

ANNUAL REPORT SURVEY REVEALS COSTS "There is a lot of confusion in the marketplace about getting a handle on annual report costs," says Andy Edson, svp, Padilla Speer Beardley (NYC). "Since we create about 20 a year, we had a keen interest in finding out." PSB polled com & investor rels execs at 300 major corporations. Findings indicate the average 1988 AR cost about \$3.52 per copy -- excluding mailing costs. Prices ranged from \$1 to \$6 -- the longer the press run, the less expensive. Survey also reveals:

1. Average AR is 44 pages long;
2. 40% are mailed to individual shareholders;
3. 11% print AR or highlights in foreign languages;
4. 50% mail 1st class, 17% 4th class.

(For copy of survey results, use letterhead to write Padilla Speer Beardsley, 950 Third Ave, NY 10022-2785.)

ITEMS OF INTEREST TO PRACTITIONERS

¶ New Clutter Cutter -- Talking Mail. Imagine opening a promo piece & hearing Karl Malden, or a train whistle. MailCall is brainchild of Structural Graphics (Essex, Conn). According to Target Marketing, it can play melodies, emit sounds (breaking glass, etc.), mimic voices. A speaker, concealed in the card, is activated by the turn of a page. Messages can be up to 20 seconds long, cost \$6 per piece. (Sounds high compared with greeting cards using same technique.)

¶ Nonprofits Are On Notice -- Congress, IRS & Independent Sector advise they inform donors of actual amount of tax deductibility of contributions. "Only that portion of a charitable contribution which exceeds fair market value of a 'premium' or other substantial benefit given to the donor in exchange for a contribution is considered to be a gift & is therefore tax deductible," says IS tax guide. Since some charities have been misleading (or at least not informing) donors regarding deductibility of contributions, all charities may be subject to penalties if abuses continue. IRS wants nonprofits to state fair market value of premiums donors receive. That coffee mug or t-shirt they sent to say thanks may cost you -- & them!

¶ Marketing Still Flies In The Face of Relationships in many companies. Burroughs-Wellcome was questioned about the huge costs to AIDS victims of the drug AZT. Highlighted was fact company will make \$3 billion from the drug -- mostly developed by US gov't R&D. Yet those who need it are charged \$1.80/pill, about \$8,000/yr. Smiling into the camera, company spokesmen didn't even blush when he said prices were "what the market will bear." Predictable result: Congressional or regulatory action.

HOLLYWOOD GEARS UP FOR A MAJOR ENVIRONMENTAL CAMPAIGN, TIP OF THE ICEBERG ON UNDISPUTED NO.1 ISSUE

Last year it was AIDS, before that World Hunger, and before that Feed the Farmer. What is Hollywood hot on this year? Environment is the new theme -- and that involves more than Meryl Streep denouncing Alar on "Donahue."

Until recently, Tinseltown was vague on environmental issues. Then came disclosure laws in '86 -- passage of which was touted by Jane Fonda. When chemical emissions were revealed, Heal The Bay formed, a group pushing to curb dumping of sewage & toxics. Next was Calif's Air Quality Mgmt Plan, calling for sharp reductions in auto & industrial emissions.

Now a bevy of stars & starlets is banding together in a huge campaign to increase awareness. Vanity Fair mag: "It makes sense that Hollywood's communicators are the most zealous of the new environmentalists -- suddenly aware of the power they wield to beam ecological realities to the largest possible audiences in the critical next decade." Anyway...

What's in the works:

1. New groups are forming: A. Environmental Media Ass'n, started by Lyn & Norman (of Archie Bunker fame) Lear, will expand coverage of Earth Day 1990 to int'l proportions.

B. Earth Communication Office, formed by veteran activist Jeremy Rifkin, has a membership full of screen notables -- many of whom made \$5,000 annual commitments. Goal is to get info "shot out into the globe."

C. Rainforest Action Network -- "Save The Rainforest" is popular cause.

2. PSAs featuring stars at the sets of their most famous films.

Should organizations with disclosure problems panic? Clout of the California set is doubtful when one considers that mass-mediated messages have a weak effect on behavior. And Hollywood is a fickle town. Ask the farmers, for whom celebs raised money during "Farm-Aid." Now they're being devastated by celebs' anti-Alar campaign.

But James Thornton, sr atty Natural Resources Defense Council, maintains this time it's for real. "I don't think this is a fad," he told pr. "This involves their community, their lives." Where did smog first get noticed?

3. Messages slipped into the context of TV shows, movies, cartoons.
4. Research library on environmental issues will be provided scriptwriters.
5. Musical Tours: Madonna, impressed by the fact that every second a football field size of forest disappears, headlined benefit concert "Don't Bungle the Jungle!" Rocker "Sting" tours the globe flanked by Kayapo tribesmen to raise money for Brazilian rain forest.
6. Series & movies with environmental themes. Directors & producers are vying for story of Chico Mendes, Brazilian activist assassinated while campaigning to preserve the rain forest.

In This Case, Celebs Not The Trendsetters Since Title III, organizations & communities have been entrenched in environmental issues. What Vanity Fair fails to mention is, despite its high-beam potential, Hollywood is a latecomer. Thornton says despite fervor & proliferation of small coalitions: "As of now, there's no nat'l environmental group with a major office in LA." Celebs are catching a national fever.

Recent news items to show portent:

¶ Poll shows since the Valdez spill, 80% of the public supports protection of the environment no matter the cost.

¶ Grassroots groups are forming everywhere. Last year, Nat'l Toxics Campaign (Boston) listed 600. As of summer '89, number is double. Target is usually pollution by local industrial plants -- once respected as area employers, they're now vilified. Groups file suits & petition legislature, or negotiate directly with plant management. An Akron community group conducts plant inspections.

¶ Plant workers wrestle loyalties as they see toxins affecting homes & schools. Some provide activist groups with inside info.

Sirota, Alper & Pfau (NYC) surveyed 100 mayors from large- & medium-sized cities nationwide:

¶ Over half (51%) say best way corporation can win mayoral support is thru commitment to the environment. "Ethical behavior" came in first at 71%, a response which probably includes environmental issues.

¶ Mayors are most dissatisfied with a) lack of honesty in communicating with the community, b) environmental protection procedures.

"We asked them what type of companies they want in their communities and why," SA&P's Mary Berry told prr. "Then based on the characteristics they gave, we asked them how they rated the companies currently in their communities. We were somewhat surprised that they rated ethics & environmental issues ahead of community philanthropy & cultural support."

Of Related Interest....

¶ Don't Just Disclose, Explain, advises practitioner W. David Stephenson in a Boston Globe column. "A wise company should do more, place the statistics in perspective." For example, a computer manufacturer should not only report that it uses toluene as a solvent, but also tell why it's needed, what precautions are taken, what it's doing to find substitutes & reduce amount used.

"PARENT TRACK": SURVEY FINDS FAMILY TIME NOW MORE IMPORTANT THAN RAPID CLIMB UP THE CAREER LADDER

Survey by Robert Half Int'l (San Fran) shows 8 of 10 Americans -- men and women -- would sacrifice rapid advancement in order to spend more time with their families. Omnibus telephone sample of 1,000 people nationwide postulated choice of 2 career paths: flexible full-time schedule allowing more family time, but slower career advancement; rigid schedule that provides rapid career advancement. Findings:

1. 74% of the men, 82% of the women chose the slower career track;
2. Most believe employees who choose the slower, more flexible track will ultimately be just as successful as those on the fast track.
3. Nearly 20% would be willing to take a salary cut of 6-10% in order to have more family or personal time.
4. Only one-third of the men & women would accept a promotion if it required them to spend less time with their families.

"This just further shows that both sexes are looking for flexibility, e.g. job sharing, telecommunicating, extended leaves, compressed work weeks, so they can spend time with their families," dpr Lynn Taylor told prr.

It's coming down to "parent track" versus "traditional track" -- so astute companies wanting to compete in the 90s should re-examine the 9-5 syndrome, consider some creative alternatives. "Companies are losing \$137 billion per year in lost productivity due to at-home problems." Noteworthy that men, too, say they want to be more participative parents.

¶ **World Future Society** predicts that in 1995, the average work week for men and women will be 32 hours. Extra day will be spent for preparing for next career. In contrast, school week will be longer.