with their morning news over the past five months as lawmakers debate crucial climate legislation and accountability measures. And some of these ads are purposefully designed to make them look like the original reporting contained in the newsletters, meaning audiences may not even realize they’re absorbing climate misinformation.

The Numbers Show Fossil Fuel Ads Are Exploding

HEATED and Earther analyzed three popular political newsletters likely to cover the Big Oil hearings: Punchbowl, Axios Generate, and POLITICO Morning Energy. Punchbowl is read by a politically interested audience, while Generate and Morning Energy are geared toward those with climate-related interests.

In the month leading up to the hearing, from October 1 to October 22:

- 63% of Punchbowl newsletters, or 30 out of 48, were sponsored by fossil fuel interests.
• 100% of POLITICO's Morning Energy newsletters, or 15 out of 15, were sponsored by fossil fuel interests.
• 62% of Axios Generate newsletters, or 10 out of 16, were sponsored by fossil fuel interests.

The numbers represent an increase compared to the past six months. From May 1 to October 22:

• 14% of Punchbowl newsletters, or 45 out of 315, were sponsored by fossil fuel interests.
• 68% of Morning Energy newsletters, or 78 out of 115, were sponsored by fossil fuel interests.
• 46% of Axios Generate newsletters, or 51 out of 112, were sponsored by fossil fuel interests.

The most prolific fossil fuel sponsor of all three newsletters was Chevron, which is testifying at the Congressional hearing this week. The oil giant sponsored 57%, or 99 of the 174 newsletters with fossil fuel sponsorships we analyzed over the past six months. Chevron sponsored 18% of the newsletters overall, including those sponsored by non-fossil fuel companies.

**Big Oil's Climate Ads Are Rife With Misinformation**

Like Exxon, Chevron uses paltering to give readers the false impression that it is effectively tackling climate change. A prime example is this oft-used phrase: “We're taking steps toward a lower carbon future.”

**POWERING UP:** Ford and Korea's SK Innovation are working together on batteries as the auto-giant unleashes a new wave of electric vehicles, Reuters reports. The deal could lead to a jointly owned battery cell plant in the U.S.

**SK was involved in a legal fracas** with rival chaebol LG, which put SK's to-be-completed battery factory in Georgia at risk. The two firms eventually reached a settlement. South Korean President Moon Jae-in plans to visit the factory during his trip to the U.S. (he arrives today).

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**A message from Chevron:**

Chevron believes the future of energy is lower carbon. So to help set our goals in motion, we're tying executive compensation to lowering the carbon emissions intensity of our operations. And we're already making strides. Through our carbon capture projects, we're expected to capture nearly 5 million tonnes of CO2 per year. It's only human to hold ourselves accountable. Learn more.
Scientists say a zero carbon or carbon neutral future is necessary to avoid climate catastrophe—not a “lower carbon” future, which is purposefully vague. Chevron used the phrase “lower carbon” in 40 out of the 80 Punchbowl ad slots it has purchased since May; Exxon used the phrase in 20 of its 40 Punchbowl ads. Neither company used “net zero,” “carbon neutral,” or “zero carbon.”

Another buzzword commonly used in Big Oil ads is “carbon emissions intensity,” paired with the claim the companies are reducing it. “Carbon intensity” is a metric of measuring emissions per barrel of oil extracted, and actually allows companies to increase their overall carbon footprint over time. Using the term is yet another way Big Oil gives the impression that they’re doing something to stop polluting while they continue to drill new wells and expand fossil fuel production.

Using Newsletter Formatting to Trick Readers

In some cases, oil company marketers will use the format to mislead. Axios in particular has created ads for Big Oil that look seamlessly like its reported content.

The company’s newsletters use what are known as Axioms, a way of cutting up and emphasizing text for easy readability. In October, Exxon sponsored a week of the Generate newsletter, where an Exxon image embedded in the email announced the company is “Helping consumers meet their environmental goals.” The text of the ad used an Axiom to advertise a certification program for natural gas sold by Exxon.

Right: An Exxon ad in Axios’s October 12 newsletter using the Axiom format.
Left: A story on sea level rise in the same newsletter, using the Axiom format.

Screenshot: Axios
Axios spokesperson Yolanda Brignoni said in an email that this incident was “a mistake” and that the company does not use editorial Axioms in ad copy.

**Buying the Audience Big Oil Needs**

Big Oil pays a lot of money to mislead readers of popular newsletters about their climate efforts. Numbers obtained by Climate Power, a climate advocacy group, show Exxon spent $230,000 on Beltway newsletter ads in the past month, while Chevron spent $120,000; the American Petroleum Institute, meanwhile, spent $30,000. Climate Power, meanwhile, has spent $125,000 on newsletter sponsorship so far this month. They appear to be the only climate group routinely advertising in DC newsletters.

This is just a small chunk of Big Oil’s overall marketing budget. A 2019 report in the *Guardian* claimed Exxon, Chevron, Shell, BP, and Total spend about $195 million a year on branding campaigns claiming they support climate action.

What these newsletters offer, though, is access to specific audiences. Punchbowl, Axios Generate, and Morning Energy represent a big journalistic trend in the past couple of years: insider-baseball Beltway reporting, delivering specific information on specific topics directly to the inbox of those who want to be in the know first. The point of these newsletters is not that *everyone* reads them—it’s that the *right* people in government, policy, and business do.

Big Oil interests sponsored many popular D.C. newsletters in the three weeks leading up to the Big Oil disinformation hearing, including Punchbowl, POLITICO West Wing Playbook, the Washington Post Early 202, and Axios Sneak Peak.

*Graphic: Climate Power*

We asked both Axios and POLITICO for more specific information about the audience of both Morning Energy and Generate. “POLITICO’s Morning Energy is an industry-leading newsletter that is relied upon by executives and policymakers throughout the government and the private sector,” Brad Bosserman, the head of corporate and brand partnerships at POLITICO, said in an email. “That senior level audience makes sponsorship highly sought after by a wide range of clients.”
Representatives from both outlets emphasized that the content of the newsletters is strictly independent from advertising in the email. “There is a strong firewall between POLITICO’s newsroom and business teams,” a spokesperson from POLITICO said in an email. “To put it more directly, POLITICO’s sales team has no influence whatsoever on editorial content and does not share client information with reporters and editors.”

A Chevron ad featured in Punchbowl News from October 5 to October 10.

Brignoni said in an email there is a “strict wall between editorial and advertising” at Axios, and reporters don’t know in advance what advertiser is sponsoring the newsletter.

The responses appear to misunderstand the issue being raised. No one has claimed Big Oil’s ads influence the reporting at these news outlets. The issue is that news outlets are using their own quality reporting to sell advertisers on opportunities to spread misinformation on their platforms and making a lot of money from it.

Climate Power said that according to their media buyer, a week of sponsoring the Punchbowl newsletter costs more than $100,000. While energy and climate newsletters are cheaper to sponsor than bigger political heavy hitters—POLITICO Playbook and Axios can be above $300,000 for a week of sponsorships—they can still cost “tens of thousands of dollars per week,” Climate Power said in an email.

When asked questions about the cost of newsletter sponsorships, how far in advance sponsorships are booked, and specific numbers of the newsletter’s audience, Bosserman said POLITICO couldn’t share that information; Brignoni did not respond to those questions as of press time.

“We’ve reached out to Exxon, Chevron, and API about their sponsorship of these newsletters and what they hope to accomplish. As of press time, none responded. But perhaps they’ll be asked on Thursday.
Climate news for furious nerds.