



Dow North America

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2020 Dow Center

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re: VI Issue Management Program

FYI, the attached is a summary of the issue management programs at VI for the past two years. Also included is the plans and budget for the 1993-94 program.

As chair of the Technical Committee, I also now set on the newly formed Issue Management Committee (IMC). The intention of the IMC is to:

- 1) coordinate/prioritize current activities in the standing committees (recycle in VIGOR, fire science in TECHNICAL and Health/plant safety in HEALTH, SAFETY & ENVR. committees).
- 2) Create/sunset single issue ad-hoc teams (such as the PCDD/PCDF team) for quick response. These ad-hoc teams will pull their membership from the existing committees and member company specialists.

The first meeting of the new IMC is on June 22. I'll keep you posted on the issues and focus of this new committee.

Please let me know if you have any questions.

DOW CONFIDENTIAL INFORMATION

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Vinyl Institute
1993-94 Issues Management Program
Proposed Activities and Budget
April 27, 1993

Overview

With the 1993-94 fiscal year, the VI's issues management program enters its third year. During Year One, most program activity focused on communicating the story of vinyl's recyclability via publicity, targeted contacts with the recycling community and waste management industry, and distribution of materials that demonstrated real world examples of vinyl recycling in action. During the first year, VERCE also was established, sessions were held to brief industry employees on the issues facing vinyl, and the data base used for virtually all program activities was created.

In the second year, vinyl's recyclability continued to be an important message, but more work focused on encouraging end-market use of recycled vinyl. The program's message broadened to address other environmental concerns and reach other audiences. As the anti-chlorine attack heightened, extensive work was done to make sure the vinyl industry's interests were represented in the strategies and activities devised to counter this attack. The foundation of the VI's Partners Program was also put in place.

As the third year begins, recycling remains an important issue, particularly in nonpackaging markets. Other environmental concerns about vinyl continue to receive broad attention and the anti-chlorine, anti-vinyl attack is building. This year's program, therefore, is designed to address these areas by supporting the following broad objectives:

- To continue communicating the message of vinyl's recyclability.
- To communicate vinyl's full environmental performance — the host of issues related to its chlorine chemistry including:
 - * concerns about dioxin formation (in incinerators and fires)
 - * hydrogen chloride combustion toxicity
 - * health and safety effects related to PVC manufacture and transportation
 - * heavy metal and other additive implications related to manufacturing, use and disposal.
- To broaden the industry's contacts with environmental opinion leaders, policy makers and product use decision makers concerned about environmental issues.
- To expand — through the Partners Program and other coalition building — the existing monitoring and response network in order to help the VI effectively shape its response to emerging developments of concern to the future of the vinyl industry.

Details of the activities that will help the issues management program achieve those objectives follow.

The Vinyl Environmental Resource Center (VERCE)

VERCE serves as the VI's and the vinyl industry's national information clearinghouse on developments related to vinyl and the environment, and is the centerpiece of the issues management effort. The Center is staffed full-time by an Edward Howard & Co. employee who:

- 1) Handles all calls received via the VERCE 800-number hotline. The hotline receives over 100 calls per month and has received nearly 2500 calls since the Center began operations in May 1991.
- 2) Maintains a computerized data base that now includes the names of over 3,000 contacts in allied associations, environmental groups, recycling companies, government agencies and the media.
- 3) Monitors the media for all vinyl mentions, tracks trends in media coverage for vinyl and handles routine inquiries from the press.
- 4) Responds to all negative media coverage. Four to six such responses are prepared per month.
- 5) Monitors European, legislative and environmental group activity relevant to the vinyl industry and advises VI members of same.
- 6) Tracks all industry conferences and speaking opportunities for the membership.
- 7) Issues monthly reports to the VI board and other interested parties within the VI's membership that describe all current issues management program activities.
- 8) Provides support on other issues management projects as appropriate.
- 9) Brings together those who recycle vinyl and those who have vinyl to recycle, as well as manufacturers of recycled vinyl products and those interested in buying such products.

For the 1993-94 fiscal year, we recommend continuing all of these activities at the current level.

Proposed budget for 1993-94:

Professional fees (one full-time staffer, plus additional staff for supervision and support work)	\$ 115,000
Out-of-pocket expenses (phone, fax, subscriptions, monitoring)	\$ 15,000
	\$ 130,000

The Partners Program

The Partners Program was launched in 1992 with the following objectives:

- 1) To establish vinyl industry employees as the industry's "eyes and ears" at the grassroots level to monitor local government, citizens groups and others for environmental developments of significance to the industry.
- 2) To communicate vinyl's positive environmental story to local opinion leaders and decision makers on a targeted basis.
- 3) To serve as the information source for local officials regarding environmental issues involving vinyl.
- 4) To monitor local media for positive and negative stories related to vinyl and environmental issues and, with the assistance of the issues management staff, to provide rapid rebuttals to inaccurate coverage.
- 5) To provide an established base of operations for the VI staff and members to use in responding to local/state level legislative and regulatory attacks against vinyl products and the vinyl industry.

To date, 100 Partners have been identified and recruited for the program, and have been assigned to the majority of the top 100 U.S. cities.

Program activities for the 1993-94 fiscal year include:

- Recruitment of at least 150 additional Partners, possibly by enlisting volunteers from VI member customer companies.
- Ongoing liaison by issues management staff, which will provide "assignments" for Partners, collect feedback on relevant developments from the field, recruit new Partners, and provide support for specific tasks such as responding to media inaccuracies.
- Publication of a quarterly Partners newsletter, designed to share success stories and field intelligence with program participants, encourage them to undertake new initiatives, brief them on emerging issues and alert them to the availability of new resource materials.
- Distribution of Partners Handbook to new Partners and distribution of other support materials as appropriate.

Proposed budget for 1993-94:

Professional fees	\$ 40,000
Out-of-pocket expenses (newsletter, phone, postage, etc.)	\$ 2,500
Production of 200 additional handbooks	\$ 5,000
	\$47,500

Media Activities

Media activities for the issues management program include the following:

- 1) News releases for major developments that demonstrate vinyl's good environmental performance. In the past two years of the program, over two dozen such releases have been sent out, generating over 175 stories and mentions in nearly 70 trade publications.
- 2) Special media events, such as the kick-off for the Nashville 1-2-3 program.
- 3) Placement of feature stories and op-eds.
- 4) Ongoing contact with editors and reporters, plus response to miscellaneous inquiries and requests for information.

In addition, staff regularly monitors "core" media central to the issues management program and prepares corrections/clarifications to all inaccurate references to vinyl performance that appear in the media. These two activities are part of the service provided by VERCE.

While media activities to date have focused on the trade press, we expect contacts with the consumer, or general, press to increase as Greenpeace expands its anti-vinyl campaign.

Proposed media activities for the 1993-94 fiscal year include:

- A steady program of releases, feature stories and op-eds, with a target of one release per month, and four to six major feature or op-ed placements for the year.
- A series of one-on-one media briefings involving VI staff and selected members, as appropriate, designed to bring leading trades and selected business/consumer/general media up-to-date about environmental developments related to vinyl.
- Through VERCE, continued timely response to all inaccuracies.
- Depending on the pace of the Greenpeace campaign, special media briefings or press conferences.

Proposed budget for 1993-94:

Professional fees	\$ 34,000
Out-of-pocket expenses (press release production, postage)	\$ 2,500
	36,500

Collateral Materials

During the past two years, a number of materials have been created to communicate the various environmental benefits of vinyl. These include:

- 1) Revisions to the VI fact kit (reprints, new fact sheets, etc.)
- 2) The "Glad You Asked" wallet card (25,000+ copies)
- 3) "Post-Consumer Vinyl Recycling in the U.S" directory
- 4) "Directory of Companies Involved in the Recycling of Vinyl Plastics"
- 5) "Directory of Companies Manufacturing Products from Recycled Vinyl"
- 6) The set of four "Issues and Answers" videotapes
- 7) The Chlorine White Paper

While ongoing program work typically reveals a specific information need, we already anticipate the following needs during fiscal year 1993-94:

- Revision of the "Glad You Asked" wallet card
- Revision of the eight-page fire technical paper
- Revision of the technical paper, "Combustion Products of Vinyl and other Building Materials"
- Revision of the Chlorine White Paper
- Revision of the vinyl industry recycling program fact sheet
- Revision of the bibliography of materials available from the Vinyl Institute
- Revision of the "Community Health Effects of VCM" technical paper
- New fact sheet on incineration/hydrogen chloride generation
- Reprints of new media placements

We may also need to reprint quantities of other materials or produce extra copies of the videotape.

Proposed budget for 1993-94:

Professional fees (writing, production supervision, design)	\$ 20,000
Out-of-pocket expenses (production and printing)	\$ 15,000
	<i>\$ 35,000</i>

Direct Mail
(*EnVironmental Briefs*)

EnVironmental Briefs was designed to communicate the many positive developments related to vinyl and the environment in a cost-effective, easy-to-read manner and is the primary way the VI regularly communicates with all of its target audiences. When surveyed in February 1992, 71 percent of the readership responding said the newsletter had a positive influence on their opinion of vinyl. Current circulation is about 15,000. Four issues are planned for the 1993-94 fiscal year.

The *EnVironmental Briefs* mailing list typically is "cleaned" once a year. This year, a special effort should be made to determine whether those individuals receiving the publication as a result of inquiries they have made to the VI via Electrical Material Council and Pipe Resource Organization activities want to remain on the mailing list.

Proposed 1993-94 budget:

Professional fees (copy writing, production supervision, layout)	\$ 10,000
Printing	\$ 10,000
Distribution (labels, handling and mailing)	\$ 22,000
	42,000

Chlorine-Related Activities

During the past year, a significant amount of the issues management program has focused on defending vinyl products against the charges raised by Greenpeace and others who view the elimination of PVC as pivotal to the larger campaign against all chlorine chemistry. All of the activities undertaken on behalf of the vinyl industry have been carefully coordinated with the Chlorine Institute and the International Group of Chlorine Chemistry Associations to make sure that the VI's efforts do not duplicate those already underway elsewhere. These activities have included:

- 1) Preparing the vinyl industry's response to the section of the International Joint Commission sixth biennial report on Great Lakes water quality which specifically calls for the phase out of chlorine-based industrial feedstocks.
- 2) Preparing the vinyl industry's response to subsequent documents supporting that recommendation.
- 3) Preparing the vinyl industry's response to Greenpeace's packet, "PVC: Toxic Waste in Disguise."
- 4) Developing strategies for the vinyl industry's use of these materials to influence policy decisions related to the future of PVC.
- 5) Coordinating strategy development with other associations on a worldwide basis.
- 6) Monitoring the activities of Greenpeace and other environmental groups for anti-vinyl activity, plus tracking and responding to media inaccuracies resulting from Greenpeace anti-vinyl efforts. (These activities are coordinated through VERCE.)

While allied trade associations have put aggressive programs in place to address the Greenpeace anti-chlorine campaign, vinyl remains the number-one target for elimination. The vinyl industry, therefore, must remain a leading participant in the development and execution of these global programs. In some cases, it is likely that the vinyl industry's efforts will need to exceed those of other interested associations.

The 1993-94 program should therefore include for the following activities:

- Participation in global strategy setting via conference calls and meetings.
- Preparation/revision of rebuttal materials, especially in the areas of incinerators/hydrogen chloride generation, dioxin formation in fires and production, and additive health and environmental effects.
- Preparation of materials summarizing the vinyl portion of the CANTOX study; distribution and promotion via direct mail, publicity and personal briefings of that material, as well as the vinyl portion of the Charles River Associates study.

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- Strategy development and execution of a plan designed to address the IJC's final recommendation to phase out chlorine-based feedstocks, which is expected to be released during the group's seventh biennial meeting, October 21-24, in Windsor, Ontario.
- Strategy development and execution of a plan designed to neutralize the effects of Greenpeace's anticipated interim campaign to lobby for that recommendation, including special mobilization of the VI Partners located in the Great Lakes region.
- Ongoing tracking and monitoring, reporting and coordination with all interested parties.

Proposed budget for 1993-94:

Professional fees	\$	60,000
Out-of-pocket expenses (Great Lakes Partners briefing)	\$	4,500
		<u>64,500</u>

Outreach

Over the past two years, an important part of the issues management program has been the process of establishing one-on-one contacts with those individuals likely to set policy regarding the use, specification, purchase and disposal of vinyl products, and to help build understanding among these groups for vinyl's environmental performance. These activities have included:

- 1) Briefings with customers in the packaging market. (This activity was coordinated with the Vinyl Packaging Council). Three such briefings were held in the past year, attended by over 100 packaging decision makers.
- 2) Briefings with major retailing chains. Sessions were held with Kmart, Wal-Mart and Sears.
- 3) Direct mail to manufacturers of products currently or potentially made out of recycled vinyl, first seeking their participation in the VI's recycled products directory, then seeking their response to the VI's seed fund RFP designed to encourage new product development using recycled vinyl.
- 4) Participation in the leading recycled products trade fair, which was attended by 3,000+ individuals responsible for the purchase/procurement of recycled-content products. Additional contact work has been done at regional recycled product trade shows.
- 5) Speech writing services and related support for VI staff and members participating in conferences and meetings, plus ongoing tracking of speaking opportunities (handled and reported through VERCE).
- 6) Initial contacts with the leading trade associations in various durable/nonpackaging markets to begin a dialogue with these groups about vinyl's environment performance.

Recommended activities for fiscal 1993-94 include:

- Additional customer briefings, tailored to nonpackaging markets. Three briefings, held in strategic locations throughout the country, are proposed.
- Additional briefings with leading retailers. A session with Home Depot is in development; follow-up sessions with those already visited may also be appropriate.
- Additional work to promote the use of recycled vinyl in second-generation products. Work on the RFP will continue. Additional trade fair participation will be explored. General publicity and case history work will be added.
- More one-on-one meetings with policy makers and environmental opinion leaders. Contacts will expand with environmental groups, selected regulatory personnel and trade associations serving nonpackaging (durables) markets.
- Continued speech writing and other speaker support.

Proposed budget:

Professional fees	\$ 55,000
Out-of-pocket expenses (customer briefings)	\$ 13,500
	<u>\$ 68,500</u>

Ongoing Staff & Member Support; Account Administration

Activity in this area includes:

- 1) Ongoing counsel to VI staff and members.
- 2) Participation in issues management committee meetings and other VI meetings.
- 3) Work on special projects such as support for elements of the VI's annual meeting.
- 4) Account planning.
- 5) Day-to-day management of all issues management account team staff and projects.
- 6) Routine phone conferences and correspondence.

Also included in this category are out-of-pocket expenses for:

- Staff travel
- Office expenses (phone, fax, postage)
- Inquiry response and mailing house expenses (except for *EnVironmental Briefs*)
- Printing costs (except for *EnVironmental Briefs*) incurred by St. Clair Graphics

Proposed budget:

Professional fees	\$ 50,000
Travel	\$ 18,000
Office expenses	\$ 5,400
Mailing house expenses	\$ 17,500
Printing	\$ 10,000
	<u>\$100,900</u>

Vinyl Institute
1993-94 Issues Management Program
Proposed Activities and Budget

Budget Recap

VERCE

Professional fees (one full-time staffer, plus additional staff for supervision and support work)	\$ 115,000
Out-of-pocket expenses (phone, fax, subscriptions, monitoring)	15,000

The Partners Program

Professional fees	40,000
Out-of-pocket expenses (newsletter, phone, postage, etc.)	2,500
Production of 200 additional handbooks	5,000

Media Activities

Professional fees	34,000
Out-of-pocket expenses (press release production, postage)	2,500

Collateral Materials

Professional fees (writing, production supervision, design)	20,000
Out-of-pocket expenses (production and printing)	15,000

Direct Mail (*EnVIronmental Briefs*)

Professional fees (copy writing, production supervision, layout)	10,000
Printing	10,000
Distribution (labels, handling and mailing)	22,000

Chlorine-Related Activities

Professional fees	60,000
Out-of-pocket expenses (Great Lakes Partners briefing)	4,500

Outreach

Professional fees	55,000
Out-of-pocket expenses (customer briefings)	13,500

Ongoing Staff & Member Support, Account Administration

Professional fees	50,000
Travel	18,000
Office expenses	5,400
Mailing house expenses	17,500
Printing	<u>10,000</u>

\$ 524,900