

To prr Pickens writes: "Your January 14 article contains several factual errors. You state that Phillips 'bought back Pickens' stock' to thwart Mesa Partners' tender offer. First, it is not my stock. The Phillips securities are held by a partnership including Mesa Petroleum Co., of which I am an employee and only one of many shareholders.

"Your article cites two unattributed & inaccurate 'news reports' about Mesa and Phillips. The first report states that a Mesa representative bought 50 Boone-Buster T-shirts for the company's Christmas party. The item has no basis in fact. The second item indicates I was startled by an encounter with a man wearing a Boone-Buster shirt in an elevator. While I did observe an acquaintance wearing a Boone-Buster shirt in a New York hotel, the encounter was amiable and a source of amusement for both of us. Incidentally, we were not in an elevator."

SEMANTICS AT WORK

After a crackdown on porno shops in Indianapolis, one astute operation changed its name to Museum of Adult Literature. Funny... but it shows the technique does change the perceptual base of a subject.

*Language*

Editors here received his letter as friendly. Be more careful, it asks. Don't take as fact what media prints. Beware symbolic events where there weren't any. Incidentally, the motto of Mesa Petroleum (of which Pickens is pres) is "The Shareholders' Company."

TWO ANNUAL REPORTS STAND OUT FOR THEIR UNCOMMON DESIGN

1) Grumman takes a newspaper approach. Tabloid size pub'n carries articles & pics that have the familiar appeal of a daily paper. 3/8" letters broadcast front-page headline: "A-6, F-14 Fly Into 1990s With \$1.14 Billion Upgrade." Large color photo, financial highlights & 2 story teasers, continued elsewhere in the AR, fill the front page. 20-pg pub'n is basically b&w. Pages hold 4 columns with 4-color photos interspersed. (Copy from Grumman Corp, Bethpage, NY 11714)

2) Cooper Industries' AR looks like a scholarly document with a grey-blue, heavy mat-paper cover carrying only the company name. Exterior has the look of a college thesis -- radiates factual appearance rather than typical high-gloss glitze. Interior's first page & last 24 are printed black on grey mat paper. Subheads are done in blue. Type is thin & elegant. Pages 3-30 are white, glossy textured with the same elegant print style & colors, along with scattered 4-color photos bordered in grey. Glossy pages tell company's story; mat pages carry financials. (Copy from them at First City Tower, P.O. Box 4446, Houston, Texas 77210)

WHO'S WHO IN PUBLIC RELATIONS

DIED. John F. Moynahan, comms ofcr for the Manhattan Project during WWII, later head of his own firm, from which he retired in '76.

AWARDS. Philip Lesly (Chi), counselor & editor of prr's supplement, managing the human climate, receives National

Public Relations Achievement Award from Ball State U (Muncie, Ind.)...Linda Steward (Cox Broadcasting, Atlanta) & Louis Williams Jr (Savlin/Williams Assocs, Evanston, Ill.) win Fellow Award -- IABC's highest honor bestowed upon a member.

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IS LESSON OF AT&T BREAKUP ABOUT LIMITS OF PUBLIC RELATIONS?  
"OPEN & HONEST" NOT ENOUGH, SAYS CHET BURGER, MUST BE PROACTIVE;  
CREATING FAVORABLE PUBLIC OPINION MAY ONLY ACT AS "INSURANCE POLICY"

What lessons can we learn from the breakup of AT&T? "If Bell's excellent [public relations] attempts were unsuccessful, does that mean we're kidding ourselves as to our contribution to a corporation's success?" Curt Linke (Manville Corp, Denver) asked last year in PR Journal. His question spawned a seminar last week at Boston U College of Communication. Chet Burger, counselor to the Bell System for 29 years, addressed the issue:

1. "Public relations cannot overcome a trend in public opinion," Burger told 250 attendees. AT&T's pr resources were unsurpassed, with several thousand full-time people. Budget was in 9 figures per year. Communications included 184 newspapers & mags, bulletin boards, hot lines. "I can't see how bigger could have been better."

2. He noted AT&T's tremendous commitment to the public interest. Its organizational culture was one of willingness to serve the public. Its fundamental philosophy was "universal service" -- meaning everyone ought to be able to have a phone. To do this, it kept basic rates low but charged extra for long distance. During the 60s & 70s, this rate system became the curse of the company, Burger explained. AT&T tried to show that while it overcharged by \$7 billion on long distance, it undercharged by the same amount on local calls. No one believed it.

3. Tide of public opinion is influenced by the times. Americans

Tobacco industry is in the same place AT&T was, believes Burger. "Regardless of any merit or lack of merit on the industry's part, public opinion has turned against smoking & smokers. There is no longer doubt in anyone's mind, and there's plenty of research to prove it, that people who smoke are killing themselves. The reason they smoke is because they haven't been able to stop. That being the case, how long is the Tobacco Institute going to continue telling us, with any credibility, that it isn't proven yet? How long can tobacco companies continue to pour millions of dollars into the fine arts and expect that will buy off people of culture and diminish their opposition? I suggest it's a lost cause.

"If the tobacco industry could learn anything from the AT&T breakup, it should be that you cannot overcome a fundamental trend in public opinion. Probably the smartest thing they could do would be to recognize times have changed and stop advertising. Continue to supply those who enjoy smoking, but no longer promote the sale of it. That would immediately remove the industry's onus and the threat of federal prohibition or regulation. But I don't think the lesson is learned yet."

*Pub Opinion*

*Business*

*PR General*

*Pub Opinion*

*AR*



were against the Vietnam War, growing distrustful of gov't. Watergate offended public opinion. Profound public distrust of any large institution was engendered. When AT&T presented its case, no one was willing to trust this big institution. The lesson Burger draws is that if the larger constituency believes corporations are crooked, then it's impossible to tell your own constituents you're telling the truth.

4. Another lesson is learned from AT&T's "compulsion toward ethical standards." Its pr people resisted going to media to sell a story. They were open and provided info when asked, but wouldn't be salespeople. "In the media of today, that doesn't work. There's very little interest on the part of media in finding out how the many aspects of our society function."

"Public relations people shouldn't believe they have all the answers. Nor should they believe they have the capacity to produce solutions to all the problems. If there is anything that emerges from this experience of the largest corporation being torn apart like a public enemy, I think the lesson is that there are limitations to public relations. Just getting the information out, being open and honest isn't sufficient. Sometimes you cannot win if the currents of public opinion are against you."

Public Relations' Limits: Real or Imagined?

"Real and imagined," feels Jan Van Meter (Hill and Knowlton). He postulates 7 limiting factors:

1. Inadequate professionals. Partially due to the founders of the profession -- journalists. Too many practitioners aren't aware that "a message sent is not a message agreed with or acted on."

2. Experience trap. Safety wins out over imagination when hiring, resulting in job-cloning. When you hire a copywriter with experience, frequently what you end up with is a burnt-out copywriter. The best speechwriter he ever hired had a degree in philosophy.

3. Client/employer. Their lack of understanding what public relations can do and their fear to make a move.

4. Failure to recognize force of history. Public relations can't disguise poor performance. It can't change the tide of events at a crisis. (Continued Pg. 3, Col. 1)

¶Otto Lerbinger (BU prof & prr publisher) is an optimist about public relations. Public opinion is the "ultimate determiner." Creating favorable public opinion acts as an insurance policy. The public's goodwill works for you in bad times. He noted how, during the breakup of AT&T, the public was willing to stand on the sidelines and let AT&T work things out with the gov't. They would only blow a whistle if their interests were violated. In that sense, AT&T's pr paid off, Lerbinger feels.

He believes public relations' potential can overcome limits. But to do so, professionals must:

1. Pay more attention to external environments. Scan & monitor mature issues as well as identify emerging issues.

2. Be more qualified. Seek & understand new challenges of the field. Pay attention to the bottom line. Know the manager's concerns and deal with them. (Continued Pg. 3, Col. 2)

(Jan Van Meter continued)

It can make the people involved look wise or foolish.

5. Unwillingness or inability to prove public relations' effectiveness. The pr activity is often confused with effectiveness. We need research to provide analysis of where we are, so we can get to where we're going. Unwillingness to do research is due to 1) fear of finding out our efforts are worthless or 2) because we lack the skills.

6. Lack of intellectual underpinning to public relations. Scholarship is expensive & time consuming. But it's needed for our profession to have serious credibility.

7. Public relations' poor reputation.

¶Ardith Rivel (Yankelovich, Skelly & White), whose speciality is survey research in financial public relations, believes financial pr can 1) broaden the shareholder base creating demand for a company's stock & 2) keep supply of stock less than demand, thus keeping price high. What it can't do is create demand for a bad company. "Decide who & what your organization is, how it wishes to be perceived. Take the external environment into account by doing research. Then tell your story, putting the organization in the best light." (Good advice, tho he didn't follow it. For an audience of many women, he still used two metaphors that were objectionable to women and raised boos from listeners.)

Media General

T. BOONE PICKENS DIDN'T ACQUIRE PHILLIPS BUT HE KNOWS ABOUT STAGING DRAMATIC EVENTS, THEN USING THEM TO SHAPE PERCEPTIONS

to-the-editor that did not complain about being called a "raider" or pictures of him wearing a bandit's mask. Instead, his themes are 1) that the term raider is now in the language and can't be undone, and 2) that being one helps evolve corporate democracy, whereby managers stop acting as if they had no one to account to.

(Otto Lerbinger continued)

3. Become part of line management. Public relations must be "part of the computer, not just the printer."

4. Learn how human behavior works. Behind public opinion are individuals. Understand how they form their opinions/attitudes.

Crises are opportunities, he says, for bringing the value of public relations to the attention of line management.

¶Public relations' limitations are caused by its limited scope, according to Bradley Stroup (Data General). He identifies 4 societal forces -- business, labor, gov't, media. The lack of effective public relations from one to the others is the cause of problems. His prescription is "strategic public relations" and not just limited to the pr dep't.

For his system, key constituencies are a) customers/voters, b) competitors, c) employees, d) investors, e) communities. The media to reach these constituents are 1) press (electronic & print) buttressed with advertising, 2) consultants, 3) elected representatives (gov't), 4) employees, 5) security analysts, 6) industry/trade ass'ns or political parties. Public relations should address these six. Limitations come because it doesn't.

Perception might

After garnering cover stories in Time, Newsweek, Business Week & just about everywhere else, he carefully followed up with letters-