

¶ **Implications** could be heavy for advertising & psas -- which could lose even more viewers. Also could stimulate trends like couch potatoism. Impact for networks & cable competitors who don't adopt technology could be great.

¶ **Meanwhile, Another Interactive Medium, 800 Numbers**, gains foothold among consumers who consider them fast & efficient shopping tools. A Better Homes & Gardens survey of 1000 readers shows 73% consider them the fastest way to get info or place an order; 55.5% say they are a boon to companies as a way of getting consumers to buy; 33% say companies don't use them enough.

ITEMS OF INTEREST TO PRACTITIONERS

¶ **Eco-Crisis Spawns New Organizational Title, "Environmental Officer."** The city of Scottsdale, Arizona just appointed one, and his position is to "establish & promote citywide efforts in conservation and environmental protection & enhancement." New recruit's background is in environmental studies & city planning -- he'll be paid approximately \$50,000. A main charge is to serve as central source of info for all city departments on environmental issues. When prr asked if a pr practitioner could ever be considered for the position, we were told, "No, not at all. We'd look for someone who had some training on regulations and environmental issues." Then, after a crash definition of the profession, "perhaps if the pr person had training in other disciplines."

¶ **Era Of Journalists Torturing Practitioners Is Over**, counselor Daniel Edelman told a gathering of the Newman Partnership (Columbia, SC). "There's probably never been any field which has had to fight harder to establish its place in the sun.... Reporters took pleasure in tormenting pr people and treating them with disdain." Now however, pr is finally being understood. "It has broadened its scope of activities to include marketing, fin'l rels, government & public affairs & crisis management." Next thing practitioners must learn to master, he says, is the balance sheet. A well-rounded liberal arts background just won't cut it.

¶ **Canadians Reluctance To Express Party Preference** is explained by one reader, Giuliano Tolusso of Toronto: "Canadians tend to be a cagey lot. We're reluctant to tip our hand too soon, even days before an election. Witness recent win by the New Democratic Party in Ontario (prr 9/17). **Voters do have to register to vote, but they don't have to express an affiliation.** We love to discuss politics, but we're less enamored by the 'my party, right or wrong' philosophy."

WHO'S WHO IN PUBLIC RELATIONS

BIRTHDAY. Edward L. Bernays turns 99 on Thanksgiving Day, Nov. 22.
DIED. Lemuel Boulware, 95, GE vp-empl & pub rels from '56 to '61, famous in management literature as propounder of Boulwarism -- which he described as good relations with all

publics by "doing right voluntarily." But labor saw the non-negotiable offers GE made under the policy as anathema. **APPOINTED.** Ron Byler, Mennonite Board of Missions (Phila), as exec dir of Religious PR Council (Gladwyne, Penn).

FUNDRAISING IS AN ISOLATED PRACTICE USING OUTDATED METHODS; AUTHOR SAYS IT MUST BE BROUGHT UNDER PR'S DOMAIN BEFORE PUBLIC POLICY ISSUE ERUPTS; TURF WAR IS IMMINENT

If practitioners don't take charge of the fundraising function now, philanthropy could be in deep trouble, says Kathleen Kelly, U of Maryland, author of upcoming book on the subject. Fundraisers focus on dollar amounts & short-term goals. They use "old model" communication methods, i.e., press agency, and ignore secondary (but key) publics, organizational goals & relationship-building. The results could be disastrous.

HOW FUNDRAISING IS ALREADY LOSING GROUND

A) Congress is rethinking tax-exempt status.

"YM/WCA lost this privilege because many were acting like yuppie health clubs," Kelly told prr. "Only a small percentage of programming was going toward community services, improving lifestyle." Nonprofit hospitals are now under similar scrutiny. "They have been taking care of fewer poor people than for-profit hospitals, and have been more able to recoup costs. Congress is thinking of tying status to percentage of care given to the poor."

B) **Strings attached.** Fundraising should help organizations gain autonomy & work toward goals. But dollar-amount focus empowers donors instead. \$10 million gift to U of Denver exemplifies: donor specified money was to form "Bill Daniel's Institute" for MBAs to learn courtesy, dress, etc. "I guess I'm telling them what to teach, but goddamn it, it's time someone did!" says Daniels. "A separate entity must be formed, a curriculum must be arranged," says Kelly. Additionally, donation had to be matched by the school, diverting other fundraising efforts. In the longrun, academic freedom is lost & more money spent to maintain gifts. "Issue can get political -- if students don't choose to attend this institute, for example, courses could become required."

"In most charitable organizations, fundraising is not where it should be -- under the pr function. If pr had managed fundraising at the hospitals, it would have seen the organization was expected to care for the poor. It would have raised money to put aside for unwed teen mothers, AIDS victims, homeless, etc.. At the Ys, pr would have implemented community service programs, responded to legislators & kept the organizational mission at the forefront. Instead, fundraisers failed to create dialogue. Trend shows that pr's voice is muffled in nonprofit sector."

C) **Donors' charitable deductions may fall under fire.** Recent action cuts deductions for people who make over \$100,000 a year. "A ceiling has been set for the first time. No one is too concerned, but consider 20 years ago we all could deduct medical costs. Now, no one can."

FUNDRAISING TODAY ... is comprised of: a) research (25%); b) cultivation (60%); c) solicitation (5%); d) recognition (10%). The solicitation makes up 5%, this is the task most fundraisers define themselves by. It differentiates them from pr, they say, tho practitioners consider it another 1-on-1 relationship. Already, 60% of what fundraising does is pr -- i.e., communication with a behavioral objective.

A NEW FUNDRAISING APPROACH FROM A PR PERSPECTIVE: "DONOR RELATIONS" Kelly proposes that fundraising be a specialization of pr, that the paradigm of the profession shift to include donor relations. "The tie between donor & recipient organizations must be seen as not a benevolent or business relationship but as an inter-dependency which involves exchange. This process requires management & negotiation -- with autonomy for the nonprofit a goal." Over 50% of fundraisers rely solely on **press agentry**, intense campaigning using emotional appeals, to raise money. Knowledgeable practitioners could employ 2-way symmetrical communication to go beyond awareness and affect attitude & behavior.

WHY PUBLIC RELATIONS? Why should public relations, rather than marketing, human resources or community relations be the discipline to manage fundraising? "Human Resources' main interest is the internal public. Marketing only supports marketing goals. Community relations would focus on the community. Public Relations is the only discipline with the overview that can rate performance & respond to all publics." Including:

1. **Donors.** Like investors, donors provide a link to top management. PR would be responsive to their interests, e.g. bottom-line impact, tax exemptions, image, etc. This issue has always been sticky for fundraisers. Since charity is supposed to be for public interest, personal motives of donors go unmentioned. But pr sees process as quid pro quo.
2. **Internal Publics.** In the Daniels case, pr might have seen the strife -- for faculty & students -- created by the gift. Organizational goals were shunted aside for prestige of large donation. PR might have questioned the gift due to morale & academic freedom factors.
3. **Community Publics.** PR would be able to recognize whether an arts center or university was catering to community needs. PR would open dialogue before advocacy groups form around issues & seek government intervention, e.g., to cut public funding.
4. **Legislative Publics.** Practitioners are keyed in to the government angle on funding issues that would affect their organizations.

How can pr make the leap? Kelly says the important thing is for practitioners to keep up what they're doing: a) managing pr strategically -- not with special events, or media, but rather interdependencies of various publics, elevating the function to management level. Also, b) educate themselves about fundraising. Just as investor rels has a jargon of its own, so does fundraising. Practitioners should learn it, become acquainted with the donor public, get experience. "Unless we move now, fundraising will be lost forever."

FROM PRSA CONFERENCE: A PERSPECTIVE ON FINANCIAL RELATIONS

¶ **Interesting find:** NY Stock Exchange is having trouble with the youth public, has stepped up class tours etc. "The interest level is down," admits a guide. "Kids aren't curious about the Exchange. For some reason, 6th graders show the most interest, so we're trying to focus on programs involving them."

¶ **Perception v. Reality Flash:** Most people get to see NYSE on news programs on a crisis day -- loud, surly brokers, gesturing, foaming at the mouth, throwing papers around. prr got a glimpse of the floor before & up to belltime; a mini shock to see brokers, traders, pages all standing around gabbing. With its many stations, hanging flags & cavorting crowds, floor resembled a giant cocktail lounge more than the tv-bred image of the stock exchange.

¶ **Investor Relations Section Luncheon** included panel discussion on how to respond to & coordinate pressing social & financial issues. Field's jargon (proxy rules, greenmail, "Wall Street Walk," blank stocks, parachutes, tender & tether) might be what's scaring kids off.

¶ **A Wall Street Journal Editor** told of problems. "Thing's aren't great at the Journal. Ads are down, profits are down, we have a vigorous early retirement program in effect & there are rumors of staff cuts." It will be a smaller WSJ without so much news hole. Editors will be even more selective about stories, placement will be more difficult.

HOW MOST PASSIVE OF MEDIUMS -- TELEVISION -- BECOMES INTERACTIVE

The idea of interactive tv was conceived in 1971, when a report for the White House examined the technology's potential. Since then several attempts have been made to get the idea up and running. Poor results were linked not to the technology but to a lack of application -- would people use it?

Canadians are finding uses. Montreal cable company Videotron offers "Videoway" for \$16 a month. "Viewers can edit newscasts," Jean Paul Galerneau, dir communication, told prr. "If you're interested in the Persian Gulf crisis, you can watch hours of up-to-date news reports on that one issue. If you're watching a baseball game and would like a different camera angle, or a close up of a certain player's face, you can get that, too." All that's needed is a converter box and a remote channel changer. Videoway subscribers can choose among 88 services, 25 games & 13 hours of daily interaction. Service, launched in January, has 30,000+ subscribers.