

Reporter queried Schmertz about his reaction to the anti-big-business ideas of actress Jane Fonda. "I just don't think this country is ready to let a movie star make energy policy," Schmertz responded. "How about Ronald Reagan?" reporter asked.

WHAT'S GOING ON THAT PRACTITIONERS NEED TO KNOW

Useful evidence for public relations futurists (issue anticipators, strategic planners, trends analysts) is article in Oct. 29 Business Week. Titled "Capitalizing on Social Change," it gives both sound theory and related case studies to prove need for & benefits of forecasting social & political change. Reports on activities of Diebold, Security Pacific Nat'l Bank, IU Int'l Corp., Mead, Velsicol Chemical, Sperry, Allied Chemical, examines rationale & effectiveness. One goal: getting in touch with publications & groups which "usually run counter to the way corporate America thinks." Lead paragraph sets tone: "When it comes to predicting the future, most managers have long been preoccupied with financial plans and economic forecasts, nearly to the exclusion of any attempts to foresee many long-term social and political changes that can affect their operations dramatically. Yet many have found that such social shortsightedness -- particularly in an age of consumer activism and societal protest -- can be just as costly as laxity in tracking economic trends." (Copies from prr.)

"Independent sector" is new codeword for "voluntary," "nonprofit" or "charitable" organizations. New outfit by that name is being formed to push charitable giving, lobby against gov't intrusion. Also, Nat'l Council on Philanthropy is calling its 25th anniversary conference "Independent Sector: Reflections & Directions."

First employment & search firm in South for pr personnel is Jean William Brown Incorporated, 3300 S. Gessner, Houston, Tex. 77063; phone 713/974-7474. Longtime ad agency exec announces he will deal "exclusively in marketing/communications, advertising & public relations" jobs.

WHO'S WHO IN PUBLIC RELATIONS

PEOPLE. Thomas M. Gibson appointed dir for prof'l development for PRSA. He will be responsible for the society's new career development emphasis in local chapters, districts and sections...State Street Bank (Boston) establishes new pub affrs div headed by Daniel Morley, vp, assisted by Brenda Jackson, pub affrs

ofcr...Bruce Butterfield, asst vp Insurance Information Institute, to manage D.C. operations.

FIRMS. Dan J. Forrestal, pr counselor (Clayton, Mo.) affiliates with Gary Ferguson Public Relations (St. Louis) as sr counsel.

RELENTLESS NICKNAMES

Dear Sirs:

Your September 10th issue of pr reporter carried a boxed item on undesirable nicknames for airlines. You stated Allegheny's change to US Air "should prove safer."

I have to report that, after a recent trip to Pittsburgh, my parents returned to confirm that Agony Airlines was now called Useless Airlines. Apparently this nickname hit the streets (or the runways for that matter) minutes after a decision was reached on the new name.

One is never safe.

Sincerely yours,

Ana C. Borgersen
Account Executive, Daniel J. Edelman PR
(NYC)

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ACTIVISTS AIM AT NUCLEAR FINANCING, ATTEMPT TO CLOSE STOCK EXCHANGE; IS A CRISIS EASIER TO HANDLE WHEN YOU KNOW IT WILL OCCUR?

"Take it to Wall Street. Stop nuclear investment, fund human needs" reads leaflet by The Manhattan Project. Nationwide coalition of anti-nuclear groups hopes to close NY Stock Exchange today by blocking entrances. Date is 50th anniversary of stock market crash in '29.

Spokesman Robin Reed told prr "the whole mechanism" used for previous nonviolent actions has been underway for 3 months -- including training sessions & organization into affinity groups. (See prr 6/12/78 for complete program.) Ad in Win magazine states: "nonviolent training required" to participate. 32-pg handbook outlines issues including "the speculative financial underpinnings of the nuclear industry." Peacekeepers, legal teams & medical support will be on the scene, Reed noted -- an integral part of presentday activist strategy.

prr asked Chuck Storer, asst vp-pi, what NYSE's plans are. "We intend to remain open," he said, noting action as announced will be outside the building...and "The Exchange counts on the police to take care of what happens" there. Except for potential strikes when union bargaining deadline nears, NYSE is not often involved in civil disputes, he pointed out. Representatives from Manhattan Project came to talk with NYSE officials, asked that 61 stocks be delisted. Storer said delisting criteria were explained to the group, but none of the stocks met the criteria. He said leaflets being passed out on Wall Street last week looked like stock certificates, listed the 61 stocks -- mainly utilities, oil companies, atomic industry.

Storer reported very little publicity in NYC on the threatened stoppage. But he had calls from San Diego and Illinois. Usual activist technique is to create huge media buildup. By coincidence, however, Wall Street Journal ran lead articles two days last week reporting on major problems caused utilities by atomic plants. One blasted public relations of Virginia Electric & Power Co., termed "Neanderthal."

Manhattan Project sent letters to 1336 Exchange members warning of action. "Support of nuclear technology will not be tolerated." Companies supporting nuclear, "including branch offices," will be targets of future demonstrations across the country, letter said. First Nat'l Bank of Boston's boardroom was occupied Aug. 31 in kickoff aimed at nuclear financing. Crowd of 200,000 rallied at NYC's Battery Park few weeks ago to protest nuclear plants & weapons.

TREND: ANOTHER COMPANY REFUSES TO TALK TO REPORTERS WHO DON'T HAVE TIME TO LISTEN

cancer. CEO John McKinney told PRSA's Colorado chap. company found it difficult getting balanced coverage of emotionally charged, technical issue. Reporters had

Johns-Manville, leading manufacturer of asbestos products, has faced trial by press ever since gov't reports began linking material with

tight deadlines, never time to listen to J-M's side of story. So J-M overhauled its policy of handling media inaccuracies. (See prr 10/8.)

prr asked Curt Linke, sr. dir. corp rels, for new guidelines. Linke said J-M's "Reserved Cooperative Approach in Working with Media" was designed for press which is 1) uninformed on health & science topics and 2) doesn't show willingness to give couple hours needed to hear facts on complex issue:

1. If reporter calls & deadline is too short to lay out company's case effectively, no-comment or "uncooperate." Do not help legitimize story as objective.
2. If pr person detects by reporter's questions that story is already written, refuse to cooperate. Chastise reporter for lack of objectivity & fairness.
3. For tv programs, learn number of people to be on show and who they are before committing to appear. J-M will not participate if more than 3 people because there won't be enough time to present company's story. Medium is surfacy anyway.
4. When media runs story which is totally unbalanced & unfair, respond to it promptly with letter or phone call.
5. Sales force & other non-media sources act as early warning system, alert corp rels to local media questions. PR responds by initiating call to press instead of waiting to see what develops.
6. Corp rels covers all key events on subject -- whether trials, gov't testimony, science conferences, OSHA hearings. Goal is to learn -- and work with media.
7. J-M has installed direct phone line to Denver HQ for Washington media -- with 7 digits -- to help meet their deadlines.
8. Materials are kept not only at HQ but in D.C. office & at NYC pr firm. If media calls from NYC or D.C. and has a day to do story, company has package of position papers delivered immediately.
9. PR gives AP, L.A. Times, N.Y. Times special attention. "Their coverage has been most fair & balanced" altho "company hasn't always agreed."
10. PR responds to every phone call immediately & promptly.

TEXACO PRINTS EMERGENCY PLAN IN INTERNAL PHONE BOOK

(The following paragraph describing a useful emergency pr technique was omitted from last week's issue.)

Texaco's internal phone book devotes 3 pgs to company's emergency plan. Four types are carefully described: 1) group demonstrations, 2) threats of violence (bombing & incendiary action), 3) general emergencies (explosion, riot, civil disturbance, power failure, fire, medical) and 4) security (protection of personal & company property). Texaco uses floor wardens, area wardens & group leaders as contact points. Specific instructions explain who & when to call, give special numbers. In bomb threats, person receiving threat is urged to report message "verbatim, if possible." In medical cases, dep't representative is instructed to wait in elevator lobby so can guide doctor quickly to patient. (For text, write prr.)

GEORGESON OPPOSES SEC PLAN TO OPEN UP PROXY RULES, SPOTLIGHTS "NOMINAL" HOLDERS

Increased shareholder participation, more specific instructions to management & increased corporate democracy are ostensible goals of gov't proposal. Shareholder relations firm responds: "We have

never discerned during our extensive contacts with shareholders any sense of disquietude." Malaise among investors "is not due to dissatisfaction with proxy soliciting procedures or matters of corporate governance." Firm feels paperwork overkill and balloting nightmare could result.

Georgeson divides stockholders into three categories: 1) individual shareholders who purchase for investment; 2) indirect holders or institutional investors such as pension funds; and 3) "nominal" shareholders. Latter are described as "those who have purchased or hold minimal numbers of shares for the primary purpose of espousing particular causes, relating sometimes to matters of corporate procedures & practices, but increasingly to social, moral and environmental issues beyond the capacity of any single corporation to resolve because of the broad impact of these issues on society generally." Commission's concern with corporate governance is ascribed to vocal nominal shareholders, whose numbers are insignificant in comparison to millions of investors, firm believes.

An Opposing Viewpoint

However, Harvard Business Review article (Sept-Oct issue) reveals shareholders themselves are more sensitive to corporate governance proxy issues than any others. Georgetown U. biz prof Theodore Purcell studied 130 shareholder resolutions offered by activist groups this year. Of 64 brought to vote, 46 got enough support to survive for another vote next year. Corporate governance was most popular among these categories:

<u>Corporate governance:</u>	11 resolutions, 8 survive for 72.7% carryover
<u>Nuclear issues:</u>	7 resolutions, 4 survive for 57.1% carryover
<u>Redlining & related issues:</u>	4 resolutions, 2 survive for 50% carryover
<u>Equal opportunity & labor issues:</u>	4 resolutions, 2 survive for 50% carryover
<u>South Africa:</u>	26 resolutions, 9 survive for 34.6% carryover
<u>Trade with repressive gov'ts:</u>	12 resolutions, 4 survive for 33.3% carryover

All resolutions were defeated, however. Study merely shows trend.

MOBIL'S SCHMERTZ BLAMES PRESS FOR OIL INDUSTRY PLIGHT, FINDS MEDIA HAVE LAST WORD

Herb Schmertz, labor lawyer turned vp for pub affrs, got into this exchange in front page interview column of Detroit Free Press:

Q. Some of the recent public opinion polls seem to contradict the acclaimed success of your advertising campaign. Last May, 77% of the people polled at that time called the gas shortage artificial and said it was deliberately caused by the oil companies.

A. That merely belies the success of newspapers more than us. If, six or seven years after the 1973 oil embargo, the people think that the whole thing is a hoax, then somehow the surrogates of the public failed...to provide the public with enough information to make the judgment another way. It's really the press that's failed.

Q. What do you think are (the press's) major shortfalls?

A. The major shortfall in my opinion is that the press has totally missed the most important story: The manipulation of the energy issue for political purposes by various politicians.