

employees vote pro-rata; 2) allow representative groups to vote and report back to employees; 3) joint employee-management committee; 4) institutional fund managers develop and disclose procedures and criteria for investing and voting proxy. Latter would promote corporate accountability by forcing management to meet criteria or have proxy voted against it. AFL-CIO is pushing for control of fund management, notes many are now used against employee interests -- e.g. invested in non-union companies or ones which have moved jobs overseas.

Issue results from a) rise of proxy votes on social issues, b) concentration of private savings in institutional hands. Private pension funds grew from \$3 billion in 1940 to \$400 billion now. Institutions own 35% of all stock, account for 70% of trading on NYSE. Friedman feels is "not a passing issue. Power that is not firmly anchored tends to be seized."

RELIABILITY OF '80 U.S. CENSUS Especially for specific cities & neighborhoods.
MAY BE IN QUESTION FOR SOME TIME Despite court findings cities like NY, Detroit were undercounted. Census Bureau says it's convinced 226½ million total is very close to actual population. Bureau is asking courts how it can now perform a trustworthy recount.

Data are reliable for Congressional reapportionment, adds study by NYC Bar Ass'n. It finds injustice of not allocating additional House seats to growth areas outweighs insignificant changes recount might make. Can practitioners trust new census data in their work? It's all we've got, say the experts. If you have questions, prr can supply 5-pg list of census experts in 191 headings under which data is collected (plus 24 regional user assistance officers and where to call for subject matter not listed).

HERE'S A SWITCH: CEO QUILTS For a minimum fee of \$100,000, Walter Hoving will help you "polish up the tarnished corporate image to a Tiffany sheen," said press reports last week. Retiring chrm of famed jewelry emporium said about his fee: a) it's high because "I don't want the corner drugstore asking me how I can help them"; b) he doesn't expect price to be a problem. What his credentials are, if any, was not mentioned.

A public relations pro who made a CEO famous is leaving him to write a book about the experience. Carl Blumay ended 25 yrs as dpr for Armand Hammer, now CEO of Occidental Petroleum, has hard cover & paperback rights sold to a volume about the crusty entrepreneur, art collector & champion of causes.

If he tells all, Blumay can enhance practitioners' understanding significantly. When he joined Occidental in '59, company had four employees including Hammer. For first nine mos. of '80 its sales were \$9.3 billion -- 21st in Fortune 500. Carl Blumay Assocs will be located at 4637 Willis Ave, Sherman Oaks, Calif; 213/986-5958.

WHO'S WHO IN PUBLIC RELATIONS

DIED. N. Maxwell Ewing (L.A.), 26-yr veteran of pr field and past pres New Mexico Chap PRSA.

Robert Robinson (D.C.), retired dpa after 31 yrs with Amer Psychiatric Ass'n; introduced "open press" policy, established ass'n news pub'n.

BEWARE OF BLAMING THE ECONOMY:
LATEST REPORTS SHOW IT'S APPARENTLY NOT THAT BAD ...
AND WE CAN'T EXPECT "CONSERVATIVE" GOV'T TO HELP AS MUCH

The economy is the big story. It has been for months. Communicating about it is a big story for practitioners -- because much has been done so poorly. With election rhetoric over, latest reports show these to be the facts:

1. The "economic crisis" isn't. Pres-elect Reagan, his economic advisors & many economists now concede that the "emergency" doesn't exist. Now Reagan called off plans to pronounce one. Problems, yes, like autos, 2-digit inflation. While housing construction is off, commercial building booms. One result: confusion.
2. "A great many things people know just aren't so," writes economist Walter Heller. (a) Carter wasn't the disaster: at election day, U.S. per capita real income was \$4,448 compared with \$4,200 when Pres. Carter took office; (b) Food costs haven't gone up (relatively): to 15% of the before-tax income in '79, 14% in '70 -- rising less than a percentage point over the decade; (c) Productivity has declined only a little: real per capita output rose 2% annually from '69 to '79, down only slightly from 2.5% between '57 and '69.
3. "Big spenders" in gov't aren't the problem -- says none other than Rep. Jack Kemp, though contrary view has been widely bruited. He told WSJ: "75% etc. ... misery index." (Misery index is inflation & unemployment.)
4. Industrial production and business profits will rise in '81, despite high misery index. Three Ohio State Univ. economists told UPI gap between haves and have-nots will thus widen. No crises, they feel: "We're not on the eve of a depression in any sense. Recovery began middle last summer, will go on thru '81."
5. Conservative gov'ts aren't economic panacea, if Britain & Canada are evidence. Arthur Laffer, dir, Center for Study for Private Enterprise, at Univ. So. Calif. fights euphoria when PM Margaret Thatcher took office on platform of cutting taxes & gov't programs. Outcome, he notes, is far different: inflation and 20% (up from 10%) unemployment at post-war high (7% vs. 5½%).

ECONOMIC PSYCHOLOGY EQUALS PR

What the public believes about the economy didn't always match reality in the last year, claims Edw. Ray, chrm, OSU, econ. dep't. OSU econ. prof. Wm. Dewald feels public expectation, inflation will remain high, keeping interest rates high. Reagan advisors wanted him to declare a dramatic national economic emergency during his first 100 days in office. Walter Heller says the solution is to "restore faith & confidence in the American economy."

Apparently these experts see economics as more influenced by effective public relations than the market place. If perceptions & expectations rule, why not give practitioners a major role in economic planning & policy.

COURT DIFFERENTIATES COMMERCIAL SPEECH FROM IDEOLOGICAL SPEECH, SAYS LATTER HAS "LITTLE GUY" FIRST AMENDMENT PROTECTION

Advertising can be restricted but slogans like Jesus Saves and No Nukes cannot, a U.S. Appeals Court says in ruling Maine's anti-billboard law unconstitutional. "Signs which can be cheaply erected particularly permit advancing 'poorly financed causes of little people,' a prime First Amendment objective." The court ruled the Maine law's "impositions are both legally & practically the most burdensome on ideological speech, where they should be the least."

Law went into effect in '78, phased out all billboards by '84 -- except political signs for three weeks before elections. State can appeal to Supreme Court, which first established commercial speech guidelines three yrs ago in another New England case, First Nat'l Bank of Boston vs Bellotti (Atty Gen'l of Mass.). Or legislature could rewrite law in keeping with court edict.

¶Several questions remain for practitioners in this emerging area of communication law. (1) Can for-profit interests present ideological messages under the same protections? (2) Do all messages from hospitals, schools & other nonprofits qualify as ideological speech? (3) Why does First Amendment not protect messages with commercial purposes? (4) Does public have no right to protect itself from unwanted messages, especially in media it cannot control (and which may assault aesthetics or land use controls like billboards)?

PUBLICATIONS OF INTEREST TO PRACTITIONERS

¶Getting into modern information handling systems for your office? For the organizers of the info management expos & conference, Banner & Grief has produced a brochure, Intro to Info Management. Involves data on word processing, record storage and retrieval, electronic mail, computergraphics, five related topics. Single copies free from B & G, 110 E. 2nd St, NYC 10017.

¶Libel, Slander, and Related Problems details the unhappy balance between protection of reputation and 1st Amendment rights. Author Robert Sack uses specific cases to examine the impact defamation laws have on free flow of information & ideas. Clearly evident is fact laws are "honeycombed with open issues & unanswered questions." Extensive appendixes include notes on other sources, note on criminal libel, statutes of limitation, retraction statutes, shield statutes, and table of cases. Valuable reference for comms pros from Practicing Law Institute, 810 7th Ave, NYC 10010. 700 pgs; \$50.

¶Practitioners, counselors, researchers will find Encyclopedia of Business Information, 4th edition, a useful reference. 20,000 entries are arranged under 1,300 subject specialties. Entries provide details on both live and print sources of information, including specialized encyclopedias, dictionaries, handbooks, periodicals, abstract services, trade ass'ns, prof'l societies, almanacs & manuals. Commercially available on-line data bases are also covered. From Gale Research, Book Tower, Detroit, Mich. 48226. 782 pgs; \$72.

¶Audiovisual Market Place 1980, a comprehensive chronicle of the AV industry, groups 25 sections under 3 broad divisions: Audiovisual Software, Audiovisual Hardware, and Reference. Listings within each section contain firm names, addresses, telephone nos, key personnel & product lines, services & related details. Ample reference section includes glossary, funding sources, ass'ns, periodicals & trade journals & their advertising rate schedules, reference books & directories, etc. Paperbound; 423 pgs; \$29.95. Write R.R. Bowker, 1180 Ave. of the Americas, NYC 10036.

¶Compendium of state data is found in State Information Book. Handy source for locating names, addresses, phone numbers of key state & fed'l officials, major state svcs, fed'l agencies. Informational toll free numbers included. 50 states & U.S. territories listed alphabetically with useful data following each state heading. For copy write Potomac Books, Publishers, Box 40604, Palisades Station, D.C. 20016. 310 pgs; \$18.50.

¶Securities Industry Yearbook 1980 is an up-to-date guide to securities industry & U.S. capital markets. Three main sections highlight data on individual securities firms and statistics indicating recent industry trends. They 1) provide data on capital & other rankings based on number of registered representatives, branch offices & employees; 2) contain detailed individual firm data; 3) present comprehensive industry & market statistics. 387 pg book available from Securities Industry Ass'n, Research Dep't, 20 Broad St, 19th Fl, NYC 10005. Ass'n mbrs, \$30; non-mbrs, \$60.

NONPROFITS LESS COMMITTED TO FORMAL COMMUNICATION PROGRAM THAN CORPORATIONS, IABC STUDY FINDS

Two-thirds of corporate CEOs say their companies have formal programs with written goals & objectives -- but only 41% of trade & professional ass'n, gov't agency, public service organization & hospital CEOs say they do. However, another 18% of nonprofits' CEOs are in the process of establishing programs, according to an informal survey released this week by IABC.

Another important difference between sectors is reliance of nonprofit execs on print media, while corporate chiefs favor face-to-face communications including meetings. 60% of corporate bosses vs only 14% of those nonprofits told IABC member interviewers they rely on face-to-face communication as their most effective technique. Publications is primary medium in nonprofits. One reason advanced by IABC exec dir, John Bailey, is that the "ultimate product" of most nonprofits is communication. "Survival depends on communication thru membership development & fund raising."

Public image (30), fund-raising (29), cost containment (29) were most-mentioned topics. Nonprofits hope to improve thru communications. Close behind were building & maintaining membership (25), winning public support on issues (24), and lobbying effectiveness (20). 81 U.S. & Canadian nonprofit CEOs were interviewed last year, 50 corp execs 2 yrs ago in the innovative IABC program. (Complete report \$10 from IABC, 870 Market St, S.F. 94102.)

SEC COMR PREDICTS RISE OF STAKEHOLDER PARTICIPATION AS RESULT OF INSTITUTIONALIZATION OF PRIVATE SAVINGS

In other words owners/beneficiaries want to manage investments and vote stocks of their pension funds instead of holders/managers. Stephen Friedman fears loss of "neutrality of the market mechanism" as investments are used for socio/political purposes. He cites four ways to deal with the situation. 1) Let