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"BIG BUSINESS DAY," CORPORATE DEMOCRACY ACT SLOW IN STARTING
BUT HAVE ENOUGH IMPORTANT BACKERS TO MAKE A SPLASH;
INTERPRET GROWING CONSERVATISM AS BASIC MISTRUST OF LARGE INSTITUTIONS

April 17 will be "a national day of public education to expose and correct the abuses of big business," Andy Buxbaum told <u>pr reporter</u>. He is director of Big Business Day (BBD) -- primarily a promotion for the Corporate Democracy Act expected to be entered in U.S. Congress soon. Bill aims at extending the accountability of corporations to their 3 key constituencies: shareholders, customers, workers.

Act would implement extensive gov't regulation on employee rights, discrimination, consumer rights, environmental control et al. It also provides for criminal prosecution in cases of flagrant abuse — undefined at present, but open to broad interpretation. Top management would be drastically altered. Boards would be required to consist of a majority of outsiders: large & small shareholders, environmentalists, local citizens, etc. Interlocking directorates would be outlawed. Buxbaum said advocates are searching for a model corporation, but have not found one.

Reps. Ben Rosenthal (D-NY) & Frank Thompson (D-NJ) and Sen. Howard Metzenbaum (D-Ohio) are considering introducing the bill but none is extending full support to the draft produced by a Nader group, Public Citizen, in conjunction with Council on Economic Priorities and the building trades segment of AFL-CIO. Sponsors feel growing wave of conservatism in America "is really a mistrust of large institutions." They offer only a '78 poll to support this idea, hedge when pressed to respond to recent, more serious wave of conservative strength. Nonetheless, this interpretation bears watching as new opinion studies appear.

BBD originated in conviction that "consumer groups cannot get things thru Congress with issue-arguments; you get bills passed when a congressman's constituency responds in numbers." At this stage (but only 10 weeks away) mostly publicity mailed to groups & individuals likely to participate is being used. 40,000 pcs. were sent last week. Major national media are expected to become interested, tho Buxbaum describes this interest as being in its incipient stage. Plans are sketchy but vigils, teach-ins, debates, symbolic breadlines at banks are expected to take place. Earlier newspaper reports mentioned mock trials of companies & a Corporate Hall of Shame.

Other supporters listed by Buxbaum include J. K. Galbraith, Doug Fraser of AUW, civil rights leader James Farmer, Patsy Mink of ADA, Bishop Tom Gumbleton, other religious groups, Machinists Union, Nestle boycott groups. BBD seeks additional strength thru networking with Rural America, unions such as food & communications workers. Mentioned as cases of abuse are Love Canal, J.P. Stevens' violations of labor law, closing of Youngstown, Ohio, steel mills, the Pinto, oil companies. (Info from BBD, 1346 Conn. Ave. NW, Wash., D.C. 20036; 202/452-1269.)

gov't. Move counters congressional decision to vote down Consumer Protection Agency. Meanwhile, a Conference Board study rebuts idea consumerism is no longer a force just because it has lost recent legislative struggles. Rising customer complaints, popularity of Action Line columns are cited. CB concludes consumerism has merely shifted to new phase -- of dealing with business directly rather than via gov't (see prr 11/12/79).

- THE DANGEROUS SEMANTICS OF "PR" -

"Public relations is a management function. Consequently, it should be treated with the same general respect accorded fund raising, program planning, public education, and other key responsibilities in nonprofit institutions. Rather than abbreviating the term as PR, except perhaps in an occasional headline, it should be written out. The short form cheapens its meaning, and gives people the mistaken impression that public relations is a casual, uncreative, unprofessional pursuit, which it isn't. We don't abbreviate fund raising as FR, social work as SW, volunteers or volunteering as VOL. Public relations should be treated similarly -- as words with distinct meanings, not as a nickname or a replacement for a more precise expression that a writer or speaker won't take the time to think of or find."

-- Don Bates, vp-comns, Planned Parenthood Federation of America, in his new handbook, Communicating & Moneymaking. Subtitled "A guide for using public relations to improve fund-raising success," manual tells volunteers, charitable organizations how to raise money & reach the press. 16 topics plus appendices. \$7.50 prepaid from Heladon Press, P.O. Box 2827, Grand Central Sta., NYC 10017. Quantity discounts available.

WHO'S WHO IN PUBLIC RELATIONS

PEOPLE. Jess O. Gregory becomes dir pub affrs & comns, Europe, Middle East & Africa, American Express (London)...Nat'l Ass'n of Manufacturers (D.C.) names David B. Bowes dir creative svcs...James C. Morford joins N.J. State Chamber of Commerce (Trenton) as dir governmental rels ...E. Wynn Wilson becomes mpr, Boeing Computer Services (Morristown, N.J.).

VICE PRESIDENTS. Sam Davis, KPR, Inc.
(Northridge, Calif.)...Richard C. Moyer,
Beaumont, Heller & Sperling PR (Reading,
Pa.)...Leonard Frankel, sr vp, Harold F.
Kierce, sr vp, and James C. Boyle, Lenore
Cooney, H. Richard Godin, Donovan NealeMay and Dianne Zoppa, Dudley-AndersonYutzy (NYC)...Doris A. Huddleston (D.C.),
Hank Nielsen and Eugene A. Oliva (NYC),

Carl Byoir & Assocs...Joseph A. Kopec, Harshe-Rotman & Druck (Chi.).

ACCOUNT SUPERVISORS. Sue Deer and Jim

Overstreet, Cohn & Wolfe (Atlanta)...

Gail R. Safian, Harshe-Rotman & Druck

(NCY)...Mark Leeds, Creamer Dickson

Basford (NYC)...Candice Cohen, Niki Singer,

Inc. (NYC)...Ellen Kovak, Ries & Geltzer

(NYC)...Karen Thompson, Aaron D. Cushman

& Assocs (Chi.)...David L. Todd, Daniel

J. Edelman (Chi.)...Henry R. Raab, Creamer

Dickson Basford (Providence).

ACCOUNT EXECUTIVES. Melissa Adams and Christine E. Goosman, Clay Publicom (Irvine, Calif.)...Martin I. Folkman, Ries & Geltzer (NYC)...Julie Alexander, Carol Cohn and Robyn Whyte, Glenn, Bozell & Jacobs (Houston).

PROJECT REACHES CONGRESSIONAL AIDES,
OFT-OVERLOOKED SOURCE OF REAL POWER;
SERVING ITS INDUSTRY PROMOTES MINING SCHOOL

Congressional aides, Washington's information sieves, wield considerable influence on legislative process. This was key to the pr philos-

ophy of Colorado School of Mines when it, in conjunction with Resource for the Future, a Washington think tank, flew 36 aides west for a 5-day Energy Field Institute.

pr reporter

Project, now in second year, is designed to "cut through the layers of special interest groups that complicate federal decision-making." Also to project to legislators a taste of the conflicts accelerated energy production will induce in Western localities, according to Leanne Gibson, pio. Aides traveled to various energy plants (shale oil, coal, gas, etc.) many of which have been delayed while working through gov't red tape. They also conferred with environmentalists & agriculturalists, who fear possible exacerbation of West's already chronic water shortage. Also the socioeconomic strain of another era of "boom towns."

For its attempt to honestly present possible implications of the issue, college won a Gold Pick award from PRSA-Colorado. Ironically, factional conflicts were so devastatingly revealed on site that they caused at least one aide to conclude, "We are simply not going to get the quantities of energy out of the west in the time frame we need to make an impact on the overall national energy supply."

On evaluation form, collected <u>one month after event</u>, aides urged project be repeated. This month a follow-up workshop will be held in Washington to "find out if they learned anything and what was useful." School's Chuck Morris, dpr, says similar institute for media is in concept stage. School also serves mining industry thru summer field course for high school teachers, "A Total Concept of the Mining Industry."

BROAD-BASED, SINGLE-ISSUE GROUPS
PLACE DIFFERENT VALUES ON
NATIONAL COLUMNS, NEWS SERVICES

Nat'l Ass'n of Manufacturers has dropped its communications piece for member orgs, "Service for Company Communicators." Earlier this month, pr reporter reported that "Update," assn's

46-yr-old news service for editors nationwide, would cease publication (prr 1/28).

Tho move is budgetary, it reflects <u>redirection of resources rather than serious financial trouble</u>. "Central publications cannot be fully sensitive to the individual needs of our member corporations," NAM dpr Sanford Winston told <u>prr</u>. Instead funds will be channeled into lobbying program that seeks to "revitalize American industry." Elements of the program:

- 1) increase productivity
- develop greater ability to compete in international markets
- 3) reduce federal spending
- 4) federal regulation reform
- 5) encourage capital reformation

Wisdom of decision to publish -- or stop -- news services may depend on type of organization. Single issue group, Nat'l Right to Work Committee, which advocates non-compulsory unionism, is finding its nat'l news service "being picked up more all the time," according to dpr Carter Clews. Clews is now compiling responses to editorial survey -- about 400 out of 1600 returned his questionnaire. After 10 yrs of publishing Reed Larson's column monthly, is considering going weekly. He sees publication as essential to legislative work. "Our lobbying is based on groundswell support from citizens around the country. The column gives us more clout. It lets us show Congress how the people out there feel on things that are being debated."

FRIENDS, CONSUMER REPORTERS,
RANK AS PURCHASING INFLUENCERS;
GOV'T, MFRS. CLAIMS NOT TRUSTED

Survey by Women Poll of how women make buying decisions demonstrates two-step flow theory of communication. Impersonal media may bring product to buyer's attention, but the majority --

49% -- consult friends at the adoption phase. The reason? Friends are most likely to give "straight answers," are "in better position to know how product performs" day to day & in different situations.

BUYING DURABLE	GOODS: HOW WOMEN DECIDE -
Groupings	Most trustworthy source
Age:	
18-34 35-54	Consumer Reporting Groups (41%) Friend (53%)
Marital Status:	•
Single Married Previously Married	Consumer Reporting Groups (45%) Friend (52%) Gov't (21%)
Education:	
Below Grade 12 High School College	Gov't (27%) Friend (54%) Consumer Reporting Groups (52%)
Income:	
Under \$15,000 \$15,000 +	Gov't (18%) Friend (52%)
Geographic Location:	
West South	Consumer Reporting Groups (46%) Gov't (18%)
ALL RESPONDENTS	1. Friend (49%) 2. Consumer Reporting Groups (34%) 3. Gov't (11%) 4. Manufacturer (4%)

Survey did show that demographics -particularly educational level -- influences who women see as trustworthy source. Consumer reporting groups are believed by more college grads. But gov't received support from women with less than high school background. There was consensus, however, as to manufacturers' claims: only 4% would pay any heed. Sample comments:

*Consumer reporting groups: "They have technical people who know what to look for and test for. If someone like Ralph Nader raps a product, I stay away from it completely."

*Gov't: "Only tell(s) you which ones are unsafe, unhealthy or fraud-

ulent and even then the product has to be grossly bad.... Wish they would get more involved."

*Manufacturers: "In most cases, what the manufacturer says is all you know about a product.... If you know what you want ... and take time to compare, you've got a fighting chance."

Mof Related Interest: White House consumer affairs advisor Esther Peterson has created a consumer affairs council. Will include consumer advocates in various agencies & dep'ts. To oversee all consumer operations in federal