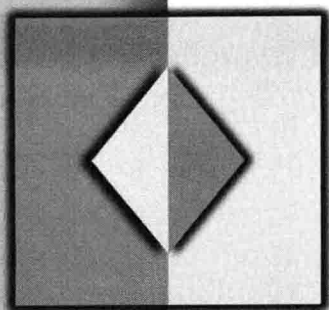


JERRY A.
HENDRIX

PUBLIC RELATIONS CASE

FIFTH
EDITION



Public Relations Cases

FIFTH EDITION

Jerry A. Hendrix

American University

 **Wadsworth**
Thomson Learning[™]

Australia • Canada • Mexico • Singapore • Spain
United Kingdom • United States

Associate Development Editor: Ryan E. Vesely
Acquisitions Editor: Karen Austin
Executive Editor: Deirdre Cavanaugh
Executive Marketing Manager: Stacey Purviance
Project Editor: Susan Walters
Print Buyer: April Reynolds
Permissions Editor: Bob Kauser

Production Service: Penmarin Books
Copy Editor: Hal Lockwood
Cover Designer: Ellen Kwan
Cover Image: Myrleen Ferguson Cate/Photo Edit
Compositor: G&S Typesetters, Inc.
Text and Cover Printer: Von Hoffman Graphics

COPYRIGHT © 2001 Wadsworth, a division
of Thomson Learning, Inc. Thomson Learning™
is a trademark used herein under license.

ALL RIGHTS RESERVED. No part of this work
covered by the copyright hereon may be reproduced
or used in any form or by any means—graphic,
electronic, or mechanical, including photocopying,
recording, taping, Web distribution, or information
storage and retrieval systems—without the written
permission of the publisher.

Printed in the United States of America

3 4 5 6 7 04 0 3 02 01 00

For permission to use material from this text,
contact us by Web: <http://www.thomsonrights.com>
Fax: 1-800-730-2215 Phone: 1-800-730-2214

For more information, contact
Wadsworth/Thomson Learning
10 Davis Drive
Belmont, CA 94002-3098
USA
<http://www.wadsworth.com>

International Headquarters
Thomson Learning
International Division
290 Harbor Drive, 2nd Floor
Stamford, CT 06902-7477
USA

UK/Europe/Middle East/South Africa
Thomson Learning
Berkshire House
168–173 High Holborn
London WC1V 7AA
United Kingdom

Asia
Thomson Learning
60 Albert Street, #15-01
Albert Complex
Singapore 189969

Canada
Nelson Thomson Learning
1120 Birchmount Road
Toronto, Ontario M1K 5G4
Canada

Library of Congress Cataloging-in-Publication Data

Hendrix, Jerry A.

Public relations cases / Jerry A. Hendrix.—5th ed.
p. cm.

Includes bibliographical references and index.

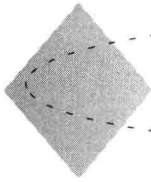
ISBN 0-534-51432-4

1. Public relations—United States—Case studies. 2. Publicity—Case studies. I. Title.
HM1221. H46 2000
659.2—dc21

00-036677



This book is printed on acid-free recycled paper.



PREFACE

In preparing this edition, I continue to believe that readers should encounter a clear set of guiding public relations principles accompanied by cases that generally illustrate those principles in a positive light and thus serve as models of effective management and practice.

The book is divided into four sections, including an entirely new part on Integrated Marketing Communications.

In Part I, I begin the introductory chapter with a philosophy I have held for a long time—that the best public relations is characterized by interaction, or better still, interactive participation among sources and receivers of communication. This, in turn, is based on the underlying premise that public relations is mostly persuasion. Some years ago, communication researchers discovered that the most effective means of persuasion is *self*-persuasion. Audience involvement thus becomes a crucial ingredient of successful public relations.

The opening chapter also includes a section on ethics in public relations. As in previous editions, I have included the Public Relations Society of America (PRSA) Code of Professional Standards in Appendix II, but I also include some additional dimensions of ethics in Chapter 1.

In Chapter 2, I retain my process model, which involves initial research, the setting of objectives, programming, and evaluation. (The elements of this process model form a convenient mnemonic device, the acronym ROPE.) This model focuses special attention on the significance of objectives and their arrangement in a hierarchical order of output and impact functions. Another feature of this process model, reflecting my own training and background in speech communication, is special emphasis on the role of interpersonal communication, including speeches, speakers bureaus, small-group and one-on-one formats, and nonverbal aspects of communication. In a word, my process model is interactive.

Part II consists of audience-centered applications of the process, with accompanying illustrative cases. The audience-centered forms of public relations included are media relations, employee and member relations, community relations, public affairs and government relations, investor relations, international public relations, and relations with special publics. Most of the cases were winners of the prestigious Silver An-

vil Award contest, conducted annually by the Public Relations Society of America. They therefore constitute some of the finest examples of public relations practices available. They also follow the Silver Anvil entry format, which is somewhat different from the format of my ROPE model. The major difference is that I set objectives apart as a separate category, and the Silver Anvil format does not. My programming phase includes planning and communication (execution), and both Silver Anvil and ROPE begin and end with research and evaluation. Thus, the two models have a difference mainly in format, not substance.

Part III includes both theory and illustrative cases for emergency or crisis public relations. This field of PR is not oriented to a particular audience, so I have set it apart in a separate section of the book.

Also set apart is the new section on integrated marketing communications (IMC), the newest area of public relations. IMC is a combination of public relations and marketing techniques, so it is not really new. Though some practitioners, scholars, and the PRSA itself omit the word *marketing* and call it integrated communications, my preference is to use the widely accepted term *integrated marketing communications*.

Finally, the appendixes contain questions for class discussion and the PRSA Code of Professional Standards, guidelines for the ethical practice of public relations. In earlier editions, I included hypothetical case problems in the appendixes. The space required for the new IMC section required that the case problems and their answers be placed in the *Instructor's Manual* instead.

A major new feature of this edition are the exercises at the end of each chapter for using InfoTrac® College Edition. These exercises allow students to draw on an extensive on-line database that includes the full texts of articles from more than nine hundred popular and scholarly publications. This database is updated daily and is available twenty-four hours a day.

Since more than 80 percent of the cases in this fifth edition are new, there are many public relations practitioners who helped me and granted permission to use their cases. I hope they will accept my gratitude and understand that space does not permit a list of all their names. I do want to give special thanks to Tony Signore of Alan Taylor Communications, Inc., of New York, who, on short notice, obtained for me the U.S. Postal Service case and attempted to get another case that ran into legal difficulties.

I want to thank American University graduate assistants who have helped me with both the fourth and fifth editions: Anna Karavanov, Juanere L. Johnson, Catherine Daley, Ahu Latifoglu, Maria Krouskal, Tanya Accone, Matthew Snyder, and Donna Henry-Rahamtalla.

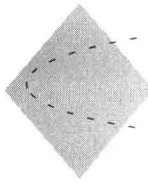
I am especially grateful to my colleague in the American University School of Communication, Professor Jodi Glou, who authored the new

Instructor's Manual and produced the video to accompany the fifth edition. Instructors who adopt the book can obtain both the *Instructor's Manual* and videocassette on request from the publisher. The video is also on the Wadsworth Web site.

As with previous editions, I am indebted to administrators in the American University School of communication, particularly Dean Sanford Ungar and Acting Dean Glenn Harnden, for their support in reducing my teaching load and for financial assistance.

I also want to thank my editor, Ryan Vesely, for his leadership, guidance, and patience.

Finally, I gratefully acknowledge the following reviewers, whose constructive comments helped in the development of this fifth edition: Roberta Crisson, Kutztown University, and Diane F. Witmer, California State University–Fullerton. I would also like to acknowledge those who reviewed previous editions: Ronda Beaman, Northern Arizona University; E. W. Brody, University of Memphis; E. Joseph Broussard, Nicholls State University; Carolyn Cline, University of Southern California; Barbara J. Desanto, Texas Tech University; Kathleen Fearn-Banks, University of Washington; Kathy Fitzpatrick, Southern Methodist University; David W. Guth, University of Kansas; Tracey M. Harrizon, Mississippi College; Susan Lucarelli, University of Tennessee, Knoxville; and Joseph Trahan, University of Tennessee–Chattanooga.



CONTENTS

Preface vi



Part I

Solving Public Relations Problems 1

Chapter 1

Public Relations in Action 3

Process 5
Cases 6
Ethics 6
The Overall Plan of This Book 8
Activity 1.1 Keys to Success 9
General Public Relations Readings 9

Chapter 2

A Public Relations Process 11

Research 12
Objectives 23
Programming 29
Evaluation 41
Summary 43
Activity 2.1 Teach Your Methods Well 44
Notes 45
Readings on the Public Relations Process 45



Part II

Reaching Major Audiences 49

Chapter 3

Media Relations 51

Research 52
Objectives 55
Programming 56

Evaluation 61
Summary 62
Activity 3.1 Media Relations on the Cheap 63
Readings on Media Relations 63

MEDIA RELATIONS CASES 66

CASE 3-1 TITANIC VIDEO LAUNCH 67
CASE 3-2 SEA-ING DOUBLE: HOW PRINCESS CRUISES
MADE IDENTICAL SHIPS NEWSWORTHY 76
CASE 3-3 MAYTAG NEPTUNE HIGH-EFFICIENCY WASHER
INTRODUCTION 83
CASE 3-4 LEGENDARY FOOTBALL COACHES
COMMEMORATIVE STAMPS 98

Chapter 4

Internal Communications 107

Employee Relations 108
Research 108
Objectives 109
Programming 110
Evaluation 112
Summary 112
Activity 4.1 Face to Face 113

EMPLOYEE RELATIONS CASES 114

CASE 4-1 "JUST 2 IT" 115
CASE 4-2 HEALTHY HEART AND SOUL 124

Member Relations 131
Research 131
Objectives 132
Programming 133
Evaluation 133
Summary 134
Readings on Internal Communications 134

MEMBER RELATIONS CASES 137

- CASE 4-3** THE AIR FORCE ASSOCIATION—
MEMBER RELATIONS 138
- CASE 4-4** WORLD VINYL FORUM 148

Chapter 5

Community Relations 157

- Research 158
- Objectives 159
- Programming 160
- Evaluation 162
- Summary 162
- Activity 5.1 Riding the Rails 163
- Readings on Community Relations 163

COMMUNITY RELATIONS CASES 165

- CASE 5-1** COME HOME: THE RETURN
TO CENTRAL LIBRARY 166
- CASE 5-2** COLORADO SPRINGS AIRPORT
OPENING 177
- CASE 5-3** THE COLLECTORS 186

Chapter 6

Public Affairs and Government Relations 193

- Research 194
- Objectives 196
- Programming 197
- Evaluation 204
- Summary 205
- Activity 6.1 Public Affairs in the
Digital Age 206
- Readings on Public Affairs 206

PUBLIC AFFAIRS CASES 208

- CASE 6-1** REVISION 12: THE CAMPAIGN
TO CLOSE THE GUN SHOW LOOPHOLE
IN FLORIDA 209
- CASE 6-2** RYOBI 4-CYCLE: THE FUTURE
IS CLEAR 218
- CASE 6-3** BALANCING SCHOOL MEALS WITH
GRAINS 227

Chapter 7

Investor and Financial Relations 237

- Research 238
- Objectives 239
- Programming 239
- Evaluation 241
- Summary 241
- Activity 7.1 Publicly Relating
to Investors 242
- Readings on Investor and Financial
Relations 242

INVESTOR RELATIONS CASES 245

- CASE 7-1** CREATING CONFIDENCE IN A CORPORATE
TURNAROUND 246
- CASE 7-2** REPOSITIONING THE SCOTTS
COMPANY 263

Chapter 8

Consumer Relations 274

- Research 275
- Objectives 276
- Programming 277
- Evaluation 278
- Summary 279
- Activity 8.1 Keeping the Consumers
Happy 279
- Readings on Consumer Relations 279

CONSUMER RELATIONS CASES 282

- CASE 8-1** BENECOL PRE-LAUNCH: LAYING THE
FOUNDATION FOR PHENOMENON 283
- CASE 8-2** MAXWELL HOUSE BUILD A HOME
AMERICA 295
- CASE 8-3** MAKING SCIENCE MAKE SENSE 306
- CASE 8-4** WAMOOLA MADNESS: AMERICA MEETS
THE NEW \$20 BILL 319

Chapter 9

International Public Relations 326

- Research 327
- Objectives 328
- Programming 329
- Evaluation 332
- Summary 332
- Activity 9.1 Bon Voyage! 332
- Readings on International Public
Relations 332

- INTERNATIONAL PUBLIC RELATIONS CASES 337**
CASE 9-1 LUCENT BRANDING SUCCESS IN LATIN AMERICA—AN INTEGRATED APPROACH 338
CASE 9-2 RESTORING CONFIDENCE IN KOREA DURING THE ASIAN FINANCIAL CRISIS 349

Chapter 10

Relations with Special Publics 360

- Research 362
 Objectives 363
 Programming 364
 Evaluation 365
 Summary 365
 Activity 10.1 Segmenting Special Publics—Pros and Cons 366
 Readings on Special Publics 366

SPECIAL PUBLICS CASES 370

- CASE 10-1** VISA “READ ME A STORY”—ADDRESSING AMERICA’S READING CRISIS 371
CASE 10-2 YOUR THYROID: GLAND CENTRAL—PUTTING THYROID DISEASE ON THE FAST TRACK 385
CASE 10-3 HISPANIC CHEESE EDUCATION CAMPAIGN 395



Part III

Emergency Public Relations 403

Chapter 11

Emergency Public Relations 405

- Research 406
 Objectives 406
 Programming 407
 Evaluation 411
 Summary 411
 Activity 11.1 Oh My Goodness! 412

- Activity 11.2 Puttin’ the Pieces Back Together! 412
 Readings on Emergency Public Relations 412

EMERGENCY PUBLIC RELATIONS CASES 415

- CASE 11-1** THE HOUSTON CHEMICAL COMPLEX 416
CASE 11-2 PEPSI’S CRISIS RESPONSE: THE SYRINGE SCARE 432



Part IV

Beyond Public Relations: Integrated Marketing Communications 443

Chapter 12

Integrated Marketing Communications 445

- Research 446
 Objectives 448
 Programming 448
 Evaluation 449
 Summary 449
 Notes 449
 Activity 12.1 IMC in the Real World 450
 Readings on Integrated Marketing Communications 450

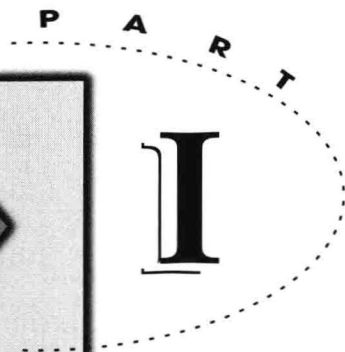
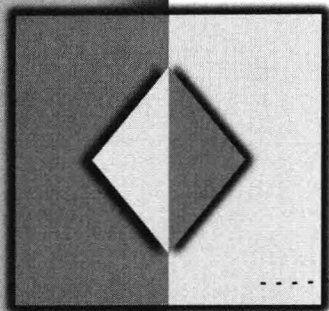
INTEGRATED MARKETING COMMUNICATIONS CASES 452

- CASE 12-1** BEST DRIVE IN THE GAME 453
CASE 12-2 MONTGOMERY COUNTY’S COMPOSTING PROGRAM 464

- Appendix I Questions for Class Discussion and Case Analysis 473

- Appendix II PRSA Code of Professional Standards for the Practice of Public Relations 476

- Index 486



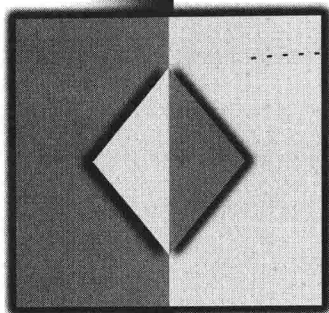
Solving Public Relations Problems

Chapter 1

Public Relations in Action

Chapter 2

A Public Relations Process



CHAPTER

1

Public Relations in Action

ONE OF THE BEST WAYS TO LEARN ABOUT PUBLIC relations is through the study of contemporary examples of its practice. Such case studies can bring public relations to life in a way that theoretical textbooks and classroom lectures cannot. Here we will first examine the nature of public relations through its definition and a process model. Then we will look at various forms of public relations along with several cases to illustrate each form.

One way of defining public relations has been simply to invert the term so it becomes “relations with publics.” An improved modification of this definition is “*interrelationships* with publics.” This better reflects the nature of contemporary public relations as an *interactive* form of communication in which the

targeted audiences yield information to the organization through its research efforts and often *participate* in the public relations programming itself. This interactive or mutual dimension of public relations is seen in the comprehensive description adopted by the Public Relations Society of America in 1982:

Exhibit 1-a

PRSA's Official Statement on Public Relations*

Public relations helps our complex, pluralistic society to reach decisions and function more effectively by contributing to mutual understanding among groups and institutions. It serves to bring private and public policies into harmony.

Public relations serves a wide variety of institutions in society such as businesses, trade unions, government agencies, voluntary associations, foundations, hospitals, and educational and religious institutions. To achieve their goals, these institutions must develop effective relationships with many different audiences or publics such as employees, members, customers, local communities, shareholders, and other institutions, and with society at large.

The managements of institutions need to understand the attitudes and values of their publics in order to achieve institutional goals. The goals themselves are shaped by the external environment. The public relations practitioner acts as a counselor to management, and as a mediator, helping to translate private aims into reasonable, publicly acceptable policy and action.

As a management function, public relations encompasses the following:

- Anticipating, analyzing, and interpreting public opinion, attitudes and issues that might impact, for good or ill, the operations and plans of the organization.
- Counseling management at all levels in the organization with regard to policy decisions, courses of action and communication, taking into account their public ramifications and the organization's social or citizenship responsibilities.
- Researching, conducting, and evaluating, on a continuing basis, programs of action and communication to achieve informed public

*Formally adopted by the PRSA Assembly on November 6, 1982. Reprinted courtesy PRSA.

understanding necessary to the success of an organization's aims. These may include marketing, financial, fund raising, employee, community or government relations, and other programs.

- Planning and implementing the organization's efforts to influence or change public policy.
- Setting objectives, planning, budgeting, recruiting and training staff, developing facilities—in short, *managing* the resources needed to perform all of the above.
- Examples of the knowledge that may be required in the professional practice of public relations include communication arts, psychology, social psychology, sociology, political science, economics, and the principles of management and ethics. Technical knowledge and skills are required for opinion research, public issues analysis, media relations, direct mail, institutional advertising, publications, film/video productions, special events, speeches, and presentations.

In helping to define and implement policy, the public relations practitioner utilizes a variety of professional communication skills and plays an integrative role both within the organization and between the organization and the external environment.

PROCESS

The public relations process is a method for solving problems. It has four phases: research, objectives, programming, and evaluation. Each element may be modified by the demands of different audiences or publics, including employees, members, customers, local communities, shareholders, and, usually, the news media.

The *research* phase of the process involves identifying and learning about three key elements: (1) a *client* or institution that has (2) a *problem* or potential problem to be solved, which involves (3) one or more of its *audiences*, or publics.

The second phase of the public relations process involves the setting of *objectives* for a program to solve the problem. These objectives may include the kind of influence the client hopes to exert with the audiences, such as informing them or modifying their attitudes or behaviors. The objectives may also include statements about the program itself, such as its composition or how it will operate.

The third phase of the process consists of planning and executing a *program* to accomplish the objectives. The program comprises a central theme, messages, and various forms of communication aimed at reaching the audiences.

Finally, *evaluation*, as defined in this process, consists of two parts. First, it includes an ongoing procedure of program monitoring and adjustment. Second, evaluation refers back specifically to the objectives

that were set in the second phase of the process and examines the practitioner's degree of success in achieving them.

CASES

The illustrations of this process in action—the cases—are grouped in this text according to the various audiences that public relations practitioners reach. Each audience calls for some modifications in the overall four-step process, and the cases illustrate the modified process in action.

Cases are presented to illustrate relations with the media, with internal audiences, with the community, with the government, with investors, with consumers, with international audiences, and with special groups.

Effective public relations cases serve as models for students and practitioners alike. They enhance public relations theory, making it come alive with illustrations and examples of the PR process in action. Moreover, audience-centered cases exemplify the constraints involved in conducting research, setting objectives, designing and executing a program, and evaluating what has been done. In sum, cases, especially audience-centered cases, effectively illustrate public relations principles and management and test theoretical applications in real situations and environments.

ETHICS

The Code of Professional Standards for the Practice of Public Relations, adopted by the Public Relations Society of America Assembly in 1988, pledges that PRSA members will conduct themselves “professionally, with truth, accuracy, fairness, and responsibility to the public.”

This commitment to ethical practices is intended to counter the image of public relations practitioners as “hired guns” who will say or do whatever it takes to accomplish the goals of their clients. There is some basis for this negative public perception of the profession. The following is a discussion of some of the practices that have earned public relations a sometimes-less-than-savory reputation.

On a continuum going from bad to worse we might begin with the relatively innocuous practice of *lowballing*. This consists of downplaying expectations for a program or project that may not be especially successful in its outcome. The mass media frequently accuse the White House of “lowballing” a presidential visit abroad, a peace initiative in some part of the world, or some other effort that may not yield much tangible results.

Closely related to lowballing is the ubiquitous *spin* that is used by governmental and corporate public relations practitioners to make their programs look good. The “spin” actually consists of the one-sided use

of facts or data to create a desired impression. These practitioners are often referred to by the mass media as *spin doctors*. By selectively using only positive aspects of a program or a political campaign, practitioners can portray their clients' activities in a favorable light. Conversely, the endeavors of an opponent may be selectively portrayed only in the negative.

Next we might examine six types of *distortion* sometimes found in the practice of public relations. The first of these is commonly called *hype*. Hype is the use of hyperbole or magnification, sometimes referred to as the "blowing out of proportion" of the attributes of a person, event, or product. The mass media are fond of portraying various criminal acts as "the crime of the century." Advertising constantly uses hype in its exaggerated claims for products and services, and public relations practitioners have been known to "stretch the truth" about clients and their programs.

A second type of distortion is *minimizing*, the exact opposite of hype. Sometimes practitioners will play down the seriousness of a failure or the negative aspects of a product or other problems experienced by a client.

A third type of frequently used distortion is *overgeneralization*, or drawing sweeping conclusions based on one isolated case or example. If a candidate for the presidential nomination of a political party loses the New Hampshire primary, for example, the mass media, along with the candidate's opposition, usually conclude that the nomination is lost, based on the results of that one primary election. Similarly, singular successes have been used to draw sweeping positive conclusions. One case study should never be the sole basis for such generalizations.

Categorization is a fourth type of distortion sometimes found in the practice of public relations. An example of categorization may involve the portrayal of a person, event, or product as "good" or "bad" with no middle ground or shades of gray. Other frequently used categories include "successful," "unsuccessful," "useful," "useless," and the like.

Closely related to categorization is the practice of *labeling*. An individual or program may be labeled either a "winner" or a "loser," often on the basis of sketchy or nonexistent evidence. History is replete with the use of such labels as "witch," "communist," "limousine liberal," and "right wing conservative." The list could go on endlessly.

A final form of distortion may be called *image transfer*. This involves the deliberate shifting of image from one person, event, or product to another, but dissimilar, person, event, or product. Such advertising techniques as the identification of a product with an attractive or sexy model is perhaps the most frequent use of image transfer. Public relations practitioners also seek to transfer the high-credibility images of popular paid spokespersons to low-credibility or unknown programs, causes, or events.

In addition to lowballing, spinning, and a variety of distortions, we should consider the even more offensive practices of using outright *lies* and *coverups*. One example of these practices is the manufacturer that knows its product is defective and potentially dangerous. Instead of making this information public, the company blames accidents on improper consumer use and handles resulting litigation on a case-by-case basis. These case-by-case settlements are usually substantially less expensive than staging a product recall. Meanwhile, the company's public relations office is busy denying product fault, issuing statements blaming the consumer. In regard to coverups the defining event *that has become generic* in its field was the Watergate affair, a major turning point in American political history and the coverup by which all subsequent coverups have been measured.

This is by no means and exhaustive list of unethical public relations practices. The PRSA Code of Professional Standards cites other activities such as corruption of communication channels, guaranteeing results beyond the practitioner's control, and the like. For an understanding of the ethical practice of public relations, the student of public relations should carefully study the Code of Professional Standards in Appendix II, along with the unethical practices discussed here.

In the public relations workplace, the best argument for ethical practices is that they are "good business." The positive side is that the company or organization can point with pride to its ethical practices. The negative side is that, if an organization or client is caught by the ubiquitous mass media in an unethical practice, this will become a headline news story and perhaps blot out all previous positive accomplishments. This study of applied ethics should therefore become an overriding concern in the education of public relations practitioners.

THE OVERALL PLAN OF THIS BOOK

Part I introduces you to public relations, with special emphasis on the process outlined above. The elements of this process are eclectic, but the arrangement of those elements form the acronym ROPE (research, objectives, programming, evaluation). A major feature is a new emphasis on and a new way of classifying public relations objectives. Objectives are viewed as the central and guiding element in the process, and they are arranged in a hierarchical order.

Another feature of this public relations process, consistent with its interactive nature, is a heightened emphasis on interpersonal interaction as a form of controlled communication. The importance of speeches and speakers bureaus as methods of public relations communication is recognized, but this book also advocates the extensive use of small-group and dyadic (one-on-one) interpersonal formats, along with a treatment