

PERCEPTION MANAGEMENT

Targeting E-fluentials > Chris Komisarjevsky, CEO, Burson Marsteller Worldwide

So the internet and in particular activist organizations, non-government organizations, NGOs, activist organizations are very, very proficient, very skilled, very sophisticated at using all of the public relations techniques. All of the techniques for communicating on the internet to express a point of view. Gain support, and actually make sure that corporations are under the microscope.

The fact is that corporations need to be equally as good. They need to know who that gets on that keyboard and looks in that screen is influencing those opinions and they have to be very good at finding a way to reach those people.

We call those people E-fluentials. These are people who are early adopters of technology. They're people who see this as a means of learning and sharing views. And if you can reach those people, those E-fluentials, their ability to influence opinions is monumental.

Valuing Intangible Assets > Chris Komisarjevsky, CEO, Burson Marsteller Worldwide

Corporations actually are successful based on both tangible assets and intangible assets. And traditional thinking was that it was the tangible assets that created a value in a corporation.

That it's the plants, it's the machinery, it's how many square feet that you had of machinery. It's how fast the shampoo bottle moved through the assembly line. Well what we have seen over these last five to ten years is the fact that it's not so much the tangible assets because anybody can buy a plant. It's the intangible assets.

And I have an MBA and when you look at the theory of business and you think about intangible assets there are basically four intangible assets that school will talk about today. It's the brand, the reputation of the brand. It's the relationships that a company has that with those stakeholders and those forces that permit it to exist, or if not be successful.

It's the human capital inside the company. The people who work everyday to make that company a success. And fourth it's the systems that a company has for sharing knowledge, moving knowledge, moving technology around the company. Our view is that there really should be a fifth capital.

And that fifth capital is communications capital. Because none of those intangibles are really as strong as they could be unless they're leveraged with

communications. Unless people know about it, unless people understand. Unless people will give you a benefit of the doubt when you stub your toe and fall. Unless they understand the depth of the relationships, the qualities of the brand, the values that a company has. The quality of the people who work every single day hard to accomplish some goal it's not going to be there.

And if you look at the market cap companies and you look at the changes in the market cap of companies, the multiple that companies that have a high quotient of these intangible assets or what's also called intellectual capital is much higher than those companies that are very traditional manufacturing companies today.

So the future in companies is to emphasize the intangible assets perhaps even more than they have in the past, and perhaps even more than they ever thought they should. That then comes back to the reputation of a company.

Strategic Philanthropy > Chris Komisarjevsky, CEO, Burson Marsteller Worldwide

In early days corporate philanthropy was sort of the first entrée where a chief executive or a senior member of management said, you know what's really important to our employee population is the arts. Or is culture. So we need to be giving some of the resources and do what is often called you know giving back to the community.

And that had a life of its own and a very important life. You look at major corporations that have supported the arts, and made the arts available to people who otherwise couldn't afford it - it's extraordinary. But when you think about corporate social responsibility, corporate philanthropy is simply a tangible way of saying we as a corporation have decided that important to us, important to our employees, important to the markets in which we serve is this issue and we're going to give something to it. We're going to put something back but it's going to be focused. The smartest companies are those that have channeled their philanthropy into an area that is core to the values of the company. That is what it should be done.

I Hate Spin > Chris Komisarjevsky, CEO, Burson Marsteller Worldwide

When-people look at the public relations industry, a lot of cases they just don't know what we do. That's one thing, one side of the coin. The other side of the coin is that they tend to use terms like spin, and spin doctors and things like that. And to me that is absolutely wrong.

It is a term that I absolutely despise because the concept of spin is based on disrespect. What we do is based on the respect of an individual to have information put at their disposal and then make the right decision. And I'm the

kind of person who believes very much in the ability of informed people to make the right decision.

And that decision could be buy stock, or not buy stock. Buy a product not buy a product. Get employed or refuse to work for a company. Pass a piece of legislation or vote against the legislation.

But it's the respect for the individual to make the right decision which I believe is at the root of communications and it is clearly at the root of the way Burson Marsteller practices its business.

Think Tanks > Maude Barlow, Chairperson, Council of Canadians

These corporations set up business lobby groups that only were there to, to change that culture. Weren't just there for an industry sector as they had been in the past. Then they put themselves on the boards of editorial boards of newspapers. And then they bought the newspapers, right. They got themselves on the boards of governors of universities.

And one of the most important things they did was that they set up their own think tanks that would appear to be neutral. That would be funded almost exclusively by the corporations themselves. But these think tanks would then put out vast amounts of material. Get busy working on campuses which the Fraser Institute does to promote this change of culture.

Which basically is there is no alternative. The Washington Consensus is the only alternative for the world, privatization, free trade, deregulation, tax cuts, deficit fighting. Individualization of social security. This is the way it has to be. And that the, these think tanks play an enormously important role because they're, they're often cited as being neutral.

As government cutbacks mean that we're not doing as much research, independent research by government agencies any more. More and more the media will turn to a think tank like the Fraser Institute take their material and put it out as fact. When in fact it is pure dogma.

You know in a trade agreement negotiation, you will find groups like the Fraser Institute, the Business Council of National Issues of Canada that Business Roundtable in the United States. The Kaidon Run in Japan they literally sit with governments and they negotiate. And then these think tanks take that information to the public as if it's somehow neutral information.

What Monsanto Knew And How They Knew It > Steve Wilson, Whistle-blowing Fired Fox Reporter

It brings up a whole other issue about how Monsanto knew what to complain

about. You know, I mean, Jane did an interview and she asked a lot of questions and if you piece together the questions I guess if you were a real smart guy you could figure out what the story was going to be like. But their letters were much more right to the point than even that can explain. Which has always caused me to believe that they shared our scripts, somehow, either faxed them over or told them what was in it or whatever, from the beginning. And they always denied this, I should say.

But I should also say that we found in the discovery process of our lawsuit later that another Fox investigative reporter in Kansas City had done another story, totally unrelated to bovine growth hormone, this happened to be a story about another chemical - Dursban, which is an insecticide that is produced by the Dow Chemical company. And he found that Dursban posed a lot of health risk. And even though the federal government in America had not yet banned it, perhaps they should. And there had not been sufficient tests. And he was about to report this on the air. Very parallel similar kind of warning stories that didn't tell you it was terrible but raised a lot of questions.

And Dow had a fit. And as he found out the lawyers at Fox faxed his script before they were ever broadcast to the PR people at the Dow Chemical company. They reviewed the scripts rewrote what they didn't like, presented the facts the way Dow Chemical saw the facts, gave it back to the Fox lawyer, the Fox lawyer turned around and told the reporter, you know this would really be a better way of saying this. And he said no and they said we'll fire you if you don't. And with three children and you know a big mortgage and a couple of car payments, he told me he had no choice. And he testified under oath to all this, I'm not making this up. And he left as soon as he could.

But having known that's how this corporation does business, how these two corporations get together and have sort of an understanding about the way things should be explained, you know, to the rest of us unwashed masses. I've always believed, though I can't prove it, my personal opinion is that they shared our story with Monsanto and that's how Monsanto knew.

When We Lie To You It's All Over > Steve Wilson, Whistle-blowing, Fired Fox Reporter

I spent more than 25 years before I ever worked for Fox, working for places like ABC News and CBS news in New York and some of the best television stations around. And never in my career had anybody ever suggested that I distort a story. Now, you know it's been quite fashionable for, for TV viewers to always think that that happens. That reports are twisted and reporters are told what to say, usually with some left wing political tilt.

And whenever I'd go to, you know, chicken dinners and talk to the Rotary Club and stuff that question always comes up. And I always used to say to people, you know, it kind of, it sort of, I don't know, it sort of offended me because, you know,

first of all they don't ask. And nobody, nobody anywhere has ever asked me to do that, and second of all I would never do it anyway. I mean. it would be like sort of asking a doctor to cut off the left leg instead of the right leg cause it's you know whatever. And I always said to people it doesn't happen, you know.

Now having said that I was honest enough to tell people that what does happen from time to time, and what I have seen in years gone by, before this and the recent conglomeration of, consolidation I mean, the recent consolidation of news media, is that some stories that deserve to be told sometimes don't get told. It has happened to me I think once or twice in my career. Ironically about stories that made the media look bad because media people are the most thin-skinned of all.

I was doing a story once about how the weatherman at a station I worked for was taking freebees at a ski resort. When on the weekend weather forecast he'd tell everybody what wonderful fresh powder they had at this ski resort or you know and I thought that was sort of an abuse. And the news director thought it was a great idea. The general manager decided it wasn't such a good idea and that story got killed. And there are other stories that get killed.

For instance ABC recently did a piece about how the Disney company frequently does not thoroughly check its job applicants. So that the characters that are dressed up as Mickey Mouse and Minnie Mouse and the dwarfs and all that, play with your kids could be convicted pedophiles. Now you know, I don't know how many people know but ABC News and ABC is owned by Disney. Now you know it's an important story, you might want to know this if you go to Disney World or Disneyland. But the president of ABC news told the correspondent, are you nuts? We're not going to do that story.

In fact, he said to him, look, make it a story about the industry. Make it a story, you know, I mean we don't want to pick on one corporation. Because you know, these corporations they all have this sense they want to kind of protect themselves especially now in the news business where the news organization is owned by some other corporation that has nothing to do with news. It's just a big corporation like General Electric makes light bulbs, they make jet engines, they make NBC news. Disney makes ABC news. And so he said let's, let's not do it that way. He said, let's do a story about how it's kind of systemic in the, in the, in the big park industry. So he said, okay we can do it that way I suppose, that would be a better way to do it.

So he goes out and he checks Universal and he check Six Flags and he checks Knotsberry Farm and he checks all the others. And what he finds out is that everybody except Disney are doing thorough checks and this couldn't happen and doesn't happen anywhere else. He couldn't find one example anywhere. So he goes back and he tells him, look, the truth is we can do this story the way you want it done but we're going to have say only Disney does it this way. You think that story ever got on the air? That story didn't get told.

And my point is that there's lot of stories that don't get told and that's bad. I mean, that's bad enough. Stories ought to be judged on their own merit without

regard to, you know, who they make uncomfortable and, you know, who they expose. But you know that's in the ideal world, in the perfect world. In the real world those kinds of stories that really offend the wrong people and generally it's the, generally it's the people who you know finance the broadcast news organizations or the local news organizations. It could be the, you know, it could be the used car lot, you know, the local newspaper won't do a story about him rolling back odometers because who's the biggest advertiser? The car dealer! And so that story doesn't get into paper.

And that's bad enough but what happened here was that this was the next step down that road. You know this was, okay we're going to tell the story but we're going to distort and twist it and tell it the way the people who pay us the money, our advertisers and our friends want it told. And once you cross that line. I mean, bad enough they're stories you need that you're not told, but when we lie to you it's all over.