

MANAGEMENT PUBLICATIONS EXPAND SCOPE,
TARGET FIRST-LINE SUPERVISORS

at low level managers, according to Towers, Perrin, Forster & Crosby (NYC).

Supervisors have long been recognized as "natural communications bridge between employer and employee." But few were trained for role. Now many firms are expanding job descriptions & training to include human relations, employee motivation & development, union rels, organizational goals & communication. Among better known, TPF&C mentions programs of Ford, Armco Steel, General Electric, AT&T.

Internal publications are used to provide continuity beyond training. Pacific Tel. distributes 12-20 pg. monthly magazine, Management Journal. Atlantic Richfield publishes bimonthly "mgr." It focuses on current management methods, case histories (e.g., absenteeism), company & divisional policies, programs and personal health & finance.

According to TPF&C, today's first line supvrs. are often young, college educated. They recognize their influence on co. operations, employee rels. and want to participate. "Almost without exception, they believe that they are not getting enough information."

WHO'S WHO IN PUBLIC RELATIONS

FIRMS. Weiner Associates, Inc. Public Relations, Suite 1555 Pioneer Plaza, 900 Fort St. Mall, Honolulu 96813, 808/523-8802; formed by Sharon Weiner, pres...Roy Wallace heads new firm, Roy Wallace & Assocs., 303 Foshay Tower, 821 Marquette Ave., Minneapolis, 55402; 612/333-3790...The Executive Television Workshop, 39 West 55 St., NYC 10019, 212/246-2702; formed by Walter J. Pfister Jr. and Stephen C. Rafe...The National Resource Board, a fund raising consultation svc to non profit orgs, formed by The Communications Board Group, 150 East Huron St., Chi, 60611.

Samuel Krasney Assocs, 40 Exchange Place, NYC forms 3 new subsidiaries: International Food & Beverage Information Center providing full info svcs on industry to trade, press, consumers; Total Concept Marketing for foreign & domestic products in U.S.; Krasney International Ltd, international comms & promotion for products overseas; 212/344-7225.

Kanan, Corbin, Schupak & Aronow, Inc., forms Kacor International, subsidiary specializing in domestic financing,

Needs, interests of first-line supervisors are now being addressed by most company mgmt publications. Few are aimed solely

at low level managers, according to Towers, Perrin, Forster & Crosby (NYC).

venture capital, foreign investments, other financial svcs for medium to small public companies, foreign corporate interests. 99 Park Ave., NYC 10016; 212/682-6300...Morton Dennis Wax & Assocs (NYC) sets up Chi. affiliate Wax & Assocs, providing pr/mktg for clients in communications arts. 2200 Forestview Rd., Evanston, Ill; 312/328-8880.

Dorf/Muller Jordan Herrick relocates to 518 Fifth Ave, NYC 10036; 212/921-5840 ...The Ryan Company changes names to J.J. Ryan Public Relations Inc. and moves to 16 East 52 St., NYC 10022; 212/355-5925...Bell, Doucet & Paul, Inc. now at 20505 West 12 Mile Rd., Suite 105, Southfield, Mich. 48075; 313/354-0750 ...Churchill Group, Inc. moves to 9575 Katy Frwy, Suite 110, P. O. Box 19367, Houston 77024; 713/932-0094.

REMINDER

If you haven't returned your 15th Annual Survey form, please do it now. Should you need another form, just call or write us.

Vol.22 No.27
July 16, 1979

WILL COUNSELING FIRMS OF '80s BE CONGLOMERATES?
BURSON-MARSTELLER MERGES WITH TOP AD AGENCY;
SMALLER FIRMS AFFILIATE TO COMPETE

Burson-Marsteller, one of world's top public relations firms, and parent, Marsteller Inc., will merge with Young & Rubicam Oct. 1, 1979. Year ago, Carl Byoir & Assocs was acquired by ad agency Foote, Cone & Belding (see prr 4/10/78). "The pr firm of '80s will be a department store," predicted Alberta counselor John Francis in 6/25 issue of prr. Activity among counseling firms suggests many now moving in that direction.

Both Marsteller and B-M will "continue to do business as autonomous entities," providing full ad & pr service to clients, according to Edward Ney, chmn of Young & Rubicam. Acquisition was to achieve Y & R's goal of becoming "leading agency in responsible commercial persuasion on a worldwide basis." Marsteller and B-M have 20 offices outside U.S., 5 within.

According to Harold Burson, B-M's chmn, one reason for merger is to keep up with organizational growth & scope of clients, especially multinationals. "Large multinationals like to know that they can go almost anywhere and have their agency represent them," he told pr reporter. Finding ways to finance continued growth was second factor. Y & R bills \$1.36 billion, is largest agency in U.S.

Will Mergers Make It Tough
For Small Firms to Compete?

Burson believes there will always be "small, successful, pr firms." In situations like this, "the squeeze comes on the middle" -- firms with 25 - 150 employees. (see prr 10/30/78).

One medium-sized firm that doesn't feel threatened, however, is Padilla & Speer (Minneapolis). Vice chmn Gerald Wollan told prr merger "isn't really going to change things all that much. It won't make Burson-Marsteller operations any more or less formidable." P & S has NYC office with Boston firm Newsome & Co., works with "whole network of organizations it knows and trusts."

"It's the regional firms that don't have any reach beyond their market areas that may be vulnerable," Wollan says. "Big firms might snap off their biggest accounts." As result, he feels medium-sized firms will continue trend to network.

Some, like The Adams Group, D.C. adv & pr firm, are using affiliations to strengthen overseas capacity. Already member of Nat'l Advertising Agency Network, firm recently joined forces with Inside Canada Public Relations Ltd, group of independent pr firms in Canada, U.S. & U.K. Company will also add offices in several major Canadian cities and London.

"Size isn't everything," Wollan emphasizes. Tho national firms land most MNC accounts, he believes strong regionals can operate overseas and hold own "even in offering

specialized services." P & S, for example, is currently strengthening internal communications capability. Firm will offer counseling but no production.

Like Burson, Wollan predicts small pr firms -- especially specialty "boutiques" -- will continue to compete successfully. "The tough thing for these firms will be growth ... to grow to the size where they can take the next big step."

OIL COS., GOV'T LAUNCH CAMPAIGNS
TO CHANGE DRIVING HABITS

While gas lines, pump prices continue to mount, oil industry and gov't are launching campaigns to convince angry, upset American public to conserve. Industry in general has had serious credibility problems (see pr 6/11). How much this will interfere with public's acceptance of tough message remains to be seen. Round-up of what they're doing, saying:

Amoco, subsidiary of Standard Oil (Indiana), is conducting multi-media campaign to encourage motorists to save one gallon of gas per vehicle per week. Company estimates this could save 5.7 billion gallons annually, nearly 5% of '78 U.S. consumption.

SAVAGALLONAGASAWEEK is theme. Campaign emphasizes conservation without great hardship, according to Amoco pres. H. Laurance Fuller. Provides tips on proper servicing, repair & maintenance. Broadcast & print program will run in 54 major metro market areas. Full-page print ad devotes half copy to putting co's views across: why behind shortage, prices, what Amoco's doing. Angry consumers may reject as self-serving. Corollary materials, however, are purely informational. Include bill stuffer, pump handout of helpful tips. Reinforcing bumper sticker carries no company identification, just SAVAGALLON theme.

Getty Refining & Mktg Co. has launched series of tv & radio spots in NYC, Philadelphia & Boston. All are cities where co is sponsoring professional sports teams. Emphasize American drivers, not American cars, are real "gas guzzlers." Commercials mix humorous & serious. Radio spot has motorist complaining to analyst about his "relationship with his car" -- & "her drinking problem." Like Amoco, Getty encourages saving gallon a week.

Dept. of Energy is providing fuel economy tips in dollars & cents terms. Theme is "Energy. We Can't Afford To Waste It." Nearly 2500 info kits have been picked up by media outlets since early May; 25,000 were mailed.

DOE's campaign was developed by The Adams Group (D.C.). Pres. Joe Adams says it's been well received. Several major cos including AT&T, Sears, G.E. & McDonald's have expressed interest in participating. Phone cos will incorporate "Gas Saver" bill stuffer, promote using telephone to save unnecessary car trips. U.S. post offices will display "Gas Saver" posters promoting stamps. DOE has even received letters of interest from gov'ts of Canada, Italy, France & Mexico.

Of Related Interest. St. Louis residents can leave cars home, use electric Firefly Tram service to get to business in city's central west end. Two year old service receives 50% of funding from St. Joe Lead Co. Grant was made to promote "practical demonstration of electric powered transportation," according to St. Joe pres. John Wright.

QUOTE

We've got to resist the temptation, which is created by the public's dwindling attention span, to give pat answers. Because in today's complex society -- where facts and interpretations are subject to dramatic change -- today's pat answer can be tomorrow's misinterpretation. And credibility takes another fifteen yard penalty. The gasoline shortage is a prime example.

Clearly, issues of critical importance can be condensed just so far. As one freshman Congressman recently said, "If I've learned anything, it's that every issue is very hard to understand. We have no more easy answers."

-- James Robinson III, chmn, American Express Co., addressing The American Advertising Federation

BUSINESS GIVING ON RISE;
INSURANCE COS. SET NEW PATTERN,
TURN TO URBAN & CIVIC AFFAIRS

Life & health insurance cos. have increased giving to urban & civic affrs by nearly two-thirds between 1973 - '77. Urban League, Urban Coalition, legal defense funds & community economic development groups were among those benefiting, according to report by Clearinghouse on Corporate Social Responsibility.

Pattern breaks sharply with traditional business giving. It hit record \$2 billion in '78. Gifts totalled over 1% of pre-tax net income -- another first. But report by Giving USA shows little change in who got what. Health & welfare lead with usual 38%, then education (36%), civic & urban (11.5%) and culture & art (9%).

Stanley Karson, Clearinghouse dir, attributes greater responsiveness to cos. treating contributions function in same structured manner as any other business activity. Approach is sound, he believes, "particularly in an era when less dependence upon gov't may well mean greater involvement of the private sector to resolve social problems that affect the future of the corporation and community." (See this week's purview.)

St. Louis Business Aids
Public Education -- A First

Example of new responsiveness is aid given by group of St. Louis corporations during teacher walkout. To help resolve 8-week strike, General American Life Insurance and 10 other local cos. pledged to guarantee up to \$600,000 to back city offer. General American's chmn, Armand Stainaker explained, "This is our city and we're identified with it You can't have much of a city without a functioning school system."

Of Related Interest: Four federal gov't agencies are sponsoring project to revitalize older American cities. Goal of \$4 million demonstration is to develop strategies for attracting new industry while balancing pollution control requirements. Philadelphia, Chicago, Boston, Bridgeport and Waterbury (Conn.), Buffalo, Portland (Ore.), Elizabeth (N.J.) and Minneapolis/St. Paul will participate. EPA, HUD, Depts. of Commerce & Transportation are sponsors.