

(continued from pg. 2 ...)

the entire central edition of the Journal, that negative becomes one of our biggest positives."

Demonstrating viability of the medium is recent purchase of Cordovan Business Journals by Scripps-Howard. Cordovan has 9 publications in major cities from Atlanta to Seattle. Its space sales promotions use the theme "local roots." A well-known title is Crain's Chicago Business, by the publishers of Ad Age. West/Conn Business Journals has tabloids in Westchester County (NY), the Mid-Hudson region & Connecticut. Already there is competition, even in smaller markets like Hawaii (Hawaii Business vs. Pacific Business News) and Delaware (Delaware Business Review vs. Delaware Valley Business Magazine).

Though concerned chiefly with news of business, these media are also possibilities for news from hospitals, colleges, public interest groups & others which affect the business community or its employees.

ITEMS OF INTEREST TO PRACTITIONERS

Advice on improving or getting into word processing is available from a year-old newsletter, Inside Word Processing. Covers such topics as damage to floppy discs, contracting with vendors, wage rates for operators, finding & training satisfactory typists, ins & outs of various pieces of equipment. Recent issue suggests printing the WP operator's name on everything he/she types -- except the original -- to improve productivity. Pride in their work is a common motivator, according to studies quoted in the article. (Monthly, \$85/yr; 20 Railroad Ave, Hackensack, N.J. 07601.)

Both lobbyists & reporters would wear ID badges under legislation proposed in N.H. Lobbying reform bill 3 yrs ago required badges for lobbyists. With typical Yankee humor, lawmakers voted that they must be "hunter orange" color. A new bill asks mandatory red badges for the press. Legislators are furnished b&w name badges. System has worked well for lobbyists, they say. Some reporters don't like being publicly identified.

U.S. Chamber of Commerce is building a large telecommunications center at its Washington hq. Will be used to film and tape Chamber's own tv & radio programs, plus special productions, Silvia Ray told prr. Its tv show is aired on 126 channels nationwide, radio show goes out on over 400 stations. Both tackle current public issues, "what's hot in the government now." Top brass understands the need, is willing to invest bucks. "It's vital for us in business to be able to communicate our values," says Chamber pres. William Verity (CEO, Armco) in recent issue of Private Enterprise newsletter. Ray said a new short form radio program is being planned. Another reminder to practitioners who only think print.

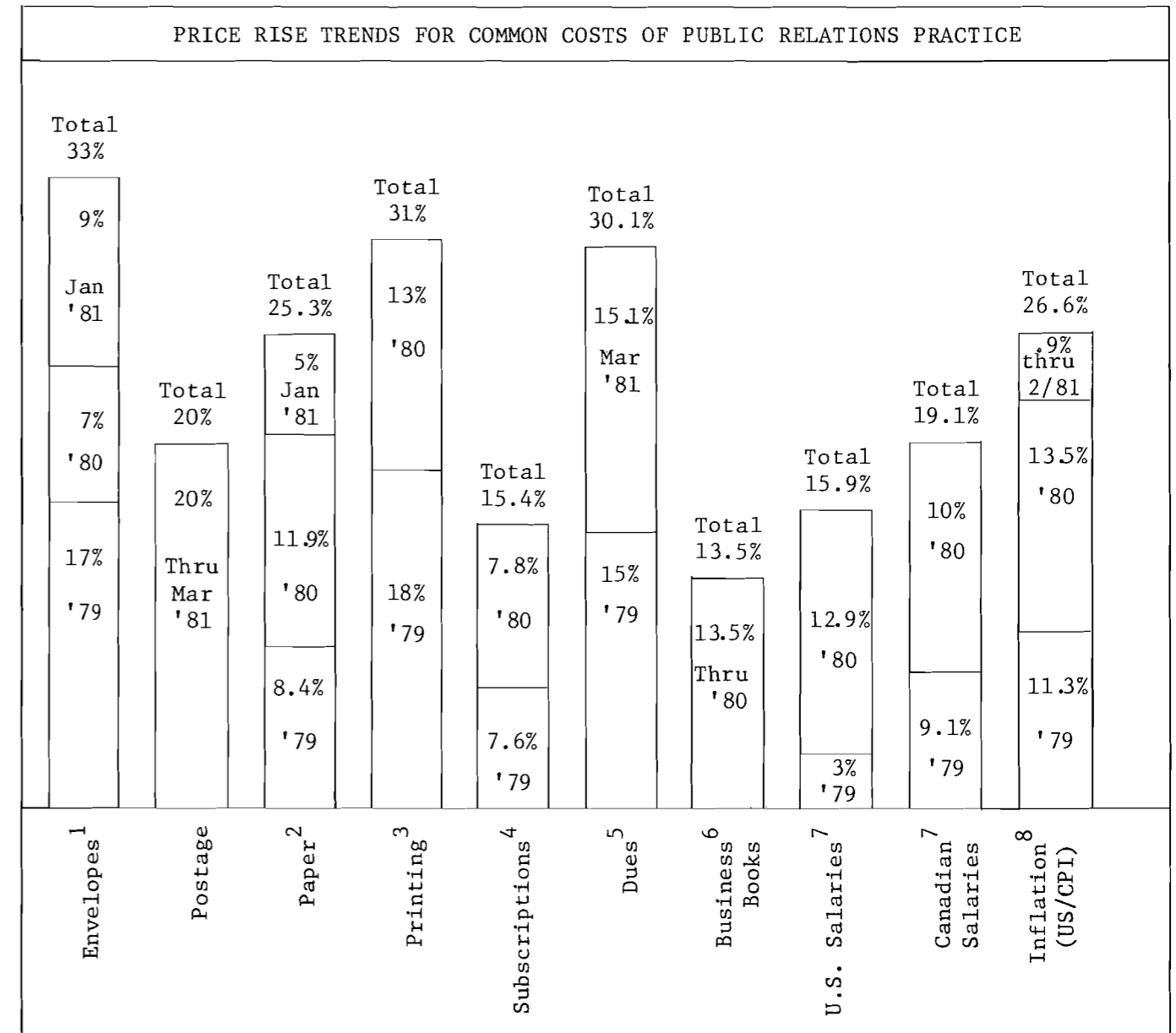
WHO'S WHO IN PUBLIC RELATIONS

WRONG GUY. March 16 prr incorrectly listed the foreign registrant for Christian League of Southern Africa. Their counsel is Arthur E.K. Brenner (Phila).

FIRMS. Nancy Wolfe forms Wolfe Group, 514 S. Stratford Rd, Winston-Salem, N.C. 27103; 919/725-6819.

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NEWS FOR BUDGETEERS, PART I: FIRST QUARTER INCREASES SHOW BIENNIAL TREND OF RISING PUBLIC RELATIONS' COSTS CONTINUES DESPITE WAR ON INFLATION; SALARIES GROW SLOWEST



Sources: 1) Massachusetts Envelope Co. (Boston, Mass.); 2) U.S. Dep't of Labor; 3) prr purchasing statistics; 4) average increase of 6 pub'ns specifically for practitioners; 5) average of CPRS, IABC, PRSA; 6) Publishers Weekly; 7) prr Annual Survey of the Profession, medians for practitioners regardless of industry affiliation; 8) U.S. Bureau of Labor Statistics.

With increases of 15.9% (U.S.) and 19.1% (Canada) salaries are the slowest growing item among costs of public relations operations. Only subscriptions -- up 15.4% since '78 -- rose at a lower rate. Printing continued to take big leaps, as it has each year since prr began charting costs: rising 31% in '77, 17% in '78, 18% in '79 & 13% in '80, an overall increase of 40% since 1976. However, envelopes now take the lead due to a 9% increase in January -- larger than their entire '80 jump of 7%. This augurs badly, for envelopes are a basic indicator. Mass produced in a highly competitive market, they are a primary purchase for public relations, whether used for routine correspondence, direct mail campaigns or special projects. (Next week Part II will chart other cost categories and 5-yr trends.)

LOCAL BIZ PUBLICATIONS,
SUCCESS STORY OF RECENT YEARS,
CONTINUE TREND TO TARGETED MEDIA

From a handful to a basketful -- and now a nat'l ass'n. That describes growth of local business publications. "In the last year and a quarter we have discovered there are some 50 magazines

and/or tabloids which are locally owned, sell to a specific regional market and cover general business news," says Rob Trowbridge, pres, Association of Area Business Publications. Chamber of Commerce pub'ns & legal-business papers which print bankruptcies & corporate registrations are not included in this category.

Total circulation is over 700,000. Studies show over 50% of their readers do not read the national business magazines, he told prr. Some are monthly, more are weekly, a few published daily.

Many cover a state or province -- Manitoba Business (circulation 10,000), Kentucky Business Ledger (10,500), Florida Trend (40,000). Others serve a metro area -- Houston Business Journal (18,000); Outlook, The Kansas City Business Journal (16,000); and Orange County Business (25,000). A few are regional, such as Trowbridge's New England Business (43,000) and South Magazine (51,000). Probably the largest is California Business with 70,000 subscribers to 2 editions. AABP rules call for circulation to be audited.

"The success of our concept is really quite easy to see. The daily newspapers do not report local news of the business community. They are much more likely to run a tombstone advertisement marketing \$500 million of Puerto Rico bonds. The national business press rarely stoops to comment on the progress of smaller firms."

-- Ass'n of Area Business Pub'ns

As targeted carriers of product, issue or institutional messages, biz pub'ns are part of the continuing trend toward smaller, segmented audiences, as observed first in radio, then magazines, now tv. "It is very difficult to convince national advertisers that they need anything other than the Wall Street Journal. But as we are more and more able to show the waste involved when a Minnesota firm purchases

(continued on pg. 4)

ADVANTAGES & DISADVANTAGES OF
WORKING FOR SMALL OR LARGE PUBLIC RELATIONS FIRMS

<u>SMALL FIRM</u>	<u>LARGE FIRM</u>
<u>Advantages</u>	<u>Advantages</u>
<ol style="list-style-type: none"> 1. Family-like atmosphere where staffers feel a part of management & the decision-making process. 2. Stimulating atmosphere where creative & entrepreneurial types thrive. 3. Mixture of accounts handled & hands-on responsibility for programming, writing, placement, special events & client hand-holding offers excitement. 4. Ego satisfaction of dealing directly -- and often alone -- with client principals who are often highly-charged self-made millionaires. 5. Belief that if one does an outstanding job & the firm grows, there might eventually be a chance for a "piece of the action." 6. Belief that the smaller the firm, the closer the principals are to the client. 	<ol style="list-style-type: none"> 1. Prestige of being associated with a large firm with blue-chip accounts. Offers strong psychic rewards. 2. Large budgets permit more staff & more in-depth attention to projects. 3. Strong back-up support -- including extra ae's as well as placement, writing, research & clerical help. Bolsters staffers when pressure is on to improve results. 4. Better working conditions & benefit packages.
<u>Disadvantages</u>	<u>Disadvantages</u>
<ol style="list-style-type: none"> 1. Often too much is promised the prospective client. Since the budget may not permit the promises to be fulfilled, tense relations can result both within the firm & with the client. Night & weekend work becomes commonplace. 2. Firm stability is too sensitive to account and budget shrinkage. Account losses often devastate morale since jobs are at stake. 3. Often settle for smaller accounts resulting in more accounts per staffer & greater workloads. 4. Thin support staff. AE's may be called upon to do what sec'y's do at larger shops. 5. Greater reliance on free-lancers who require more supervision than staffers & whose performance can be unpredictable. 	<ol style="list-style-type: none"> 1. Assignment focus is narrow, leading to stultification. 2. Decision by committee all too often leads to blandness and avoidance of risk. 3. The larger the firm, the greater the distance between top management & the client -- a circumstance troubling to some clients. 4. Rewards are "not filtering down" even though firms are benefiting mightily from the public relations profession's recent billings surge. 5. Lack of staff involvement in the decision-making process & limited working relationships among employees.
	<p>-- from survey by L.B. Hulack Consultants (NYC) (see prr 3/16)</p>