

WRG 002149



HILL AND KNOWLTON

PRELIMINARY CAPABILITIES PRESENTATION
FOR THE
ALLIANCE FOR SAFER BUILDINGS

Submitted by:

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OBJECTIVES

- o Contain problem to schools. Prevent EPA or other governmental entities from yielding to union pressure and pressure from other constituencies to extend mandate to inspect for presence of Monokote (and other brand name fireproofing substances) to include commercial buildings.
- o Minimize the number of cases where removal of the material containing asbestos becomes the option of choice.
- o Prevent product liability suits.
- o Prevent or mitigate legislation, at all governmental levels, that would authorize governmental subsidy to schools for removal of materials, thereby encouraging adoption of the removal option.
- o Significantly enhance understanding of all target audiences of the health risks associated with removal of the material in question; encourage intelligent assessment of issues affecting options for dealing with presence of material.

TARGET AUDIENCES

Public/School Community

General Public

School Administrators

School board members

Parents

School children

Teachers

School support personnel

NEA, AFT, AFSCME, other relevant unions

Government/regulatory bodies

EPA, OSHA, other regulatory agencies as appropriate

Federal legislators

State legislators

City/town governmental officials

Influentials

Media

Scientific community

Medical community

Internal

Alliance member employees

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TEAM ORGANIZATION

To plan, supervise, and implement the Alliance program, Hill and Knowlton will organize a Core Team based in Boston and Washington. In turn, the core team will draw on designated Hill and Knowlton staff executives throughout the country as required and a special Asbestos Crisis Group.

Members of the Core Team will include James A. Baar and Patricia Butterfield in Boston; Jerald Blizin and Mark Grayson in Washington; and Matthew Swetonic in New York. The Core Team will be directly responsible for day-to-day liaison with the Alliance as it evolves. While we are entirely flexible on this issue, it would appear at the moment that the most efficient near-term organization would involve day-to-day liaison and coordination out of the Boston office, with a shift to the Hill and Knowlton Washington office once the Alliance has an executive office in place.

Members of the Special Asbestos Crisis Group will include James Callahan in New York, Richard Hyde and Robert Stone in Chicago, and Jolaine Collins in Denver.

A designated account executive will be assigned to the Alliance program in each of Hill and Knowlton's 20 offices throughout the country for rapid reaction to regional school asbestos developments. These designated AEs will be fully briefed on the Program and will be kept current on Program positions.

A Hill and Knowlton National Media Watch will be established to report to Alliance members on a daily basis relevant major media coverage and alert the Core Team in a timely manner to emerging regional needs.

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WHY HILL AND KNOWLTON

To meet the severe challenges facing the Alliance companies, Hill and Knowlton brings:

- o Definitively the most extensive professional experience in handling public relations/public affairs problems associated specifically with asbestos and generally with toxic substances.
- o A team of public relations experts with a long record of success in crisis communications and in-depth knowledge of the asbestos problem.
- o A Washington Office with strong proven capability to support a legislative/government affairs program conducted by legal and government affairs counsel.
- o A national network of 20 Hill and Knowlton offices plus a network of 28 Hill and Knowlton Associate public relations firms in cities where H&K offices are not located.
- o A Senior Consultants Group of leaders in the public and private sectors. The Group, whose members will be available to the Alliance as required, includes Murray Widenbaum, former Chairman of the President's Council of Economic Advisors; former Gov. Edward J. King of Massachusetts; and Charles Meyer, former Assistant Secretary of State for Inter-American Affairs and former senior vice president at Sears Roebuck and

Company.

- o Group Attitudes, Inc., a Hill and Knowlton subsidiary, is organized to provide rapid national and targeted public reaction and attitude surveys.
- o Hill and Knowlton, as a member of the JWT Group, can call as required on the capabilities of such sister companies as J. Walter Thompson Advertising, JWT Direct Response, Simmons Research, and Lord Geller Advertising.

SPECIAL CONSIDERATIONS

From time to time the interests of W.R. Grace and the Alliance Program may not coincide, and special public relations activities may be required.

Hill and Knowlton will stand ready to meet these situations in a timely and cost/effective manner by assigning a senior executive in the Boston Office on a standby basis. This executive will be fully briefed on a current basis and be prepared to organize a separate team to undertake dedicated planning and programs in behalf of W.R. Grace.

Such programs might merely be extensions of Alliance programs already underway or entirely distinct efforts designed to meet special situations and requirements.

ASBESTOS AND HUMAN HEALTH

Manville Corp.,
The Asbestos Information Association
Raymark Inc.,
The Center for Public Resources

Problem/Situation

For nearly two decades, asbestos has been the target of unending assaults by Federal, state and local government portions of the medical community; the environmentalist community; some segments of organized labor, and citizens groups of various types. Many of the health charges leveled against asbestos have a strong basis in fact; others do not.

Hill and Knowlton was retained by Johns-Manville (now the Manville Corp.) to work on the asbestos issue in 1967 and has worked on a more or less continuous basis on the issue for Manville and other clients for some 17 years.

Action

The basic strategic approach employed by Hill and Knowlton, functioning through the firm's Division of Environmental and Consumer Affairs, has been to admit to the hazards of asbestos where they are demonstrable, publicize the efforts of the industry to identify and control asbestos health hazards, and, finally, to combat the often hysterical charges of some groups relative to the hazards of infinitesimal amounts of asbestos in the environment.

Over the years Hill and Knowlton people have:

- o Prepared background papers for general public and scientific community consumption on many aspects of the asbestos health controversy.
- o Prepared testimony for delivery at governmental and other hearing and meetings on asbestos.
- o Worked directly on behalf of the industry with governmental officials in OSHA, FDA, EPA and at the state and local level on asbestos problems.
- o Prepared audio-visual and other materials for use with citizens and other groups concerned about asbestos.
- o Helped to organize and conduct symposia on asbestos hazards.
- o Recommended to the industry and was instrumental in the formation of the Asbestos Information Association to speak for the industry on asbestos health issues (the current Co-Director of Hill and Knowlton's Division of Environmental and Consumer Affairs was the first full-time Executive Director of the Association).
- o Worked with various companies on the public relations aspects of the legal issues facing the industry.
- o Worked on helping asbestos companies combat public hysteria at the local plant level.

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- o Worked with members of the scientific community to help them explain in an understandable fashion to various audiences their research on the hazards (or lack thereof) of small amounts of asbestos in the environment.
- o Handled the public announcement of the recent establishment of the Asbestos Claims Facility to settle asbestos health claims out of court.
- o Prepared and distributed on numerous occasions press releases and press kits on various aspects of asbestos health.
- o Developed brochures and booklets for various audiences, including industry employees, on various aspects of asbestos health.
- o Consulted with asbestos company executives at the highest levels on strategic and tactical approaches to a wide variety of governmental, medical, legal and general public problems associated with asbestos.
- o Handled the public relations aspects of a number of high visibility public hearings on asbestos at all levels of government.

Results

- o Despite the validity of many of the claims made against asbestos and the efforts of various groups to eliminate the material from our society, the

industry still exists and is producing products that are safe.

- o The OSHA and EPA standards on asbestos developed in the early '70s were sufficiently lenient so as to give the industry time to develop and install appropriate technological controls and to develop substitute products for some asbestos applications. Hill and Knowlton people were heavily involved at many levels of activity in the development of these standards.
- o On many occasions, the industry has been successful in defusing and bringing under control hysterical assaults on asbestos.

U.S. GYPSUM SCHOOL ASBESTOS PROGRAM

Objectives

The program's introduction said the school asbestos controversy is here to stay and the client may not be able to "win" in any conventional sense. Communications, however, could possibly minimize negative attention from key audiences and lessen adverse affects on the company.

The objectives were:

1. To concentrate public relations resources, as appropriate, in support of winning a favorable, clear-cut verdict in the first test case.
2. To assist in creating a more balanced public opinion climate in both the initial test case market, and nationally so that jurors sitting on this case and subsequent ones will not suffer the onus of acting directly against popular public opinion.
3. To position U.S. Gypsum as a socially responsible corporate citizen acting not only in the best interests of its shareholders but also in the best interests of the people exposed to its products.

In support of these objectives, we prepared a position paper that said:

- o the client's product was being confused with other types of asbestos products and that, in fact, the client's product posed no threat to public health.

- o decisions on the issue should be based upon "scientific evidence - not upon hysteria or public alarm generated by simplistic reports from regulatory officials to local news media and communities."
- o the client stands ready to work with responsible elected or regulatory officials to examine the issue.

Strategies

Several key strategies were:

- o Develop a coalition with other affected corporations, as a separate effort, or under the aegis of a trade organization.
- o Organize a third-party panel of independent experts to be available for testimony and commentary.
- o Begin to capture "share of mind" on the national level.
- o In the event of an initial adverse verdict in the first case, seek to go on the public record first.

Results

The client elected to avoid confronting the issue from a public relations standpoint, not wanting to raise awareness of its involvement. For example, interviews were turned down with the McNeil-Lehrer News Hour and a four-part series with Chicago's NBC affiliate.

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The client concentrated on the legal aspect When its (and the industry's) first case came to trial in April this year, in Columbia, S.C., the client settled for \$675,000.

Status

We are currently counseling the client on the issue.

CALORIE CONTROL COUNCIL

Problem/Situation

Mobilize public support of saccharin to a sufficient level that Congress would defeat its proposed ban as a sugar substitute in the U.S.

Action

Utilizing U.S. offices and affiliates, Hill and Knowlton focused on raising media awareness of the issue and widely publicizing third-party support of the product through the following means:

- o Prepared and distributed background booklet, "There are no Substitutes for Saccharin";
- o Publicized scientific critiques critical of the saccharin/cancer research results;
- o Circulated rebuttals against Naderites and ban proponents;
- o Distributed press backgrounders on the health benefits of saccharin, its history and use;
- o Introduced story lines for national and local columnists;
- o Circulated editorial comments to legislators and the media;
- o Developed pattern speeches for industry spokesmen;
- o Produced radio actualities for networks;

- o Arranged national placement of scientific speakers;
- o Analyzed opinion polls and circulated the results to influentials;
- o Organized consumer group action against the ban;
- o Organized letter-to-the-editor campaigns;
- o Arranged media coverage of scientific meetings/debates.

Result

The public outcry was intense, and Congress voted to delay the ban for 18 months.

DIOXIN AND PUBLIC HEALTH

Problem/Situation

A major chemical manufacturer recently found itself on network newscasts and the front pages of major daily newspapers across the country for allegedly polluting a nearby river with the chemical contaminant dioxin. Although the company had not produced dioxin-contaminated products or wastes for three to four years and was in compliance with the Federal Clean Water Act, local environmental groups and national news reports all but accused the company of creating another Times Beach. Whenever the company tried to communicate, they found their messages were lost either in the complexity or the emotionalism that are inherent in the dioxin issue.

Action

Since Hill and Knowlton had several years' experience with the dioxin issue from working with a European client, we counseled that before the public could put the issue into perspective, a very basic information campaign had to be conducted to educate the working press. It was clear that even science, medical and environmental writers from some of the better newspapers across the country did not have the facts straight.

To build a better understanding of the issue among the

working press and general public, we undertook the following projects:

- o Developed a fully-referenced media background paper on dioxin and human health.
- o Trained 25 research scientists (many of them leaders in their fields) to serve as spokespeople to explain the scientific issues.
- o Arranged broadcast and print media interviews with science, medical, environmental and editorial writers.
- o Offered the scientists as participants in radio talk and call-in shows.
- o Provided the media with an extensive background kit with information from a broad range of sources.
- o Offered follow-up materials and interviews in response to breaking news.

Results

As a result of nearly 400 media interviews in just five months, the client established itself as an authority on dioxin research -- which was deserved, but not widely recognized before the program began. Most of the media, by their own admission and as evidenced in their reporting, had a better understanding of the complexity of the issues. In some instances, editorial writers praised the client for providing a "valuable public service." In addition, a

random focus group survey confirmed that the messages delivered by the scientists were effective in putting the issue into perspective. Charges that the client had polluted its own backyard faded from the national spotlight as the company's expertise and scientific integrity became better known.

EDB

Problem/Situation

Ethylene dibromide (EDB) became the focus of government and news media attention and public alarm when traces of the grain and citrus fumigant, which in large doses caused cancer in lab animals, were found in some food products. In reaction, some states ordered large numbers of products off grocery shelves and set EDB standards far stricter than the U.S. EPA's guidelines.

Action

Representing several grain product manufacturers, Hill and Knowlton sought to avert a disruptive patchwork of dissimilar standards among states and to assuage public alarm by providing legislators, regulators, news media and consumer opinion leaders with scientific information showing that trace levels of EDB posed no measurable health risks. As a result, numerous editorials appeared in major news media placing the EDB issue in perspective and urging against overreaction.

Results

Ultimately, 48 states adopted the EPA's guidelines and public alarm abated.

NUCLEAR ACCIDENT

Problem/Situation

An electric utility experienced an accident at a nuclear unit causing widespread alarm.

Action

Retained several days after the accident, Hill and Knowlton immediately developed a comprehensive community relations-information program, including establishing an information center; providing a full account of the accident; establishing liaison with government and business leaders; responding to news media; and various initiatives to inform the community about radiation matters and processing claims for damages.

Results

Because the company was preoccupied with formal investigation of the accident, much of its attention was diverted away from full implementation of community relations recommendations. Consequently, a clear evaluation of the results is difficult.

THE PVC SAFETY GROUP OF THE SOCIETY OF THE PLASTICS INDUSTRY

Problem/Situation

Work with industry legal and medical experts to mitigate overly restrictive occupational and environmental health regulations on vinyl chloride; retain and where necessary rebuild customer and consumer confidence in the safety of finished PVC products; and strengthen and/or re-establish the credibility of PVC industry in its dealings with critical audiences in government and the private sector.

Action

Starting in early 1974, Hill and Knowlton offices and affiliates throughout the United States labored to help fight and finally bring under control one of the most violent media and government regulatory firestorms ever experienced by a single industry by such activities as:

- o In early stages of controversy, developed basic media relations strategy;
- o Handled literally hundreds of press inquiries on the problem;
- o Conducted "devils advocate" sessions for industry testifiers at OSHA and EPA hearings on vinyl chloride;
- o Orchestrated all media and government relations

efforts on behalf of industry for OSHA and EPA hearing;

- o Prepared and updated through the years general background papers on various aspects of the problem, including papers on occupational health, PVC packaging, vinyl chloride air pollution, birth defects and risk/benefit analysis;
- o Worked with various radio and television stations and networks on specials on vinyl chloride;
- o Organized government affairs effort to bring Congressional pressure to bear on OSHA on industry's behalf;
- o Prepared testimony for Congressional hearing and various state regulatory and legislative initiatives relative to vinyl chloride;
- o Wrote numerous articles and letters to the editor on vinyl chloride;
- o Prepared informational material for employees as part of OSHA mandated compliance program;
- o Established nationwide monitoring program of state legislatures and regulatory agencies;
- o Established national, trade, medical and environmentalist media monitoring program;
- o Initiated periodic "Kiplinger type" newsletter to keep the industry, its customers and the media informed of major developments affecting vinyl chloride;
- o Provided radio-television and confrontation

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training for more than two dozen industry spokesmen;

- o Organized and carried out nationwide media briefing program on vinyl chloride;
- o Develop political support system which identified, assessed and, when needed, made use of the political strengths inherent in the industry.

Results

- o Largely because of the communications effort, OSHA was forced to pledge publicly to the media and Congress that it "would not put the PVC industry out of business." The resultant standards were significantly less onerous than had been originally proposed.
- o After the original rush of sensational stories, media coverage of the vinyl chloride problem became far more balanced.

TRICHLOROETHYLENE

Problem/Situation

Trichloroethylene, a suspected carcinogen, appeared in the ground water near a factory which used the chemical in its manufacturing process. Health officials advised residents of a nearby community against drinking the water. Residents were upset about danger to their health, the impact on property values, and the inconvenience of using bottled water.

Action

Counseled by Hill and Knowlton, the company cooperated fully with the government and responded to the media and the public in a straightforward manner. Although responsibility for the contamination was not ascertained, the company opened its facility for inspection, fully explained its precautions in handling the chemical, and retained an independent firm to investigate the source of the problem. Also, the company immediately began medical studies of employees to detect any health effects. For the affected community, the company assumed the costs of bottled water as an interim measure, and is constructing a new deep-well water plant to provide pure water for them over the long term.

Results

As a result, the residents have an improved water source and the company is regarded as a responsible corporate citizen of the community.

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