March 29, 1982

pr reporter

experience and all are subject to the same influences reaching the general public. "In the past, business people have addressed this problem by giving teachers glossy, packaged, hype on free market economics. Although these are well intended, they just haven't done the job," explains Bill Genthe, gen mgr of a mfg div.

In response, Rexnord has developed a Teacher/Business Program. For the past 6 yrs, Rexnord has been hiring 6th through 10th grade teachers during summer break. They take regular job assignments and are paid about \$6/hr. They sit in on meetings to observe business decision making in action. They learn about business through experience. Other companies have been encouraged to join Rexnord in this project. Last year 50 companies provided jobs for teachers. Each teacher influences approximately 100 students each year. "Think how we could multiply these results if 100 or 500 companies got involved." (For info write Rexnord, pr dep't, P.O. Box 2022, Milwaukee, Wis. 53201.)

ITEMS OF INTEREST FOR PROFESSIONALS

Now names 2 non-pro's to head pa, gov't afrs. Company is apparently one of those which treats public relations activities as a general management function, contrasted

to those who see it as requiring special skills, training or background a la law, accounting or engineering. Brian Klumpp, named dpa, will have responsibility for "public relations & communications activities." M.C. Carpenter, dir of comns, will report to him. Klumpp's experience is in sales. Named dir of gov't afrs is Robert Dupree. He will be responsible "for managing Dow's major public issues & its interface with gov'ts at all levels." He is a chemical engineer. Both report to the president. Note that pa does not mean gov't rels (prr 3/8).

A differing opinion about corporate contributions is revealed in a new study. American Ass'n of Fund Raising Counsel found that 80% of the corporations increased giving in 1981. 75% plan to increase again in 1982. This contradicts the Conference Board survey (prr 3/1) which says only 6% will increase contributions. Further results of the AAFRC

DRAMATIC ARITHMETIC —

Public relations has available 5 languages -- spoken, written, graphic, regional & arithmetic. Last is least used because most understood. An example from Runzheimer & Co. (Rochester, Wis.) shows how, when deftly handled, figures & statistics can achieve two communication goals -- to be meaningful & memorable. In its quarterly bulletin the company recites this information:

An \$80,000 mortgage at 14.5% interest amortized over 30 yrs has a monthly payment of \$980. If you keep the house the full 30 yrs, you pay back a total of \$352,000. However, if you took out that same mortgage for 17 yrs, rather than 30, monthly payments would be \$1,058 & total payback \$215,800. Therefore, increasing your monthly payment by only \$78.00 would save you \$137,000.

survey show 8% cut giving in '81, 8% remained the same. Those who increased did so at an average rate of 16.9%. Looking ahead at the remainder of 1982, 8% said giving levels will decline, 6% will maintain '81 levels, and 6% are uncertain.

WHO'S WHO IN PUBLIC RELATIONS

PEOPLE. Monty Dennison joins Jay Rockey PR (Seattle) as sr ae... Equifax (Atlanta)

promotes <u>Thomas Maloy</u> to dpr...<u>Jo-Ann</u> <u>Zbytniewski</u> joins Rowland Co (NYC) as ae.

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CITIES -- LIKE PRODUCTS & IDEAS -- CREATE REPUTATIONS;
HOW INDIANAPOLIS USED CABBIES & HOSTS TO ESCAPE NEGATIVE IDENTITY

Marketing a city is tough. David Blackmer of Blackmer & Blackmer (Indianapolis) sought & won the challenge to do just that for his city. The problem was two-fold:
1) increase community's civic pride, and 2) create a positive national reputation.
"We proposed an aggressive, innovative & imaginative program to 'sell' Indianapolis."
His strategy: "Leaders were told no action would result in no change, and they agreed," Blackmer explains. His approach: 1) build a program of balanced reporting of the city's positive aspects, 2) organize unique, newsworthy events.

Because a cab driver is the first and last person a visitor meets, each of the city's taxi drivers was named a "goodwill ambassador" by the mayor. Seminars were designed to acquaint them with the city's attractions. A special concert was held for the cabbies by the Indianapolis Symphony Orchestra. All three major networks covered this event. The air time, if purchased, was valued at \$250,000 and had an estimated audience of 21 million people. "When have you had 3 tv networks come to your city -- other than for a political primary -- leave with a positive broadcast?" remarks Blackmer. It was a successful coup. "Goodwill ambassador" program was expanded to

UPGRADING YOUR PRODUCT —

"Targeting members of the media who visit our city for sporting events & other national events will focus attention on Indianapolis as a model of urban self-improvement and erase the city's former image as an isolated 'cowtown' or 'Indy-No-Place' (NYTimes 5/27/78). Fallout benefits are numerous: 1) attract new business; 2) increase tourism; 3) attract conventions; 4) encourage Indianapolis business to expand operations; and 5) rekindle pride, confidence & involvement in the city and its future."

2,000 hotel personnel who are also in direct contact with visitors.

A host & hostess system was created to extend hospitality to visiting journalists. Welcoming letters were sent to journalists in advance, explaining that their host & hostess would 1) entertain them in their home, 2) provide names, addresses & telephone numbers of their doctor, dentist & favorite maitre d', and 3) offer guided tours of the city. Result was many positive stories from visiting journalists.

Other promotional methods included: 1) pilots were asked to suggest activities in the city as their planes approached for landing; 2) traveling execs of city's major firms made appearances on radio & tv shows to talk about their city; 3) a "special edition" newspaper with stories emphasizing the construction of a downtown domed stadium was distributed at an NFL owners' meeting; 4) domed stadium's groundbreaking was beamed by satellite to 28 cities with NFL franchises; 5) 64 writers who cover the Nat'l Basketball Ass'n games received info on city's sports facilities along with an invitation to tour Indianapolis; 6) 100 top newspapers received a comprehensive "What's Doing in Indianapolis" feature.



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Expenses for this 8-month, 2-person campaign totalled \$40,000. A new awareness of Indianapolis' potential, achievements and growth resulted both in the community and nationally. Positive comments came from across the nation, especially in letters to the editor in local media from people astonished by the cabbies concert. Recent listing as an "All American City" by National Municipal League shows campaign didn't merely promote an image, it uncovered a vibrant city.

pr reporter

EVERY ORGANIZATION CAN GET IN ON HEALTH EDUCATION: HOT TOPIC #1, & PUBLIC STILL WANTS MORE

Do it as employee relations, community relations, productivity booster or -- if you're in healthcare -- as marketing & promotion. The public can't get enough information about health. From

10-15% of all reference questions asked of public libraries are related to health, reports Alan Rees of "InfoHealth Project." News media studies identify health stories/programs as their most popular. But "a lot of people can't get the information they want from their doctor. Either he doesn't supply it, or they don't know what he's talking about," Rees told The Chronicle of Higher Education. "It's not that the medical community doesn't want to give this information. People don't know what questions to ask. So they turn to the library or the newspaper or the television."

They <u>could</u> turn to businesses, nonprofits, trade ass'ns & others who want to establish reputations or improve their public relations. Every hospital should be deep into public education. Health is such a popular topic <u>any organization</u> can capitalize on it. One reason is skyrocketing costs. A Conference Board Study says health-care prices rose 94% between 1973-80. Another reason is the change of healthcare philosophy. Health & Human Services Secretary Schweiker says his agency plans "to make wellness instead of sickness" its priority. H&HS will launch a national health promotion campaign, which should draw even more attention to the subject.

Holistic health is the movement now according to social scientists. It's a "me-based investment," writes the editor of American Health magazine in its premiere issue dated March/April. Healthcare is "the biggest coherent industry -- from hospitals to drugs -- bigger than steel, autos or oil," he claims.

What topics to choose? Prof. Rees specializes in consumer health information, has compiled a rating system & book list. (Write him at Case Western Reserve University, Cleveland, 44106.)

FREE-LOAN TAPE SHOWS HOW BOTTOM-LINE PR AIDS MARKETING

The role of public relations in marketing is the topic of a free-on-loan videotape offered by Dudley-Anderson-Yutzy. Using practical examples from

both the consumer & industrial service sectors, tape illustrates how bottom-line public relations can expand the scope & impact of marketing efforts. It's particularly relevant at a time when rising costs of advertising are forcing marketers to look for alternatives in reaching an increasingly segmented market.

Method, as explained by D-A-Y, is to "determine strategies that will influence target audiences in prevailing economic & social climates. These approaches must be made acceptable to the 'gatekeepers' -- media channels & other influentials through whom messages pass to the public." Videotape illustrates this through case studies.

One example: To stir excitement & renew consumer interest in a product, a contest was promoted encouraging consumers to create artistic expressions with the brand's distinctive bottle. In an off-beat way, sales were stimulated & consumer interest revived. (Inquiries to D-A-Y (West), 4966 El Camino Real, Ste. 101, Los Altos, Calif. 94022.)

- HARMFUL SEMANTICS? ANOTHER VOICE QUESTIONS "AGENCY" TERMINOLOGY -

Only within recent years have public relations counseling firms called themselves "agencies." At one time it was unthinkable. There can be little rationale for a public relations firm adopting the term "agent." The ad agency is normally "entrusted with the business of another" -- which is the common definition of agent. They buy space or time in the name of accounts they handle.

The only justification for use of agency by a public relations firm is that we release statements in the name of clients. One of the few points practitioners seem to agree upon is that public relations is a management function & cannot be successfully delegated to another. Therefore, the public relations counselor cannot become an agent to do the job of his client. It is certainly inconsistent with the function of counseling top operating heads of organizations on matters dealing with human relations.

-- Roy Leffingwell, chrm
Int'l Public Relations Ltd. (Honolulu)

FUNDING NONPROFITS BRINGS BUSINESS RETURNS IN SALES \$\$, STUDY FINDS

Forget altruism. Corporations should support nonprofits because they make a ton of money from them, says a Yale study. No less than

\$42.6 billion in goods & services were sold to the 300,000 nonprofits in 1980 by Corporate America. In turn, corporations purchased only \$3.7 billion of nonprofits' services.

Nonprofits put mucho cash into the economy for individuals to purchase goods & services offered by corporations. They employed 5.6 million in '80, had a payroll of \$75 billion, spent \$129.2 billion. "The findings provide a dollar-and-cents justification for business to support philanthropic organizations, quite apart from altruistic considerations such as wanting to do good," says Gabriel

——— NONPROFITS	ARE GROWTH SECTOR —
Sector	Change in GNP Share 1960-75
Business	Down 6%
Government	Up 26%
Nonprofit	Up 52%

Rudney who did the study. (For copy of study, "A Quantitative Profile of the Non-profit Sector," write Yale Program on Nonprofit Organizations, Institution for Social & Policy Studies, 154 Yale Station, New Haven, Ct. 06520.)

TEACHERS ARE MAJOR INFLUENCERS
BUT HYPE DOESN'T WORK IN THE SCHOOLS;
TEACHER/BUSINESS PRGM DOES, REXNORD REPORTS

On-going effort by Rexnord to encourage individuals to take an active role in solving the problems facing society (prr 12/5/77) takes on

greater importance as a result of administration's budget cuts. Private sector is being challenged by gov't to get involved in solving the problems of its states & communities. Rexnord's Citizen Action Program encourages involvement and provides needed tools.

Essential effort of prgm is to increase public's confidence in American business. One major target is schools. Student attitudes are guided by teachers. From Rexnord's experience, teachers are seldom supportive of business. Few have business