

MEANWHILE, ORGANIZATIONS WANTING TO CATCH THE GREEN WAVE HAD BETTER ACT FAST

Organizations should commit to the environment now, before commitment is mandated, Walter Coddington, pres Persuasion (NYC) told Hampton Roads (Va) chapter of PRSA. Coddington presses key points:

1. **Window of opportunity** to capitalize on environmentalism as a competitive edge is about 2 years. After that, changes will be mandated & become routine.
2. **Not a fad.** "It's not going to go away. One way or another, there will always be an issue."
3. **Be upfront.** If you're not perfectly green, show how you're trying to be green, or how you plan to be green.

Coddington advises practitioners to build bridges with advocacy groups. Many operate programs to involve business in recycling efforts and even give seals of approval to some types of products. "It's the people you haven't talked to who are most likely to criticize you."

"The movement is here to stay. Like quality control & the globalization of business, it's a fact of organizational life."

ITEMS OF INTEREST TO PRACTITIONERS

¶ **Easygoing Consumers Allow Firms To Forsake Competitiveness**, says Harvard report -- flying in face of talk about how tough competition is now. According to "The Competitive Advantage of Nations," US is giving up spirited competition among companies & result is decay in the standard of living. Trend is attributed to: a) faltering educational system eroding skilled labor; b) government-sponsored moves to protect firms from foreign competition & encourage mergers -- see Exxon story, p.3; c) overdependence on exports of natural resources; d) lack of consumer pressure, allowing companies to get away with low quality. "American consumers are no longer the most affluent and are certainly not the most demanding. **They tolerate products & services no Japanese or German would.**"

¶ **Unusually Broad Subjects In Conference To Address Healthcare Revolution.** American Society for Healthcare Marketing & PR annual session will focus on: vision, strategy, quality, advocacy, leadership, relationships, innovation, technology, ethics & finance. Speakers include Harvard Biz Review ed Rosabeth Kanter; Robert Blendon, chr Health Policy & Management at Harvard; creativity guru Roger von Oech; plus scores of others. September 14-17 in Boston. More from Betsy Rubin, 312/280-6019.

WHO'S WHO IN PUBLIC RELATIONS

AWARDS. The Crystal Bell, the Boston Publicity Club's highest honor, was given to prr publisher & purview editor Otto Lerbinger.

Lerbinger, who is a professor of pr at Boston University, was lauded for lifelong achievements and outstanding service to the profession.

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HOW DO YOU GET THIRD PARTIES TO SPEAK FOR YOUR POSITION WHEN YOUR OWN ACTIONS WON'T LET YOU BE THE STANDARD BEARER? USE PERCEPTION MANAGEMENT, FORCE OPPONENTS ONTO DEFENSIVE

It's tough to win when your obvious goal is to ward off competition. Lincoln Greyhound Park (RI) asked Providence firm Duffy & Shanley to squelch a ballot proposal calling for the establishment of an off-track betting facility (OTB) in nearby Pawtucket. "OTB, as I understand it, is like a movie theater where you can walk in and watch a screen which broadcasts races from around the country," vp Steve Maurano told prr. "There's a booth at which you can make bets -- just like a real race."

LG Park was worried because OTB would be located just minutes away. "Scores of industry research shows that when another facility is built in such close proximity, there are severe repercussions on the amount of money wagered in the existing facility."

RESEARCH YIELDS DISCREPANCIES D&S hired Alpha Research to find out: a) awareness of issue; b) attitudes; c) arguments; d) commitment to current opinion; e) opinion leaders; f) publics to be targeted. By using focus groups & telephone surveys, study was able to tell that among the voting public, there was a) some anti-gambling sentiment; b) people were disgusted with political insiders benefiting from this type of project. Still, there was c) support for OTB, since promoter Ladbroke Corp claimed revenues would be used to lower property taxes.

STRATEGY: FORCE PROPOSERS TO ARGUE ON SEVERAL FRONTS Based on the findings, D&S put together a strategy to address the pros & cons.

1. **Debunk Tax Savings With Real Numbers.** An economist translated projected impact of OTB into **easily understood layperson's numbers.** Calculations showed, contrary to claims, people wouldn't get much of a break. "We found the savings would be about \$3 per year. If your tax bill normally was \$2000, it would be \$1,997." Furthermore, the state would lose revenues, since LG Park pays state taxes, OTB would have paid zero dollars.

"Our opponents won a major, early victory by having the promise of tax relief included in the wording of the question on the ballot. Our fear was that if voters saw this question for the first time when they entered a voting booth, it would be hard to vote against the idea of tax relief."

- 2. **Play On Existing Irritations.** "We discovered the investors proposing OTB were a group of 11 from RI." One was head of a local labor union. Another was former chief of staff to the governor's office. "We researched the people involved & figured out how much money they would get if the facility was developed. It was clear these individuals planned to split millions."
- 3. **Tough Ethical Issue: Anti-Betting Sentiment.** How do you capitalize on it, if you represent an established race track? "It was very difficult for us to come out against gambling. So we tried to put together a coalition." It included LG Park, which concentrated its fire on the type of facility OTB would be -- while other members, including clergy, addressed the gambling issue.

¶ The formation of the coalition was key, because it put OTB in a defensive posture and forced its proponents to argue **against** the coalition, rather than **for** OTB.

- EXECUTION**
- a) **Raising Awareness.** Started with **media onslaught**, including "Vote No OTB" billboards.
 - b) **Coalition Formation Thru Relationship Building.** Position paper was developed to gather people into the coalition. This was followed up with personal phone calls. **Also, white papers were sent to opinion leaders.**
 - c) **Message Reinforcement.** After the formation of the coalition, press conferences, speakers rally, etc. argued against OTB.
 - d) **One Clear Voice.** Primary coalition spokesperson was a town administrator, who spoke with community & senior citizen groups, media, city council meetings, etc. **No track official participated in these key events.** When reps from LG Park did speak out, their focus was on flaws in the legislation, type of facility OTB would erect, etc.

The primary research showed the referendum projected to win statewide, it was defeated 63% to 37%. Pawtucket was the only city to vote in favor. Campaign won a Silver Anvil from PRSA.

OTB PROPONENTS: Carol Doherty, Strategy Corp (Cranston), worked to promote OTB. She points up factors which made the difference between victory & defeat.

NO SOUR GRAPES

- 1. **Timing.** "They were out of the box early. They jumped on the issue as soon as it became an issue." Also, the time was not right for public to favor off-track betting. "If the referendum came up now, considering the fiscal state of RI, it might seem more attractive."
- 2. **Coordinating Body.** "They were all from one shop. The 'vote yes' side came from 2 or 3 different shops -- there was no control. We couldn't deliver a consistent, simple message."
- 3. **"Vote No" Advantage.** "Running a negative campaign, you can pull out all

the stops. In this case, there was that omnipresent fear about gambling as a regressive form of fundraising that plays on people's weaknesses." As well as a mistrust of politicians.

THE EXXON CASE: WHEN DO OPPOSING VOICES GET STRONG ENOUGH TO HAVE AN IMPACT, OR ARE HUGE ORGANIZATIONS NOW BEYOND PUBLIC OPINION?

Four recent events have hit the oil giant -- each one sufficient to blow

away lesser lights, particularly in the wake of an event like Valdez. First, shareholders overwhelmingly **voted down adopting the Valdez Principles.** Then, media stories -- & headlines -- quoted Otto Harrison, company's top man in Alaska, as **saying the spill was actually a benefit** to the state.

"It was obvious from the original story on the wire services that he was referring to the economic impact of \$2 billion infused into the state (for cleanup)," sr media officer Bill Smith told pr. But wire story inspired many headlines like, "Exxon Says Alaska Benefited From The Spill." Event comes at a bad time, since Valdez settlement hasn't yet been agreed upon. Smith says Exxon's strategy until May 24th deadline is to lie low & stay out of the spotlight. But articles have brought a flood of media calls.

Meanwhile, the third event: recently released Gallup **poll shows most Americans (55%) think Exxon should pay more** than \$100 million criminal fine posted by federal court (since overturned as too small). "I don't know anything about that (research)," Smith reports.

Fourth & final, **class action lawsuit by Exxon dealers**, perhaps as many as 6,000, claims the company welched on promised dealer discounts going back to '82. Second part of suit claims company hurt dealers by inept handling of Valdez spill. As has become its standard strategy, Exxon denied the allegations.

"These headlines do not portray the event the way it happened." Smith says Harrison was responding to a reporter's query about whether spill brought Alaska any financial gain. "Governor Hickel of Alaska agreed with Otto Harrison's answer. It's a shame (that the exchange would become so distorted). I guess it's the way of the world." All practitioners can empathize with that -- but wasn't Valdez itself an object lesson to the company in such affairs?

In vowing to revitalize competitiveness, the Reagan Revolution in fact gave us cartels in many industries -- including oil. With fewer competitors, each cartel member has grown huge. Does this sheer financial muscle & lack of real competition **move these behemoths beyond the control of the Court of Public Opinion?** Is gov't action the only way to influence them? If so, the roles of practitioners within cartels and within gov't may require rethinking -- if economic democracy is to survive.