

JWT VP SAYS LESLY ERRS IN STATING
IT'S WRONG TO COMBINE ADVERTISING, PR;
PRESENTS HIS FIRM'S PHILOSOPHY

(pr 2/5) that "it's a mistake to try to combine advertising and public relations," believes Frank Mainero, vp, corp comms div, J. Walter Thompson Co. (NYC). JWT formed his division 12 years ago upon these assumptions:

1. To achieve maximum efficiency and impact, pull all elements of a total communications program together into one design. An integrated, forthright communications program will yield results that no misleading or unstructured effort can.
2. Advertising will most often serve as the corner stone of a program because it is the only communications vehicle which offers control of timing, message and positioning.
3. The most effective communications program works off a common set of objectives, target audiences and target publics.
4. Traditionally, public relations practitioners have tended to design the stimuli (i.e. the communications message) prior to deciding what the desired response should be. This "cart before the horse" approach dilutes the ultimate effectiveness of the desired response.
5. The corporate communications specialist of the future will be backgrounded in both advertising and public relations. Most often, he or she will have begun a career in public relations and subsequently acquired advertising expertise.

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WHO'S WHO IN PUBLIC RELATIONS

PEOPLE. Susan E. Atkins becomes dpa, SRI Int'l (Menlo Park, Calif.)...Federal Home Loan Bank (NYC) names Beverly Wettenstein mgr, comms & pub affrs, a new position...G. D. Searle (Skokie, Ill.) names William I. Greener, Jr., vp, corp rels...Thomas C. Franco joins Georgeson & Co. (NYC) inv rels dept as acct exec...Ortho Pharmaceutical (Don Mills, Ont.) appoints Walter C. Masanic, dpa.

John K. Iglehart joins gov't rels staff, Kaiser-Permanente Medical Care Program (D.C.)...ADT (NYC) names Jay W. Levy mgr, mktg comms...Consolidated Foods (Chi.) promotes Robert B. McCallum to dir, gov't & comty affrs...David C. Jones becomes dir, corp pr, Marion Labs, (Kansas City, Mo.)...Nancy Lee Freed is named dir, comms, Ruthton Corp (L.A.)...Anne E. Hummer joins Assn of Trial Lawyers (D.C.) as liaison for bar & cons affrs.

"Traditional antithesis" between what he calls "the two communications disciplines of advertising and public relations" is fostered by Philip Lesly's statement

Vol.22 No.7
February 19, 1979

COMPANIES START TO PROVE HIGH REGULATORY COSTS WITH ACTUAL FIGURES
BUT SAY NO ORGANIZED CAMPAIGN IS UNDERWAY; FTC HEAD
AGREES CONSUMERS, NOT GOV'T OR BUSINESS, SHOULD BE REGULATORS

Business leaders are speaking out against costs of gov't regulation -- and now provide statistics to back their claims that costs are excessive. But pr execs say there is no organized campaign under way.

Dow Chemical (Midland, Mich.) released study on financial impact of regs promulgated by more than 80 federal agencies. It shows '77 compliance cost at \$268 million, up 82% from 1975. Business Roundtable is compiling similar document. It will examine costs of six regulatory areas -- FTC, ERISA, DOE, OSHA, EEO, EPA -- on 48 major U.S. firms.

"Businesses are realizing they just can't say excessive regulation is costly, they've got to prove it," says Karen Stevens, Nat'l Assn of Manufacturers' assoc. dir - consumer & regulatory affrs. She feels time is ripe to solve problems caused by overregulation. Estimated 50 bills on subject have been introduced in Congress. "While a certain amount of regulation is necessary, duplication can get out of hand and Congress seems to be taking a stand along these lines," she told pr reporter.

Regulatory mood is changing, agrees James Keogh, exec dir pub info at Business Roundtable. "There's a lot of interest in the subject now," he told prr, "not just within business but outside." Regulatory Analysis Review Group set up by Pres. Carter last year is prime example. Also, six month federal study, to be released shortly by Forum on Regulation, will analyze responses of 2.2 million citizens to questions about regulation.

General Motors takes different tack. Its president released estimates that by '85 gov't standards will add \$945 to cost of "typical" car. This includes cleaning exhaust emissions, safety features like air bags, and fuel economy improvements. To dramatize statement, costs are figured in 1978 dollars, "not further inflated ones." Allowing three extra years to meet standard of 27.5 mpg (1988 instead of '85) would save consumers \$10.7 billion between 1981 - '88, GM says. States Dow CEO, "There is no faster rising cost of business than expenses related to gov't regulations."

— HOW DOW ARRIVES AT REG COSTS —

Company is divided into hundreds of units for purposes of study. Each is examined individually. Functional units such as product dep'ts or research labs are studied as well as all manufacturing operations.

For each unit, task force identifies total regulatory costs by 1) product family, 2) business group, 3) location, 4) regs involved. Costs are separated according to a) capital expense, b) labor, c) operations, d) maintenance. Regs range from requirements for pollution control equipment to determining acceptable wording on new product label.

Others are becoming interested in tracking regulatory costs. Dow has received several requests for assistance in setting up systems, reports dir communications M. C. Carter. Dow began study three years ago because company "perceived that many of our employees were getting bogged down in paperwork. We wanted to quantify that perception."

In addition to media releases, Dow uses info to inform legislators, interested educators, directly and is incorporating it into speeches by top execs. Communications dep't published small leaflet summarizing results, has made it topic in middle management "Speak-up" program.

Recent speech by FTC Chmn Michael Pertschuk confirms time may be ripe to push for deregulation. "Regulated markets -- markets which through government intrusion or private collusion chill market forces -- end up costing consumers money." It is consumers, "not sellers or the government," who should do the regulating, he believes.

Headline in latest edition of HEW's Consumer News reads, "Deregulation: Last Year Airlines -- This Year Trucks?"

BLACKS, YOUTH & ELDERLY VOTE AS SPECIAL INTEREST GROUPS

New evidence supports widely held supposition that special interest blocs are new key to winning elections. Analyses of 1976 election shows that group

interests were particularly potent in presidential contest. Report from Univ. of Michigan's Institute for Social Research finds: "A significant proportion of group members in 1976 perceived either Ford or Carter as representing their group's economic and political interests, and they cast their ballots accordingly."

55% of Carter's vote advantage can be attributed to group concerns. Blacks were interested in issue of gov't assistance to minorities, young people in legalization of marijuana, businessmen in tax issues. One analysis of group consciousness shows that majority of all blacks, poor people & women feel strongly they have too little influence in society while opposing groups (whites, businesspeople, men) hold too much power. (For copy of report, write ISR Newsletter, P.O. Box 1248, Ann Arbor, MI 48106.)

TWO MORE VIEWPOINTS ON CHARGEBACK SYSTEM

C.I.T. Financial Corp. began using system in Jan. '75, when Larry Tavcar was dpr. Now sr vp, Carl Byoir & Associates, he recalls how method worked:

"PR professionals, including outside counsel, were assigned 'clients' (the corporation plus its 16 operating companies) and all maintained time records. In addition, monthly work reports were prepared. On the 'corporate account' we determined the amount of time spent producing the annual report, writing executive speeches, handling media contacts, etc. I would guess that other corporate systems also go back a few years, so I would have to respectfully debate Chet Burger's contention that 'keeping of such records in corporations is unprecedented.'"

John Budd, vp-pr, Emhart (Hartford) has one caveat to Burger's proposals (pr 1/29):

"Most operating unit heads are acutely bottom-line oriented. They deal almost exclusively in tangibles -- all with price tags. They make judgments based on cost effectiveness. They are generally unaccustomed in dealing with the intangibles so typical of the broader public relations activities, so will tend to give them very low priority.

"There are times -- many in my experience -- when corporate simply has to step in and do what is proper in this regard ... the initiation more often than not originates from the top down. It is too much to expect operating heads who, often begrudgingly, invest in capital expenditures and research because these are commitments more to the future than the present, to invest in public relations, the most intangible of all (to them)."

POLICY SCIENCES JUDGED USEFUL TOOL FOR PRACTITIONERS

Public relations practitioners are involved in decisionmaking -- and want tools to help make them better, if response to our Jan. 8 issue on policy sciences is guide. To many who wrote for more or specific info, we offer the following. Plus apologies from Reader Service Dep't for not being able to answer each letter according to our policy.

TO READ. Harold Lasswell's volume, A Pre-View of Policy Sciences (Elsevier Publishing Co., N.Y., 1971) is place to start. Somewhat scholarly -- but use pr 1/8 issue as prompter. The Study of Policy Formation by Bauer & Gergen and The Making of Decisions by Gore & Tyson are useful overviews. Another system akin to Lasswell's is presented in Yehezkel Dror's Ventures in Policy Sciences: Concepts & Application (Elsevier 1971). A quarterly, Policy Sciences, is published by Elsevier Scientific Pub'g Co., Box 211, Amsterdam, The Netherlands. Better libraries, especially universities, have it.

RELEVANT ... BUT BE CAREFUL. Like many newer disciplines -- including public relations? -- policy sciences can be extremely self-conscious. Because innovators came primarily from social sciences, jargon & academicism abound. Underneath is kernel of truth very useful to practitioners. Late sociologist Paul Lazarsfeld noted aspects relevant to pr:

- 1) doesn't accept client's assignment blindly but reassesses his goals;
- 2) in making recommendations, feasibility is central -- helping client accept recommendations is part of job;
- 3) involves interest in futurism;
- 4) emphasizes systems approach.

Lazarsfeld finds "The policy scientist is explicitly concerned with the acceptability of his advice." Dror states, "A reasonable probability of political acceptance within a defined time period should constitute a threshold which must be passed by every implementation-oriented policy-alternative before it becomes a subject for serious consideration." In simple language: when alternative policies are proposed, they have to be ones clients can accept and work with.

Political scientist James Reynolds emphasizes that term "science" always refers to some type of structured, objective investigation, often practical. Policy sciences, then, covers investigations into policies.

SHARED DECISIONS. Genius of Lasswell's method for pr pros is his insistence that those affected be involved in decisionmaking. This means that managers let people participate, rather than paternalistically do something nice for them. Manager and organization also benefit because efficiency increases when hidden agendas, backbiting and other outcomes of non-participative decisionmaking are reduced or eliminated. Participatory decisionmaking is I win/you win situation. (For copy of Lazarsfeld's article, write pr.)