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TO: PRO Members

FROM: Dan Stanowick *DS*

SUBJECT: Marketing/Communications

DATE: December 4, 1992

COPIES: Bob Burnett
Nora Jacobs
Dave Meeker

Based on our previous discussions and, most significantly, on the results of our market research project earlier this year, following are our marketing/communications recommendations for PRO's 1993-94 fiscal year.

The recommendations build on activities PRO has traditionally undertaken in its attempts to grow the market for PVC in piping applications. They call for a budget more ambitious than in this and in other recent fiscal years. However, both our recommendations and budget are tempered by the reality of persistently depressed market conditions and are pending additional discussions with you regarding how you view PRO's priorities for the future.

Objectives

These remain essentially the same as when PRO first launched its marketing/communications program in 1989. That is, we want to help grow the market for PVC in piping applications by:

- ▶ Promoting the true strengths and advantages of PVC in piping applications;
- ▶ Correcting misperceptions about the overall performance of PVC pipe; and
- ▶ Developing recognition for PRO as a centralized source for information about the use of PVC pipe.

As you know, both our objectives and efforts to date have concentrated on the large diameter water transmission and distribution market. However, the time seems right to expand same to include the large diameter sanitary sewer, highway drainage and storm sewer markets. We should plan to make this a topic for discussion at our meeting next week in Dallas.

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Audiences

Our target audiences have traditionally included public works officials and consulting engineers plus members of various code bodies and standards organizations. Again no significant changes, here. However, our market research project told us that opinions about PVC pipe are weakest in the New England, Atlantic and Central regions of the country. We should also plan to discuss next week exerting additional marketing/communications muscle to affect this.

Strategies

Traditionally our strategies have been to be proactive, not defensive; to promote the benefits of PVC without attacking the weaknesses of competitive materials; to defend PVC from unwarranted attacks; to target our efforts to the audiences of most influence; to demonstrate market acceptance by promoting actual use via case histories and testimonials; and to work with various other industry groups and organizations with vested interests and/or influence in the piping market. We see virtually no changes in these for PRO's 1993-94 fiscal year.

Recommendations

1. Advertising. This has been a major staple of our marketing/communications program since 1989. Our efforts have been conservative, but they have helped us maintain a presence in the market in light of what is being done by our competitors.

For PRO's next fiscal year, we recommend:

- ▶ Continue advertising in AWWA Journal, but consider cutting down on our frequency there to help enable us to advertise in other publications serving not only the large diameter water transmission and distribution market, but also serving the large diameter sanitary sewer, highway drainage and storm sewer markets. Examples include Civil Engineering, Public Works and American City & County.

All of these publications are edited for structural, environmental, geotechnical and civil infrastructure engineers as well as for the principal professionals involved in the design, product and material specification, operation and maintenance of commercial, industrial, institutional and public works construction projects.

We can envision insertions in each publication, scheduled on an alternating basis to maintain a constant presence in the market. We can also envision running ads only in special issues of these publications or in the 1993 Public Works Manual and Municipal Index.

We look forward to getting input from you during our meeting next week in Dallas in order to make firm recommendations.

- ▶ Develop new testimonial ads. The testimonials we are currently using will no longer be fresh by the time we begin our 1993-94 fiscal year. Testimonials both distinguish us from what others are doing in the market and give our messages special credibility.
2. **Publicity.** We know from experience and from the results of our market research project that publicity is an effective and cost efficient marketing/communications tool. As much as anything else, it has credibility beyond what might be achieved through other marketing/communications tools.

For PRO's next fiscal year, we recommend:

- ▶ Initiate contacts with general interest media in key target cities to support efforts to have PVC written into specifications there.
 - ▶ Maintain contacts with the editors of key trade publications and continue to monitor for editorial opportunities. These have traditionally included such things as guest editorials, participation in industry round-up articles, etc.
 - ▶ Continue contacts with PRO member company customers to attempt to identify and place case history articles, technical papers, etc.
 - ▶ Continue to develop and broadly distribute to our list of nearly 100 industry trade publications news releases, advisories and/or photos about significant industry developments and PRO activities including new presentations, new applications, new industry positions on key issues, new test protocols or results, etc.
 - ▶ Continue to respond to negative or inaccurate media coverage wherever it appears.
3. **Direct Mail.** In one form or another, this has been a regular staple of PRO's marketing/communications program since 1989. We have built a list of nearly 5,000 engineers and specifiers, municipal officials, code body and standards organization members and others who have received and continue to receive our materials.

For PRO's next fiscal year, we recommend:

- ▶ Continue to publish PROfile. This has become the core of PRO's direct mail efforts. It has also become the primary tool we use to promote the availability of various other PRO materials. The newsletter gives us an opportunity and reason to communicate with our target audiences on a regular basis and with short, scannable information. As has been our practice in the past, we see three issues in the new fiscal year.

4. **Industry Seminars.** PRO has already established strong working relationships with various other industry groups and organizations with vested interests and/or influence in the piping market. Primary among these are Uni-Bell, PPFA and PPI. The challenge now is to find additional ways to complement and reinforce each other's efforts to mutual benefit.

For PRO's next fiscal year, we recommend:

- ▶ Organize a series of special one-day PVC pipe seminars for the sales and marketing representatives of PRO member companies and, especially, customer companies. Patterned after the Vinyl Institute's highly successful "On the Firing Line" program last year, the seminars would be designed to give attendees the information and materials they need to effectively address the questions and challenges they face in the course of their every day PVC pipe sales and marketing efforts.

Mike Barish, Bob Walker, Bob Novick and other PRO members would conduct the seminars. A portion of each would be set aside for attendees to share their own experiences, observations and ideas.

5. **Collateral Materials.** PRO already has an attractive, functional and relatively comprehensive information kit. Some of its contents are dated or application specific, however, and we have repeatedly seen the need for some additional new marketing/communications tools. These tools might concentrate primarily on large diameter water transmission and distribution. Or, pending the recommended discussion at our meeting next week in Dallas, they might be expanded to also cover large diameter sanitary sewer, highway drainage and storm sewer applications.

For PRO's next fiscal year, we recommend:

- ▶ Develop an attractive, new four-color brochure about PVC pipe. It would talk about and illustrate PVC's range of performance properties in a range of demanding applications and environments. The most unusual aspect of the brochure would be an emphasis on testimonials from individuals representing key buying influences in the market, including consulting engineers, municipal officials, contractors, code body and standards organization officials, etc. Using their own words, and drawing on their own experiences, they would help make a compelling case for why PVC is the piping industry's material of choice.

PRO member companies, and especially customer companies, would be encouraged to purchase and widely distribute the brochure to all audiences. The brochure's availability could further be promoted via publicity and PROfile.

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- ▶ As an alternative to a brochure, pending our discussions next week in Dallas plus some additional discussions we recommend with key PRO member company customers, develop the above in video format to be accompanied by a brief printed companion piece.
 - ▶ Develop a series of brief fact sheets addressing specific PVC pipe attributes and/or issues. These might include durability, versatility, economics, code and standard compliance, tapping, locating, etc. These would be patterned after the "drinking water safety" technical bulletin that is already a part of PRO's information kit.
6. Literature Fulfillment. PRO's marketing/communications efforts routinely generate scores of inquiries and requests for information. For PRO's next fiscal year, we recommend continuing to make allowance for the handling, mailing and printing services and costs traditionally associated with responding to same.
 7. Program Development. During the course of any fiscal year, there are invariably special challenges and opportunities that arise suddenly and need to be addressed. There are also special projects that need to be undertaken. Examples include contacts with PRO's list of industry influentials, PE monitoring, etc.

Consistent with this, for PRO's next fiscal year, we recommend allowances be made for such things as ongoing program tracking and development; liaison with the Vinyl Institute's Partners' Program and related efforts; general counsel and project execution; regular PRO meetings including preparation and follow-up for same; responding to miscellaneous requests; and similar activities.

Budget

Based on the above recommendations, and exclusive of whatever is ultimately allocated for such things as code panel representation, Uni-Bell support and other special projects, following is an estimated budget for PRO's 1993-94 fiscal year. Again, while our total budget figure is probably not realistic, we need input from you before we refine any of this further.

1. Advertising

Includes development of two new ads plus at least six insertions in some combination of AWWA Journal, Civil Engineering, Public Works and American City & County.

\$ 35,000

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2.	Publicity	
	Includes media monitoring, contacts, developing releases and case histories, contributing to editorial features, responding to negative or inaccurate coverage.	\$ 15,000
3.	Direct Mail	
	Includes the publication of three issues of PROfile.	\$ 20,000
4.	Industry Seminars	
	Includes planning and development of three special one-day PVC pipe seminars.	\$ 10,000
5.	Collateral Materials	
	Includes development of new brochure or video plus printed companion piece and development of series of PVC pipe fact sheets.	\$ 30,000
6.	Literature Fulfillment	
	Includes handling, mailing and printing services associated with responding to inquiries and information requests.	\$ 10,000
7.	Program Development	
	Includes miscellaneous counsel and project execution, PRO meetings, program tracking, responding to requests, etc.	<u>\$ 15,000</u>
	TOTAL	\$135,000

I will be prepared to discuss the various contents of this memo in greater detail during our meeting next week in Dallas. I recommend that before we make any decisions, we check at least informally with a select number of PRO member company customer contacts to get their own thoughts and/or ideas about same.

Please let me know if you have any questions. I look forward to seeing you next week.

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