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The History of Modern Public Relations

From Barnum to Lee, Bernays to Page, and Other Public Relations Pioneers

Learning Objectives

- 2.1** Identify key developments in the modern history of PR
- 2.2** Explain the growth of the PR agency business model and the contributions of women and minority professionals
- 2.3** Understand how social and environmental responsibility have become an integral part of PR
- 2.4** Summarize the challenges PR will face in the years to come

Scenario

Breaking Ground in Crisis Management—Ivy Lee and the Pennsylvania Railroad

It is in the fall of 1904, and Ivy Lee has just opened a new PR firm with his partner, George Parker, in New York City. Lee was a former business journalist in New York City, and his focus was on telling the story of American business. Parker was a former journalist as well, having worked in Buffalo, New York. He and Lee met when Parker was working for the Democratic National Committee, and Lee was hired as his assistant.

Vision for PR's Future. In launching the firm, they had a vision for the future of PR. Their goal was to serve as the PR counsel to their clients—much like attorneys, accountants, and bankers counsel their clients.

"This is not a secret press bureau," Lee wrote when they started the business. "All our work is done in the open. We aim to supply news.... In brief, our plan is, frankly and openly, on behalf of the business concerns and public institutions, to supply to the press and public of the United States prompt and accurate information concerning subjects which it is of value and interest to the public to know about" (Turney, n.d.).

First Case of Crisis Management. In one of the first examples of crisis management, Lee was engaged to assist the Pennsylvania Railroad in managing media interest in covering accidents that occurred as the railroad increased its services nationally. Previously the company had followed a no-comment approach during and after an accident, viewing it as a company matter.

However, as their profile grew, they recognized they had an obligation to respond to the media about accidents, especially as they needed government permission to expand their operations and regulatory approval to increase rates for passengers and freight. Moving forward, they knew their reputation and the public's perception would be a factor in these decisions. Simply put, they could not afford to be viewed as indifferent or unaccountable to accidents and injuries if they expected to get permission to expand their operation.

After reading this chapter, put yourself in Lee's place, and suggest some tactics for the company to improve its crisis communications procedures. You should be able to answer the following questions (remember the time-period is in the early 20th century):



Ivy Lee was enlisted by the Pennsylvania Railroad to assist in managing media interest in accidents.

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1. How would you convince the company to be more open and responsive?
2. What tactics would you use to manage the crisis?
3. What role should media relations play?
4. How would you minimize the reputation damage to the railroad?
5. How would this case be different today versus the early 1900s?

This chapter will take the reader through a brief history of the public relations industry—with an emphasis on the “modern era” as it is most relevant to the PR business today. In the pages that follow, you will learn about some well-known industry pioneers like Ivy Lee, Edward Bernays, and Arthur W. Page and some of the colorful figures in history—such as P. T. Barnum—who practiced early forms of PR and advertising to generate awareness for their businesses.

You will also read about unsung industry pioneers—notably women and minorities—whose contributions to PR are not as well-known but are no less significant. This is an area of industry history that is essential to provide you with a more complete heritage of the PR profession.

Later in the chapter you will also learn about the growth of the PR agency business and how it has become a force in the industry and a rewarding career path for many practitioners. Much of the innovation and creative strategies now commonly deployed by PR professionals (e.g., media tours, thought leadership, and competitive intelligence) originated in agencies and their client work. Further, the agency business is an excellent training ground for young professionals regardless of their ultimate career path.

Finally this chapter looks at the trends that impact the future of the PR industry and assesses how you can prepare for and respond effectively.

A HISTORY OF PUBLIC RELATIONS IN THE MODERN ERA

>> LO 2.1 Identify key developments in the modern history of PR

The biggest challenge in writing a history of PR is where to start.

Do you begin with Plato and the ancient Greeks? Or examine how communication tactics were used by the Catholic Church in the 1500s to spread Christianity and by kings and emperors in the Middle Ages and Renaissance to expand empires, build followers, and stabilize their leadership positions?

After all when viewed through the lens of influencing public opinion or driving change, one can see public relations elements at work in the Norman Conquest, the Crusades, and both the French and American Revolutions (Bates, 2006). When America was a British colony in the late 1700s, PR tactics like the Boston Tea Party “event” led by Sam Adams (called by some historians the “father of press agency”) built support for the American Revolution by encouraging dissent and disagreement with British rules and regulations. Thomas Paine’s *Common Sense*, an influential pamphlet on American Independence, may have been the first political



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communications campaign and an early example of PR as activism. The *Federalist Papers*, authored by Alexander Hamilton, John Jay, and James Madison were written to support ratification of the U.S. Constitution, similar to today's opinion pieces written and published to influence public opinion.

PUBLIC RELATIONS AND PRESS AGENCY: THE ERA OF THE 1800s

In the 18th century, as America expanded, PR moved from its noble heritage of building support for American Independence to a more commercially focused enterprise. Driven by the dramatic expansion of newspapers nationally that needed copy and by entrepreneurs launching new businesses and looking to promote them, PR moved into what is often referred to as the “Golden Age of Press Agency.”

The period saw the rise of the press agent, whose job it was to “hype” companies, products, entertainment and/or “celebrities”—by almost any means necessary. Tactics deployed during this era were noticeably short on ethics and focused on achieving publicity. Exaggeration, lies, and outright fabrication became common practice among many of these “publicists” along with free tickets, gifts, or other means to get reporters to write positive stories about their clients. Characters like Davy Crockett, Daniel Boone, Annie Oakley, or Buffalo Bill were created or their exploits exaggerated to sell tickets, win votes, or get coverage. Unfortunately, for many people today, this image remains as their principal perception of PR professionals.

One of the best-known figures from these freewheeling times was P. T. Barnum—considered the Great American Showman—whose namesake circus and museum continued to operate long after his death. Many believe Barnum, who was reportedly the second millionaire in the United States, might have been the originator of the **press event** or **publicity stunt**—which is an event or activity created and executed solely to get news coverage. Former Librarian of Congress Daniel Boorstin described these as “pseudo-events” and suggested Barnum was the acknowledged master of his time at this tactic.

Examples of Barnum's work include Joyce Heth—whom he promoted as the 161-year-old former nursemaid to George Washington and the Feejee Mermaid—a stuffed half-monkey and half-fish creature, both of which he exhibited at his American Museum in New York. Barnum knew that controversy sells and used it to draw people to his museum to see what was fact and what was fiction. Once they were in the door, other exhibits and shows were there to entertain and educate.



P. T. Barnum is credited by some as the originator of the “press event” or “publicity stunt.”

Hulton Archive/Getty Images

“Whatever your occupation, whatever your purpose, if you need the support of the public then take the steps necessary to let them know about it.”

—P. T. Barnum

SOCIAL RESPONSIBILITY

Kathleen Maher, curator of the Barnum Museum in Bridgeport, Connecticut (Barnum's adopted hometown for which he served one term as mayor in 1875), has studied his legacy and suggests that Barnum's contributions go beyond eccentric exhibits and bombast. His worldwide tours for General Tom Thumb, a midget who could sing, dance, and act, and his promotion of Jenny Lind, the "Swedish Nightingale," may be considered precursors to today's reality television and musical contest shows. P. T. Barnum would often donate a portion of the proceeds of his shows to a local charity to boost sales and generate positive publicity—an early example of SR and strategic philanthropy.

"Whether fact or fiction, the conclusion was less relevant than the experience or opportunity," Maher continues. "Barnum was ingenious in presenting speculation within a world of curiosity. He offered a chance to explore the irrational, examine imaginative possibilities, and derive opinions and truths. His pioneering spirit of promotion and his acumen for business transformed popular conceptions of the era, in turn molding and defining many ideals of today," she concludes (K. Maher, personal communication, 2017). A colorful character to be sure, Barnum deserves further study and, perhaps, reevaluation for his contributions to the growth and development of promotional PR and strategic philanthropy.

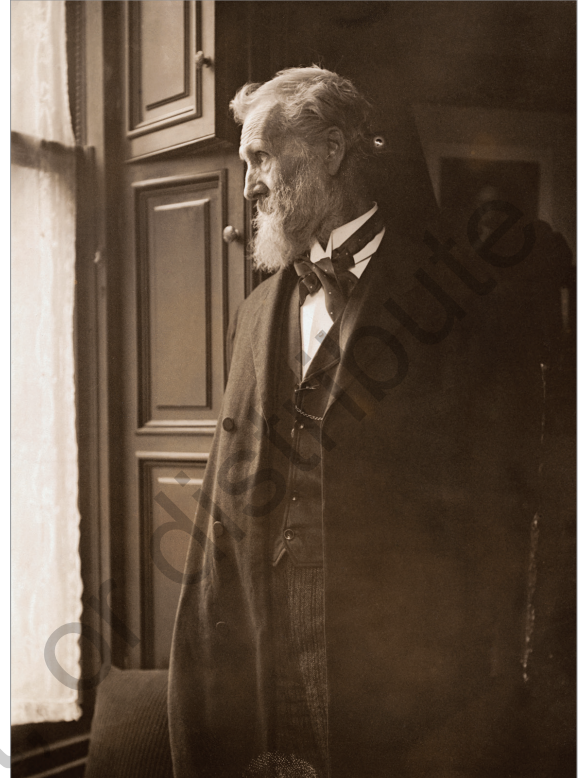
RAILROADS DRIVE PUBLIC RELATIONS' DEVELOPMENT

As you read at the outset of this chapter, the railroad industry was a major factor in the growth and development of PR. In the latter stages of the 18th century, the railroad industry initiated and utilized many PR tactics now seen as commonplace. These tactics include: distribution of pamphlets and materials to the press and public promoting migration to the western United States; creating publicity and information offices in target recruiting areas; and staging promotional "road shows" that traveled the country on railroad cars (naturally) and featured murals, artwork, and artifacts promoting the quality of life in the western United States.

By all accounts these and other tactics worked well, and westward migration swelled—with 5 million people resettling in the Midwest and more than 2 million farms being established. Commenting on this achievement, Andy Piasecki (2000), a lecturer at Queen Margaret College in Edinburgh, Scotland, and a PR historian, suggests that "none of this could have been achieved without complex communications strategies closely linked to business objectives." Clearly, as the 1800s wound down, PR had begun yet another transformation, moving away from publicity for publicity's sake to implementing communications strategies designed to achieve specific business objectives.

PUBLIC RELATIONS' TRANSFORMATION

Building on the work of late 19th century activists like Ida Wells and John Muir, PR began to take on more substantive social issues as the 20th century approached. These two activists, and others like them, made significant contributions that paved the way for the **modern era of PR**. Ida Wells was born a slave and rose to fight discrimination as a speaker, editor and founder of an anti-segregation newspaper in Memphis. She was also a cofounder and early leader of the National Association for the Advancement of Colored People (NAACP). Lesser known is that in 1884, at the age of 22, Wells refused to move to the "colored section" when ordered to do so by a



The movement of public relations into social issues in the 20th century built upon the work of 19th-century activists like Ida B. Wells (left) and John Muir (right).

Chicago History Museum/Getty Images; Bettmann/Getty Images

railroad conductor, many years before Rosa Parks became famous for a similar act on a bus in Alabama in 1955 (Museum of PR, n.d.b).

Like Wells, John Muir was an activist, although his focus was on preserving and protecting nature. John Muir was active in the 1860s, wrote books and magazine articles, and gave speeches to engage U.S. citizens in conservation and the creation of parks across the country (National Park Service, n.d.). Muir founded the Sierra Club and his environmental activism helped preserve the Yosemite Valley, Sequoia National Park, and other wilderness areas for future generations. In many ways he was an early proponent of sustainability due to his efforts to encourage the government and business to exercise restraint in dealing with natural resources.

SOCIAL RESPONSIBILITY

PIONEERS OF MODERN PUBLIC RELATIONS

Most scholars agree that the three pioneers of the new, modern style of PR were: Ivy Lee, regarded as the originator of the *public relations counsel* concept; Edward Bernays, often referred to as the *father of modern public relations*; and Arthur Page, revered for his groundbreaking work as the *first corporate PR officer* at AT&T. These leaders took PR into the corporate boardroom, politics, and government. Through the work of these and other trailblazers, PR began to take on major social issues and critical business challenges well beyond the hype and bombast of P. T. Barnum and the generation of publicists.



Ivy Lee, alongside his partner George Parker, in 1904 opened one of the first PR firms in New York. His successful campaign in support of a rate hike for the Pennsylvania Railroad is considered a landmark in the history of PR.

Ullstein bild dtl./Getty Images

IVY LEE

With the opening of one of the first PR firms, Parker and Lee, in 1904 in New York, Ivy Lee and his partner George Parker raised the bar for the industry by declaring themselves as “public relations counselors.” Their major clients were the Pennsylvania Railroad, the Rockefeller family, the American Tobacco Company, as well as some Hollywood studios and the New York subway system.

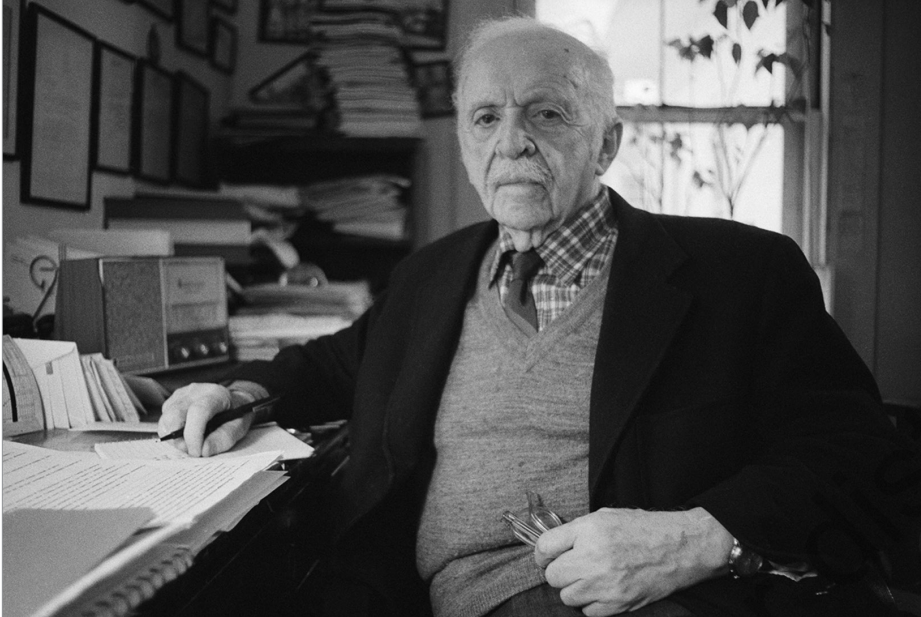
One of the firm’s first clients, the Pennsylvania Railroad Company, hired them to build support for the approval of a 5% rate hike. Ivy Lee developed a comprehensive PR campaign, reaching out to all the company’s key stakeholders—for example, the media, railroad employees, passengers, customers, state and federal elected officials, as well as college presidents, religious leaders, and other opinion leaders—to help make the company’s case and convince the government regulators to approve the increase (St. John, 2006). These efforts paid off. Public opposition declined, multiple outside groups wrote in support of the rate hike, and the federal government approved the 5% rate hike. This campaign is heralded as “a landmark in the history of advocacy public relations” (St. John, 2006, p.225).

However, Ivy Lee was not without his detractors. While he is generally lauded for his pioneering role, he was also accused of not being honest about his more controversial clients. He was heavily criticized for his work for the American Russian Chamber of Commerce during the Stalin era and for promoting the German Dye Organization, which was later discovered to be a Nazi party-owned organization. Notwithstanding these issues, Ivy Lee made major contributions to the practice of modern PR. Commenting on Lee’s contributions Fraser P. Seitel concluded that Lee, more than any other, brought the practice of PR into the 21st century (Seitel, 2013).

EDWARD L. BERNAYS

Following in the tradition of Lee, Edward L. Bernays was a pivotal figure in the development of modern PR. He believed that PR was most effective when social science and behavioral psychology were leveraged to develop campaigns to change behavior or shape public opinion (Bernays, 2015b). Reflecting his family heritage as the nephew of Sigmund Freud, his model was based on using scientific persuasion techniques to advocate for a position or product. He was one of the first to emphasize identifying your target audience, conducting research to listen to and understand their views, and then tailoring your message accordingly.

He detailed this and other thoughts on PR in his seminal book *Crystallizing Public Information*, first published in 1923 and still read today by students and scholars of the discipline. Later in his career, Bernays was invited to join the faculty of New York University (NYU) and teach one of the first courses on PR in the United



Edward Bernays was one of the first PR professionals to use social science and behavioral psychology in developing his techniques.

Bettmann/Getty Images

States (Bernays, 2015b). “The three main elements of public relations are practically as old as society: informing people, persuading people and integrating [connecting] people with people. Of course, the means and methods of accomplishing these ends have changed as society has changed,” Bernays (2015b) wrote, summing up his views.

As his many innovative campaigns demonstrate, Bernays was an innovator and a creative genius. Whether it was his work for the Ivory Soap brand, when he created a children’s soap carving contest that sold millions of bars of soap; the famous “Torches of Freedom” campaign for American Tobacco in 1929, in which he hired fashion models to smoke in public (then considered taboo for women) during New York’s Easter parade; or his campaign for a “Hearty American Breakfast,” which included eggs and bacon (Hormel was his client), he was all about the “big idea” (The Museum of Public Relations, n.d. a,b).

According to Larry Tye (2002), the author of *Father of Spin: Edward L. Bernays and the Birth of Public Relations*, Bernays was “the first to demonstrate for future generations of PR people how powerful their profession could be in shaping America’s economic, political and cultural life.”

Lesser known, but well appreciated within the PR industry, was the role his wife Doris E. Fleischman, a writer, feminist, and former editor of the *New York Tribune* played in his work. She was his partner in life and in business and took on many of the responsibilities of a PR executive behind the scenes for their clients as well as writing and editing books and articles on her own (Tye, 2002). Bernays and Fleischman were also active in promoting causes and charities—pioneering the concept of **pro bono work** in PR.

SOCIAL RESPONSIBILITY

ARTHUR W. PAGE

The philosophy and approach of Arthur W. Page, a pioneer in the world of corporate PR and career executive at AT&T, is summed up in his statement: “All business in a

democratic country begins with public permission and exists by public approval. If that is true, it follows that business should be cheerfully willing to tell the public what its policies are, what it is doing, and what it hopes to do. This seems practically a duty" (Block, n.d.). AT&T had a long history of pioneering the use of publicity to build its business. As far back as the early 1900s, the company hired the Publicity Bureau of Boston, one of the first PR agencies in the United States, to promote its products and services. One of the staff members on their account was James Ellsworth, whom the company later enticed to join them and create their first PR department at AT&T. Arthur Page was hired in 1927 by the president of AT&T as the company's first vice president of PR and appointed a corporate officer. He remained with the company until his retirement in 1948.

PR PERSONALITY

Paving the Way for Corporate Public Relations—Arthur W. Page and AT&T



Arthur W. Page, who served as vice president of PR at AT&T, is celebrated as the first corporate PR executive to hold a strategic senior management position. Prior to that, he had a long, successful run as

the head of the magazine group of Doubleday Page, the publishing house founded by his father. He wrote often in *The World's Work* about the special obligations of corporations in a democratic society.

One day Page received a telephone call from Walter Gifford, the chief executive of AT&T. When the two met a few days later, Gifford asked Page if he would write a book about AT&T. Page declined, explaining that it might be a nice ego trip for management, but it wouldn't do the company any good. Page believed that reputation was earned by actions, not through publicity.

As their conversation drew to a close, Gifford asked Page if he would like to put his ideas into practice at AT&T. Page said yes but only if it would be a policy-making position. He became not only a member of senior management but also was elected to the AT&T board of directors and later served on several other corporate boards and as an advisor to several presidents of the United States.

The founding members of the Arthur W. Page Society, which was established in 1983 following the breakup of the Bell System, named the organization after Page. They extracted the seven Page principles from his lifetime of work and his writings, which have become guidelines

for modern-day PR. The first of these is "Tell the truth," and the second is "Prove it with action." Throughout his career, Page focused not only on what AT&T should say but also on what it should *do*. In a 1932 speech to the New York Telephone Company, Page explained his view of PR (Arthur W. Page Center, 1932):

To begin with, our whole public relations effort depends on our service. If that isn't good, then there is no story we can tell that will do any good and make anybody believe in us, and it is furthest from the minds of the Public Relations Department to try to tell any story except the truth. Therefore, we can't start with anything but good service.

Page also said, "Your public relations are your relations with the public and the relations with the public, you know, occur where our people operating the business come into contact with the public." That was translated into the Page principle that says, "Remember that a company's true character is expressed by its people."

Today, Page Society members—corporate and nonprofit chief communication officers and PR agency CEOs—seek to live up to Page's legacy. They help their enterprises build a strong corporate character by aligning mission, purpose, values, culture, business model, strategy, and brand to create a company's unique, differentiating identity. In today's business environment, which is characterized by transparency and hyper-connectivity, the Page principles are more relevant than they were first articulated. ●

Roger Bolton is president of the Arthur W. Page Society.

Source: R. Bolton (personal communication, 2017).

OTHER INNOVATORS OF MODERN PUBLIC RELATIONS

While Ivy Lee, Edward Bernays, and Arthur Page were towering figures in the development of modern PR practice, others made significant contributions to the profession but are not as well known or celebrated. These innovators include George Creel, Amos Kendall, Leone Baxter, and Elmer Davis in the political and governmental communications arena.

George Creel's work on behalf of the war effort (World War I) under President Woodrow Wilson was also groundbreaking for several reasons. Among Creel's many accomplishments was the creation of the "Four Minute Men" group, who traveled the country speaking to the public about World War I and supporting the president's positions and views (Creel, 1920). In those days the local movie theater was the gathering spot for communities across the country—especially on the weekends. However, the projectors in these theaters were manually operated, and the films had to be changed mid-movie. During this downtime—usually about four minutes—speakers from the U.S. Committee on Public Information would update moviegoers on current events and the progress of the war, thus the name, Four Minute Men. This effort is regarded as one of the first instances of a *speaking tour* to support a communications objective (Creel, 1920).

Other notable PR pioneers include Warren Cowan, whose firm Rogers and Cowan remains one of the leaders in entertainment PR today with a stable of global celebrities as clients, and Eleanor Lambert, a major figure in fashion PR who first introduced designers like Bill Blass and Calvin Klein and created the "Best Dressed List." Others, like Chester Berger, made major contributions in the planning and implementation of corporate PR. Burger pioneered the use of television news by PR professionals and advised companies, like AT&T, on how to package stories for the new medium—when it debuted in the 1950s (Gregory & Kirschenbaum, 2012).

TABLE 2.1

Notable Early Political Communicators

NAME	PROFESSION	CONTRIBUTION
George Creel	Headed U.S. Committee on Public Information during WWI	Use PR to sell liberty bonds and build the Red Cross
Amos Kendall	First White House press secretary	Worked for President Andrew Jackson in the 1830s
Leone Baxter	Founded the first political consulting firm in United States	Founded in 1933 with partner, Clem Whitaker, developing strategies still used today
Elmer Davis	Conceived and promoted WWII victory gardens	Worked for President Franklin D. Roosevelt to encourage citizens to grow their own vegetables to help the war effort

GROWTH OF THE PUBLIC RELATIONS AGENCY

>> LO 2.2 Explain the growth of the PR agency business model and the contributions of women and minority professionals

No review of the history of modern PR would be complete without a discussion on the role of the PR agency business and the contributions of its early pioneers, including Harold Burson, Daniel J. Edelman, and John W. Hill. While there are many outstanding businesspeople who founded, or now head up, small and large PR firms or agencies, there is almost universal agreement among agency professionals that Burson, Edelman, and Hill are three of the pioneers and builders of the PR agency business.

HAROLD BURSON

Regarded by his peers, clients, and current and former employees as a legend in the agency business, Harold Burson began his PR career in the 1940s as a journalist working for the Armed Forces Radio Network. In this capacity he was assigned to cover the post-World War II International War Crimes Trial in Nuremberg, Germany, of Nazi officers and sympathizers. He founded his firm in 1953 with Bill Marsteller when they began working on the Rockwell manufacturing account. In the early 1960s the partners saw the potential of PR as a worldwide business and opened Burson-Marsteller's first overseas office in Geneva, Switzerland.

PRWeek, citing a recent survey of industry leaders, described Harold Burson as one of "the 21st century's most influential PR figures" (*PRWeek*, 2016b). Throughout its history, B-M has been viewed a great place to work and a leader in crisis communications and reputation management. Most famous among its work in this arena was the Johnson & Johnson Tylenol poisoning case in 1982 (see case study at end of chapter).

As with many major figures in the industry, B-M and Harold Burson are not without their critics. In the case of B-M, this was due to some controversial clients and assignments. These assignments include representing controversial government leaders in Nigeria, Argentina, and Indonesia; corporate clients facing crises like the Three Mile Island nuclear plant, Union Carbide, and the big tobacco companies; and companies seeking to discredit a competitor with negative media coverage, such as B-M client Facebook allegedly did with Google in 2011 (Benady, 2014).

Commenting on these controversies, Burson noted, "I believe that every institution, every person is entitled to have public relations representation. However, I do not believe I am compelled in any way or manner to be the one who provides that representation" (Benady, 2014). His easygoing manner, years of experience, and extensive global contacts have made Burson a beloved figure in the industry, and as such, his views on client service, staffing, and agency management are closely followed.

DANIEL J. EDELMAN

Dan Edelman founded his PR firm, Daniel J. Edelman, Inc. in 1952 and led its growth to the world's largest independent PR firm as ranked by fee income (*PRWeek*, 2016d). He began his career as a sports reporter in Poughkeepsie, New York, after World War II and became a news writer for CBS. Later he served as PR director for the Toni Company (hair and beauty products) before founding his firm in Chicago. The initial focus of the firm was on marketing communications or PR to support sales and new production

INSIGHTS

African American and Women Pioneers in the Agency Field



Moss Kendrix was a pioneer among African American PR professionals.

Bettmann/Getty Images

Although not as well known as Burson, Edelman, or Hill, other key figures in the PR agency field are also recognized as pioneers. These include Joseph V. Baker, Moss Kendrix, Barbara Hunter, Muriel Fox, and Inez Kaiser.

Joseph V. Baker

After working for the *Philadelphia Inquirer* as the first African American journalist (and also its city editor), in 1934 Baker opened the first black-owned PR firm in the United States. He went on to acquire significant accounts from large corporations and became the first black president of the Philadelphia PRSA chapter.

Moss Kendrix

An African American, Kendrix founded his own PR firm in Washington, DC, in 1944 to advise Coca-Cola and

other major brands. He was instrumental in advising several large consumer product companies to stop using stereotypical images like Aunt Jemima and Uncle Ben in their advertising (The Museum of Public Relations, n.d.c).

Barbara Hunter

Hunter purchased the PR firm Dudley, Anderson Yutz (known as DAY) in the early 1960s, along with her sister Jeanne Schoonover, becoming the first female owners/proprietors of a major PR firm. Over the years, the sisters made DAY into a force in consumer PR and marketing communications. The firm, now called Hunter PR, is still in operation today.

Muriel Fox

Fox was the first female PR executive at Carl Byoir & Associates and later went on to work as the communications advisor to feminist icon and author Betty Friedan, who cofounded the National Organization for Women (NOW) and was its first president.

Inez Kaiser

Kaiser opened the first PR firm (in 1980) headed by an African American woman in the United States. Her firm, whose clients included Seven Up, Lever Brothers, and Sears Roebuck, was also the first African American-owned business in Kansas City, Missouri. A former home economics teacher who came late to her career in PR, Kaiser gave the following advice to young PR practitioners: "Always be thorough and honest with your clients, and try your best to develop personal relationships with them" (The Museum of Public Relations, 2016). ●

introductions. "He is credited by many as the father of marketing PR; he understood the potential of earned media to enhance the marketing message," Richard Edelman (2014) noted in a memorial speech to the Arthur Page Society in September 2014.

Dan Edelman is credited with creating the idea of a **media tour**, during which company spokespeople travel to meet with local media and promote a product or service through events, interviews, and public appearances. One of the earliest versions of this tactic was for his client Toni, where Edelman had worked before starting the firm. The veteran publicist sent six pairs of identical twins, one with a Toni home permanent and one with a salon permanent, on a tour of 72 cities to publicize the "Which Twin Has the Toni?" ad campaign (Wisner, 2012). The concept was very successful, earning extensive media coverage for the client, and media tours soon became commonplace across the PR industry. It is now a staple tactic used by PR pros to promote products and services as well as companies and issues.

Public Relations' Focus Differs by Organization

For the business community, media relations research, planning, and implementation are crucial in understanding public opinion and identifying market opportunities. As the media has grown and shifted, the need for media relations specialists to accomplish corporate goals has also grown. Whether it is the mainstream business media—like the *New York Times*, *Wall Street Journal*, or *Fortune* magazine; the television networks that grew to include cable news (CNN, MSNBC, etc.); and YouTube and Facebook or the countless trade publications covering every major trade from accounting to zoology—getting a firm's story told or broadcast on the news and defending its reputation are paramount.

For government agencies and elected officials, PR strategies and tactics are now critical tools in delivering information and government services to people more effectively. Plus, for elected officials, mounting election or reelection campaigns requires effective media and community outreach, deep research to understand public opinion, and efficient message delivery to reach voters.

Nonprofit organizations have benefited well with PR. Fund-raising is more successful, and campaigns have more impact through strategic PR. Working with the public and generating awareness via media coverage have become fundamental to a positive outcome. Digital media and social media have “democratized” the process of reaching the public, reduced costs, and increased

efficiency. As a result most organizations have an active social media presence and understand it must be constantly updated.

Issue-based activist organizations like Greenpeace or Occupy Wall Street and political causes like Rock the Vote or the Conservative Political Action Conference (CPAC) have made effective use of PR strategies to advance their agendas. These groups have leveraged social media to develop coalitions, attract donations, and put pressure on government leaders.

Most recently, social media drove the Women's March on Washington, DC, held January 21, 2017, the day after President Trump's inauguration. The event drew close to a million protesters to the nation's capital and to cities and towns on all seven continents. The protest movement reportedly began with a Facebook post by a concerned woman in Hawaii and grew through “shares” and “likes” by others who felt similarly about the results of the 2016 election. After the event, all four of the women who led the effort were selected by *Time* magazine as among the 100 most influential people of 2016.

In addition to social media, activist groups have made effective use of traditional PR tactics including media relations, thought leadership, staged events, and original research to promote their causes and create awareness and conversation. These will be explored in greater detail in subsequent chapters. ●

As the firm grew Edelman expanded into all forms and disciplines of PR—corporate, public affairs, sustainability, employee communications, financial communications, social media, and of course, marketing communications. Edelman has encountered criticism for some of its client work as it has grown, much the same as its global competitors. For example, in 2015, the firm faced controversy over advocating for climate change at the same time it represented several so-called “climate change deniers”, like the American Petroleum Institute (API). Soon after the firm resigned its work for the API, which was a multimillion-dollar account (Edelman 2015; Goldenberg, 2015). Although he is gone now, Edelman staffers believe that the spirit and philosophy of their founder is evident in their work and interactions with clients every day.

JOHN W. HILL

Hill, who would go on to establish Hill & Knowlton (H&K) in 1933, began his career as a newspaper reporter, editor, and financial columnist. He established his firm in 1927 in Cleveland, Ohio, and developed a clientele of banks, steel companies, and

industrial companies operating in the Midwestern United States. The firm became known as Hill & Knowlton in 1933, when Donald Knowlton, a former client, joined the firm as a partner. One year later the partnership moved to New York to serve a major new client (the American Iron and Steel Institute [AISI]), and the beginnings of a major global firm were in place.

H&K was the first American PR firm to establish an office in Europe and, at its high point, was said to have a “hung out its shingle” in hundreds of countries around the world. In building his firm with Knowlton, Hill was known for a simple business philosophy guided by “the essential requirements for PR: integrity and truth; soundness of policies, decisions and acts, viewed in the light of the public interest and use of facts that are understandable, believable and presented to the public with imagination” (PRSA New York, 2016). As with other major firms, there have been controversial clients (e.g., Church of Scientology, the government of Kuwait, and the tobacco industry). However, the firm has also been recognized for its outstanding work for clients, promoting diversity, and being a good place to work by industry publications such as *PRWeek*.

PUBLIC RELATIONS COMES OF AGE

Following the path of these leaders, PR came of age and moved into an era of growth in the 1960s—both in the United States and around the world. Many experts attribute this to the booming economy in the post-World War II era, rapid advances in technology, and growth of the media—particularly television and eventually online—as well as more active and more politically aware citizens.

Another factor was the recognition by leaders in the business, government, and nonprofit communities of the potential for PR to help their businesses or organizations. They had witnessed firsthand the positive impact PR had in building support for the war effort and how Bernays, Lee, Page, and other early leaders had helped businesses build awareness and market share for their corporate clients.

This was also a period of social unrest and change, beginning in the 1960s, including the Civil Rights, the anti-Vietnam War, and women’s liberation movements—all of which had high-profile activists adept in working with the media and shaping public opinion.

ORIGINS, DEFINITIONS, AND DRIVING FORCES OF CORPORATE SOCIAL RESPONSIBILITY

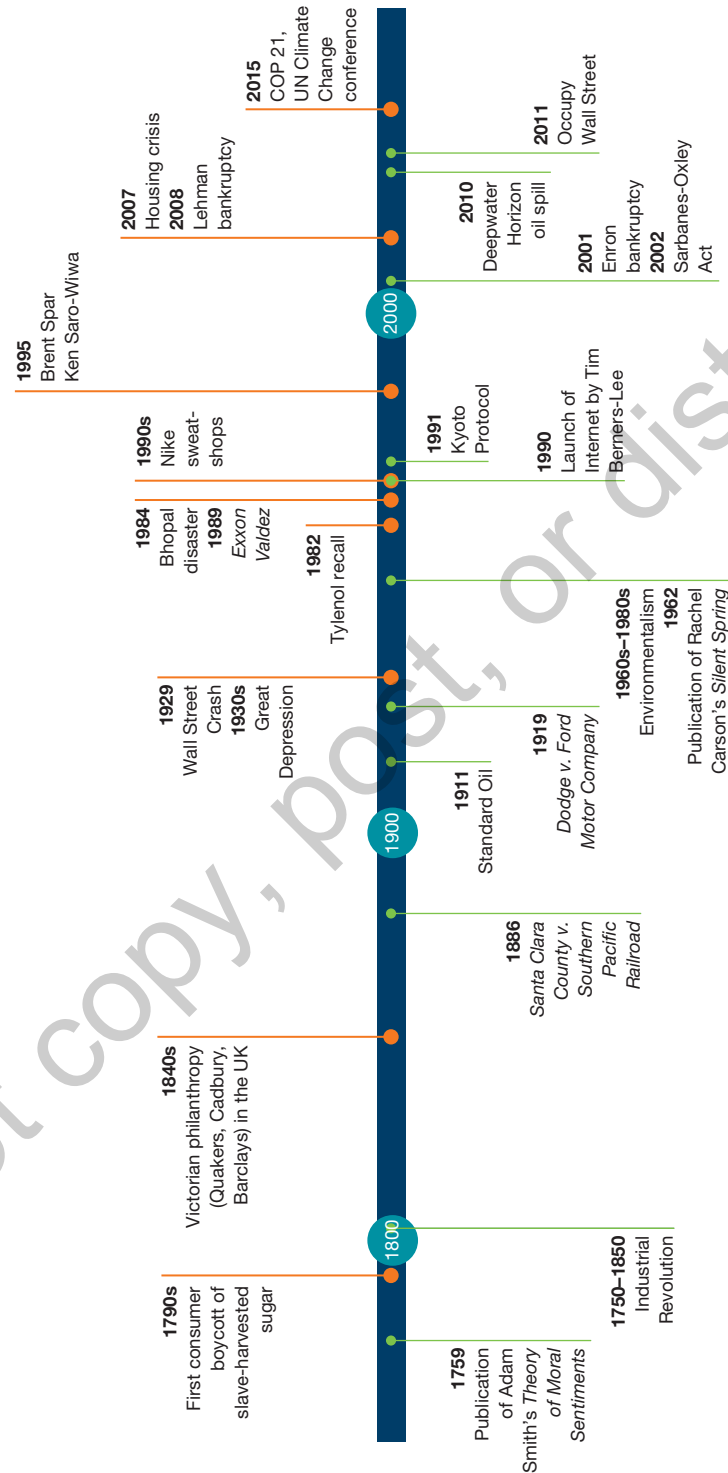
» LO 2.3 Understand how social and environmental responsibility has become an integral part of PR

How CSR became a major PR function can be understood best by looking at public calls for social responsibility and efforts to influence organizational behavior throughout history. In the United States, early movements for the rights of workers, shareholders, and customers versus corporate rights all help explain the history and evolution of CSR. David Chandler (2017) begins with the 18th century in a timeline of key CSR events, presented in the infographic (see Figure 2.1). It shows an early convergence of public concerns about the impact of business on society that grew exponentially until the present day.

» SOCIAL RESPONSIBILITY

FIGURE 2.1

The History and Evolution of CSR



Source: Chandler (2017).

TABLE 2.2

Modern Evolution of Corporate Social Responsibility in the United States

TIME PERIOD	EVENT
1900 to 1950s	Corporate Power Questioned
1960s and 1970s	Business Addresses Social Issues
1980s and 1990s	Call for Business Ethics and Corporate Citizenship
21st Century	Standards and Best Practices Established

In the early 20th century, a backlash against business began to arise. Large, powerful corporations were accused of lacking concern for employees, community, or society. In 1914 Henry Ford doubled the wages of his Model T assembly line workers—however, he did it specifically to secure his business. In 1929 Eastman Kodak Company offered profit sharing, retirement bonuses, a pension plan, and sickness benefits to its workers.

Philanthropy was another early form of CSR, and from 1930 onwards, corporations began to be seen as institutions that had social obligations. Howard Bowen was one of the first to define social responsibility (SR), citing the obligations of business to pursue policies, make decisions, and follow actions that are desirable for society. He has been called the father of corporate social responsibility.

CSR grew significantly in the 1960s and accelerated in the 1970s. The Civil Rights Movement, consumerism, and environmentalism affected society's expectations of business. People called for the business world to be more proactive in ceasing to cause societal problems and starting to participate in solving societal problems. Legal mandates required equal employment opportunity, product safety, and worker safety. Business philanthropy increased, as did employee improvements, customer relations, and stockholder relations. Businesses also addressed minority hiring and training, environmental concerns, support of education and the arts, urban renewal, and community affairs (Eilbirt & Parket, 1973; Holmes, 1976). Companies began to plan for and organize CSR, assessing their social performance and adopting corporate social policy and strategy.

In the 1980s and 1990s many issues rose to the surface. These issues grew to include businesses' impact on environmental pollution, employment discrimination, consumer abuses, employee health and safety, quality of work life, deterioration of urban life, and questionable or abusiveness practices of multinational corporations. Concerns for **business ethics** arose due to notorious instances of corporate wrongdoing, for example, Union Carbide's 1984 disaster in Bhopal and the *Exxon Valdez* oil spill in 1989. CSR then evolved into subfields of corporate social performance, sustainability, corporate citizenship, and the concept of stakeholder theory. Philanthropy expanded considerably, and CSR became part of business practice. Many early adopters of significant CSR programs include The Body Shop, Ben & Jerry's, Patagonia, Johnson & Johnson, Nike, IBM, and McDonald's.

The 21st century established SR standards and best practices. In 2000, 44 businesses signed the United Nation's Global Compact that set standards on human rights, workers' rights, environmental stewardship, and anti-corruption policies. By 2016 more than 9,100 had signed. Well into the first few decades of the 2000s, CSR was moving toward full integration with strategic management and corporate governance (Carroll, 2008).

SOCIAL RESPONSIBILITY IN ACTION

PR News Award for Best Corporate Social Responsibility Annual Report

Each year *PR News*, one of the leading publications covering the PR industry and the sponsor of numerous workshops and recognition events, sponsors the CSR Awards competition. The awards, which culminate in a major event at the National Press Club in Washington, DC, have more than 20 categories where companies and agencies submit their CSR work for review by a panel of distinguished judges.

Best Annual Report on CSR Activity

One of the key categories, and an area where PR professionals are often called in to assist, is the annual report on sustainability or CSR. In some cases this can be part of the corporate annual report (a yearly document required of publicly traded companies), or it can be a separate document. In any case it is a key document in which organizations and companies report on their CSR activities to the community and employees.

Raising Voices: Viacom 2015 Social Impact Review Viacom Wins 2016 Award

At the 2016 awards ceremony, the winner in this category was Viacom. A major global entertainment company, Viacom's media networks, including Nickelodeon, Comedy Central, MTV, VH1, Spike, BET, CMT, TV Land, Nick at Nite, Nick Jr., Channel 5 (UK), Logo, Nicktoons, TeenNick, and Paramount Channel, together reach a cumulative 3.4 billion television subscribers worldwide.

Viewers, Employees, and Management Involved

In selecting it as the winner, the judges noted that Viacom's report reflects "its deep commitment to telling viewers' stories, amplifying their voices to educate and empower people to make a difference. Through Viacom's on-the-ground efforts, volunteers' time and skills, its employees feel valued and heard, and the company operates its business in ethical and sustainable ways."

"Viacommunity" Celebrated

Viacom's CSR efforts are detailed in a 100-page report that covers its "Viacommunity" initiatives and achievements for the year ending December 31, 2014. President and CEO Philippe Dauman explained that similar to its global business, Viacom's social initiatives are constantly accelerating. "To ensure our efforts are at their strongest and push further forward, we have laid out a series of social responsibility goals for the company," he said.

Opportunities for Women, Young People, and Minorities

A few highlights, he explained, include partnering with external organizations to support increased opportunities for women, young people, and underrepresented minorities in tech; expanding employee volunteerism to 100,000 hours; and increasing and expanding social change moments across Viacom's networks. ●

Source: PR News (2016).

THE FUTURE OF PUBLIC RELATIONS

>> LO 2.4 Summarize the challenges PR will face in the years to come

Looking ahead, what are the key trends to watch and understand to become valued as a strategic advisor to your clients, companies, and candidates? For the PR industry specifically, there are a few key issues worth examining: the growth and impact of digital media, the increased emphasis on measurement and return on investment (ROI), the integration of PR and marketing, the integration of PR and CSR, the need to improve diversity and inclusion, and globalization.

GROWTH AND IMPACT OF DIGITAL MEDIA

Without question, digital media is changing the way traditional PR is performed and, in the process, raising the expectations of management and clients for results. Recent research indicates that this is not an easy challenge. More people are online more often and consuming news and information, and fewer are getting their news from



With the growth in social media, many companies, including Procter & Gamble, have established social media command centers like this one.

Richard Levine/Corbis/Getty Images

the traditional newspapers and cable and broadcast news stations. This will require a whole new set of skills for tomorrow's PR professionals.

According to the Pew Research's Social Media Usage 2005–2015 study, nearly two-thirds of American adults (65%) use social networking sites, up from 7% when Pew Research Center began systematically tracking social media in 2005. This is a tenfold increase in usage in the past 10 years (Perrin, 2015). Key statistics from Pew's research on media and news consumption, show the following: A majority of U.S. adults—62%—get their news on social media, and 18% do so often, compared to 49% of U.S. adults in 2012, who reported seeing news on social media (Gottfried & Shearer, 2016).

INCREASED EMPHASIS ON MEASUREMENT AND RETURN ON INVESTMENT (ROI)

With the advent of social media and more sophisticated measurement techniques now available for PR activity, measurement of PR campaigns has become more commonplace. For years, the PR industry relied on unscientific and barely defensible measurement tools such as advertising value equivalency (AVE; e.g., what purchasing the airtime or space in the publication would have cost) and/or tracking media impressions (calculations based on the circulation or viewership ratings of a media outlet). Management and clients have become sophisticated and are demanding measurement of specific outcomes (vs. outputs) and evidence of ROI for company resources allocated to PR activity.

“The single most important thing people need to remember when measuring the impact of a communications program is their definition of impact, which should come from the initial, measurable objectives of the program. Often, clients want to dive in and measure before we are all clear what we are measuring and why... And, this is why, I believe many PR efforts fail—they don’t have objectives to guide the strategies and tactics,” Forrest Anderson (2014), a leading PR research expert and founding member of the Institute for PR’s Measurement Commission.

INTEGRATION OF PUBLIC RELATIONS AND MARKETING

One of the more significant trends in recent years is the integration of marketing and product-related publicity into a field that is being called integrated marketing communications (IMC). In this concept, PR, advertising, product development, and research professionals all work together to identify a need for a product, assess competitive activity or presence, identify and understand the target audience, and reach out to them via traditional and social media platforms.

The concept of integrated marketing communications, as described by Phillip Kotler, a noted professor and author of several foundational books on marketing, involves coordinating the promotion elements to deliver a “clear, consistent, and compelling message about the organization and its products” (Kotler & Gertner, 2002). It calls for more than just developing a product, pricing it, and making it available to customers, he notes. “Companies must also communicate with current and prospective customers, and what they communicate should not be left to chance. All their communications efforts must be blended into a consistent and coordinated communications program. Just as good communication is important in building and maintaining any kind of relationship, it is a crucial element in a company’s efforts to build profitable customer relationships.”

INTERSECTION OF PUBLIC RELATIONS AND CORPORATE SOCIAL RESPONSIBILITY

While the practice of CSR has come a long way since its inception in the 1970s, some companies are just now beginning to capitalize on the bottom-line benefits and reputation enhancement potential that strategic CSR can produce. John Browne, former CEO of BP, and Robin Nuttall of McKinsey, suggest in an article published by McKinsey in March of 2013, that companies may be failing to deliver on their CSR efforts due to poorly “integrated external engagement” (Browne & Nuttall, 2013).

SOCIAL RESPONSIBILITY

“In practice, most companies have relied on three tools for external engagement: a full-time CSR team in the head office, some high-profile (but relatively cheap) initiatives, and a glossy annual review of progress” write Browne and Nuttall (2013). In their view, more effort and resources are merited, given the positive returns of strategic CSR.

This is an area for focus and emphasis in the coming years. Many if not all company or client stakeholders are expecting leadership in CSR activities and initiatives as they seek to identify the winners and losers in this critical corporate activity. The expectations have grown along with the CSR field, and the role of the PR profession going forward in this will be paramount.

SOCIAL RESPONSIBILITY IN ACTION

U.S. Secretary of State's Award for Corporate Excellence

In 1999 the secretary of state of the United States, Madeline Albright, established the ACE Awards program to "recognize the important role U.S. businesses play abroad as good corporate citizens" (U.S. Department of State, n.d., para 1).

Global CSR Activity of U.S. Companies Highlighted

In making the announcement of the new program, Secretary Albright said in a statement, "The [ACE] award sends a strong signal of the [State] Department's commitment to further corporate social responsibility, innovation, exemplary practices and democratic values worldwide. The ACE awards help define America as a positive force in the world. It highlights our increasing outreach to the business community, our public private partnerships and our public diplomacy efforts."

Awards Process

The awards winners are chosen from companies nominated by the local heads of U.S. diplomatic missions worldwide. Following extensive research, evaluation, and feedback from the local citizens, business, and local government officials, the award winners are chosen in two categories—multinational companies and small to medium enterprises. The CSR engagement of U.S. companies in countries around the world that are recognized by the ACE Award illustrate the range and impact of SR and sustainability being conducted globally by U.S. companies internationally.

35 Companies Recognized Since 1999

Since the launch of the awards, more than 35 companies have been recognized, including CSR

leaders like P&G (2011) for its work in Nigeria and Pakistan and Plantronics (2013) for its work in Mexico (U.S. Department of State, n.d.). Some examples include the following:

P&G worked to improve the water supply in Nigeria through community education and providing water purification technology. In Pakistan, P&G was recognized for the humanitarian assistance it provided (drinking water, hygiene products, medical care, and laundry services) after extreme flooding devastated the country.

Plantronics built a major lab in Mexico and set up agreements with local colleges and trade schools to provide work-school collaboration and training as well as create health and wellness initiatives for the workers and their families.

CSR Activity Promotes U.S. Values Worldwide

Former Secretary of State Hillary Clinton summed up the importance of the awards and of CSR by U.S. companies abroad, saying, "for many people around the world, the most direct contact they will have with the United States is through American businesses.... That's how they learn what we stand for, who we are and what aspirations we share. So, this is really very important, not just to the bottom line but to our national security, our interests and values and the future of our global leadership" (Clinton, 2012, para 7). ●

For more information on the program, visit the State Department site: www.state.gov/e/eb/ace/

IMPROVE DIVERSITY AND INCLUSION

In a multicultural society the expectation is that PR professionals will understand and respect diverse racial, religious, and sexual orientation differences and reflect that in the strategies and tactics. For employers the industry is well past the point where there is an excuse for a lack of diversity. Whereas in the past the contributions of female and minority professionals might have been overlooked, today companies and PR firms are actively seeking diversity in their employee base to more accurately reflect the marketplace they are trying to serve. While that is a positive step, clearly more work needs to be done.

According to the Bureau of Labor Statistics (n.d.), the demographics of advertising, marketing, and PR jobs in the United States indicate that 8.7% are African Americans/Blacks and 15.3% are Hispanics/Latinos. This compares to

the demographics of the U.S. population that is 14% black and 17% Hispanic for the same period. The situation in the United Kingdom (England, Scotland, Wales, and Northern Ireland) is equally low. According to the UK Office of National Statistics, 14% of the British population have minority or ethnic backgrounds, but only 8% of UK PR practitioners identify themselves as being from these groups, according to research from the Public Relations Consultants Association (PRCA) (Stimson, 2013).

Many industry groups—including PRSA, the International Association of Business Communicators (IABC), the Arthur W. Page Society, and the Council of PR firms—recognize that the industry must have employees who reflect the backgrounds and experiences of the people they are trying to reach if they are to be successful.

Clearly, to be effective at delivering messages, motivating behavior, and influencing public opinion, PR professionals (and companies) need to be representative of the audiences they are trying to reach. Simply translating copy or messages into different languages or using different models or celebrities to endorse products is not sufficient.

GLOBALIZATION

Given the rate of change in the world and the ever-present nature of social media, the world is now a very small, interconnected place. Events—good or bad—in one part of the world become known, discussed, and debated throughout the rest of the world in a matter of minutes. Each day brings another example of this new reality. There are no unique, “local” markets anymore, and PR professionals must be aware and capable of managing this reality. Cision, a media monitoring service and source of periodic thought leadership, said in a recent post, “PR is facing challenges. But they’re NOT insurmountable,” and suggests that “glocalization—thinking globally and acting locally—is the new normal” (Mireles, 2014).

Stakeholders all over the world, and especially in key markets, are expecting a meaningful relationship with companies with whom they do business or who operate in their country. The media in these areas expects a responsive and culturally aware attitude and a level of transparency and accountability that was not the case a few years ago. The penalty for not meeting these requirements can be harsh—both in terms of sales and profits as well as reputation, government support, or market acceptance. Strategic CSR, as we will learn later, is a key tool to meet this new global reality.

SCENARIO OUTCOME

At the beginning of this chapter, you were presented with a scenario and a challenge: put yourself in the place of Ivy Lee in 1904 and make recommendations to the senior management of the Pennsylvania Railroad to improve its media response to rail accidents. Specifically you were asked to think in terms of how the company would be perceived if it continued to be unresponsive and standoffish to the media and the public in the event of an accident. Several questions are suggested to guide your thinking as you read through the chapter:

- ▶ How would you convince the company to be more open and responsive to the public?
- ▶ What tactics would you use to manage the crisis?
- ▶ What role should media relations play?

- ▶ How would you minimize the reputation damage to the railroad?
- ▶ How would this case be different today versus in the early 1900s?

As you think about your responses and recommendations, and discuss them with your classmates, consider how Ivy Lee and his partner responded.

What did they recommend? In a breakthrough strategy for the time, Lee convinced company management to be more open and responsive to the media and the public when the next incident occurred. Specifically he recommended the company create a plan to set up a press room near the scene of the accident and quickly issue a news release (which was a new concept) with details on what happened and what was being done in response; and he advocated taking select reporters to the site of the accident to see firsthand what had happened and how the railroad was managing the situation (Cutlip, 2013a, b).

The company adopted these and other recommendations, and to the surprise of many except Lee, the company received more balanced press coverage of the next accident, and their reputation was not as damaged as it might have been. This became even more important as the company expanded its operations nationally.

This scenario illustrates how visionary Ivy Lee was in helping business leaders realize the power of strategic communications, including working closely with the media and government officials in a crisis to preserve and protect corporate reputation.

WRAP UP

This chapter covered a lot of territory and many years. You learned how communications has been a part of civilization as long as there have been different groups of people—rulers and subjects, activists and citizens, politicians and voters, and businesses and customers—trying to understand and influence each other.

You read short profiles of some of the well-known leaders of the modern era of PR, including Bernays, Lee, and Page, and you discovered other PR professionals who made major contributions. You then took an in-depth look at the PR agency business and its pioneers as well as lesser known, but equally important, women and African Americans who made significant contributions.

You were also introduced to the concept of SR and traced its evolution into a worldwide movement. The chapter closed with a look at the issues impacting PR in the next five to 10 years and the social issues that will challenge PR professionals throughout the rest of the 21st century.

KEY TERMS

Business Ethics: A process or theory in which companies are expected to conduct their business in an open and honest way to gain market acceptance and build a solid reputation, **45**

Media Tour: A media relations tactic that involves a multi-city tour, usually with a celebrity or other spokesperson, to promote a new product or service, **41**

Modern Era of PR: The time period beginning in the early 1900s when PR moved beyond the era of the publicists and

promoters to the current era of applying the strategies and tactics advanced by Edward Bernays and others to corporations and organizations, **34**

Press Event/Publicity Stunt: An event or activity specifically designed to draw attention to a product, service, or celebrity that creates lots of news coverage or publicity, **33**

Pro Bono Work: Professional work undertaken voluntarily and without expectation of payment, **37**

THINK ABOUT IT

The issue of diversity and inclusion continues to be a challenge for the PR profession. Since the early 1900s, minorities and women have been underrepresented or underappreciated for their contributions. The problem is evident by the disconnect between the demographics of the U.S. population and the employment trends in the PR industry.

As a reminder, in the section of this chapter outlining key challenges for the future of the PR profession, you read the following statistic: The demographic breakdown of advertising, marketing and public relations jobs in the United States indicates that 8.7% are African Americans/Blacks and 15.3% are Hispanics/Latinos. This compares to a population in the United States that is 14% black and 17% Hispanic.

Your challenge is to break into groups, discuss this issue, and develop one or two proposals on how PR can improve on its diversity and inclusion performance. This might take the form of CSR initiatives between companies catering to minority customers or women and/or affiliations with nonprofits such as the United Negro College Fund, La Raza, or the National Organization for Women.

Prepare a short memo listing your ideas and an outline of a plan of action to begin implementation.

WRITE LIKE A PRO

In this chapter, you read a lot about the history of PR, notably the modern era, and some industry leaders whose contributions helped create the PR practices of today.

You were also introduced to The Museum of Public Relations, a relatively new organization in New York City that highlights the leaders of the early days of PR. There are also artifacts exhibited there from other professionals—many of them people of color or women—who were pioneers as well.

Prepare a short backgrounder that summarizes the work of a featured pioneer—preferably one of the lesser known personalities that appeals to you. The document should be suitable in style and format to be submitted to a reporter seeking coverage or to a potential donor to encourage their interest in the museum and its mission.

Note: A backgrounder is a short overview that provides background information to encourage the reader to learn more about a given topic. In this case, you could describe the purpose and history of the museum, and your chosen personality in detail, and then summarize the information and materials available there to learn more.

You should start by visiting the museum's website at www.prmuseum.org.

SOCIAL RESPONSIBILITY CASE STUDY

Edward Bernays and Light's Golden Jubilee

The late 1920s were an era in which PR was coming under heavy scrutiny and attack as the public still looked upon it as sensationalism and a menace to the integrity of the press. Edward Bernays was looking for an opportunity to prove to the public and his critics that PR was indeed an honorable profession. In May of 1929, General Electric and Westinghouse approached Bernays with the task of handling the 50th anniversary of the first incandescent light, a celebration that would honor both Thomas Edison and his invaluable invention.

Research and Strategy

The campaign, titled Light's Golden Jubilee, began in May, with a massive publicity effort and ended in late October with a massive event. Six months before the dedication ceremony, stories about Edison and the history of the incandescent light were sent out to the managing editors of local and national newspapers. The letterhead included the names of such supporters as President Hoover and Henry Ford. The American press joined in, newspapers and magazines

began to run their own stories on the event, and towns across America planned ceremonies in honor of Edison.

After Bernays approached the postmaster general, a commemorative stamp for the anniversary was issued. Bernays planned several smaller events such as the Diamond Jubilee, a light extravaganza, which took place in Atlantic City.

Execution

On October 21, President Hoover dedicated the Edison Institute of Technology in Dearborn, Michigan. The event was attended by notables such as Henry Ford, Orville Wright, John D. Rockefeller, Jr., and Madame Curie. Press representatives included members of the wire services, weekly newsreels, and photographers. Members of 15 of the most important newspapers in the country were invited as well as several leading journalists. Edward Bernays had organized an event that had shown the world the potential of positive PR.

Evaluation

Edward Bernays had organized an event that had shown the world the potential of effective PR. It was one of his greatest triumphs, becoming a landmark in PR history as well as in his own long and distinguished career.

Bernays later said, "Public relations had passed a milestone on the road to public understanding and respect" (Bernays, 2015a). For here was a coordinated, planned effort that demonstrated that the consent of the public to an idea could be engineered if the time for the idea had come.

ENGAGE

- ▶ Explore GE's CSR website at www.gesustainability.com to discover the breadth of the company's "alignment of business strategy to meet societal needs."
- ▶ Explore GE's Ecomagination initiative and its numerous innovations. How are employees involved?

DISCUSS

- ▶ In the case, Bernays is quoted as saying, "Public relations had passed a milestone on the road to public understanding and respect." Do you think this was premature at the time? Is it still true, or does PR need to constantly justify itself?
- ▶ If you were planning a similar event for GE or another innovative technology company today, how might you factor in a CSR/sustainability angle to a celebration of this nature, for example, the anniversary of a technological breakthrough?
- ▶ Similarly, how might social media be used today to mark such an occasion?
- ▶ How would you engage the employees of GE more in the celebration?

SOCIAL RESPONSIBILITY CASE STUDY

Johnson & Johnson's Tylenol Crisis

M-M advised Johnson & Johnson during the now-famous Tylenol crisis—a case regarded as a classic and historical example of managing a crisis.

In the fall of 1982, packages of Tylenol Extra-Strength already on store shelves were opened, and cyanide-laced capsules were randomly placed in them by an unidentified individual or individuals. The containers were resealed and put back on the shelves of several pharmacies and food stores in the Chicago area.

The poison capsules were subsequently purchased, and seven unsuspecting people died. Johnson & Johnson, parent company of McNeil Consumer Products Company, which makes

Tylenol, suddenly, and with no warning, had to explain to the world why its trusted product was suddenly killing people (Ten Berge, 1990).

Research and Strategy

Robert Andrews, assistant director for PR at Johnson & Johnson at the time recalls how the company reacted in the first days of the crisis:

We got a call from a Chicago news reporter. He told us that the medical examiner there had just given a press conference—people were dying from poisoned Tylenol. He wanted our comment. As it was the first knowledge we had here in this department, we told him we knew nothing about it. In that first call we learned more from the reporter than he did from us. (Ten Berge, 1990)

Johnson & Johnson Chair James Burke reacted to the media coverage by forming a seven-member strategy team and he engaged their PR agency, which was Burson-Marsteller. The strategy guidance to the agency from Burke was, first, "How do we protect the people?" and, second, "How do we save this product?"

Execution

Johnson & Johnson, acting on the advice of its agency and internal team moved ahead—stopping the production and advertising of Tylenol and withdrawing all Tylenol capsules from the store shelves in Chicago and the surrounding area. After finding two more contaminated bottles elsewhere, Johnson & Johnson ordered a national withdrawal of every capsule (Broom, Center, & Cutlip, 1994).

By withdrawing all Tylenol, even though there was little chance of discovering more cyanide laced tablets, Johnson & Johnson showed that they were not willing to risk the public's safety, even if it cost the company millions of dollars. The result was the public viewing Tylenol as the unfortunate victim of a malicious crime (Broom et al., 1994).

Subsequently, Johnson & Johnson announced the creation of new triple safety seal packaging with a press conference at the manufacturer's headquarters. Tylenol became the first product in the industry to use the new tamper-resistant packaging just six months after the crisis occurred (Ten Berge, 1990).

Evaluation

Throughout the crisis more than 100,000 separate news stories ran in U.S. newspapers, and there were hundreds of hours of national and local television coverage. A post-crisis study by Johnson & Johnson said that more than 90% of the American population had heard of the Chicago deaths due to cyanide-laced Tylenol within the first week of the crisis. Two news clipping services found more than 125,000 news clippings on the Tylenol story. One of the services reported this story had been given the widest U.S. news coverage to date since the assassination of President John F. Kennedy (Kaplan, 2005).

Scholars and PR practitioners have come to recognize Johnson & Johnson's handling of the Tylenol crisis as the top example for success when confronted with a threat to an organization's existence. Ten Berge (1990, p. 19) lauds the case in the following manner, "The Tylenol crisis is without a doubt the most exemplary case ever known in the history of crisis communications. Any business executive, who has ever stumbled into a public relations ambush, ought to appreciate the way Johnson & Johnson responded to the Tylenol poisonings. They have effectively demonstrated how major business has to handle a disaster."

ENGAGE

- ▶ Explore Johnson & Johnson's CSR website at www.jnj.com/caring/citizenship-sustainability to see how it communicates what it's achieved.
- ▶ Drawing from its website, put together a list of the internal and external stakeholders touched by its CSR. How are employees involved?

DISCUSS

- ▶ In the Tylenol poisoning case, there is no discussion of how the news and the company's response were communicated to Johnson & Johnson's employees. While this no doubt happened then, how would you recommend a company faced with a similar crisis now manage its internal messaging?
- ▶ Should the company have considered reworking the packaging and handling of all its over-the-counter medications? Or was this just a random incident?
- ▶ If you worked for a competitor of Johnson & Johnson, how might you have recommended your company respond? What, if anything, should your company have done to make sure it was not the next victim of this criminal behavior?

Source: Crisis Communications Strategies (n.d.).

VIDEO CASE

Red Bull Sky Dive: Publicity Stunt

In 2012, Red Bull sponsored sky diver Felix Baumgartner's attempt to complete the highest sky dive on record. On October 14, Baumgartner rode a helium balloon into the stratosphere and jumped from a height of 39 kilometers. A video of Baumgartner's jump, in which Red Bull's branding is prominent, has been viewed on YouTube more than 40 million times.

Compare Red Bull's PR efforts in this case to P. T. Barnum's strategies promoting his circus in the 1800s.

VIDEO



1. What is the value of a publicity stunt of the type Red Bull conducted with Baumgartner?
2. If you were working in PR for Red Bull at the time, what strategies would you use to publicize Baumgartner's jump?