Case 1 (Confidential)

A Fortune 100 company, known for the vast sums of money it has devoted to improving the environmental impacts of its manufacturing operations and advertising its good works, was attempting to site an environmentally controversial facility.

This company believed that its solid reputation in environmental matters, willingness to be "upfront" and open with the community and sensitivity to the need to obtain the support of the community would overcome numerous obstacles. In addition, the land in question for the proposed site was adjacent to the company's facility. The company offered numerous incentives to the community in the way of jobs, funds for schools and other community projects.

The company established a citizen advisory board consisting of a mixture of community members representing a variety of interests. The board's mission was to act as a conduit for information between the company and the community. The company announced the formation of the board and invited interested individuals representing numerous community constituencies, including neighborhoods, local business, public interest groups, etc. to come forward. Among those who volunteered to participate were two individuals representing a grass roots environmental group virulently opposed to the facility. Believing that the company's openness and good faith would create reasonable dialogue, these activists were appointed to the board.

It was subsequently learned that a business representative on the board, thought to be an ally of the company, was the chief investor in property adjoining the proposed site. His property was slated for development, the value of which would be destroyed by construction of the company's facility, placing his financial interest in direct conflict with the goals of the company. Unfortunately, this conflict went undiscovered until community sentiment had already coalesced against the company.

Using information provided by the company as part of the community advisory board meetings, the opposing board members secretly worked with the local media, town leaders and state legislators to defeat the proposed siting.

As the town turned against the company as a result of the media coverage, the remainder of the board did so as well. Ultimately, the state legislature intervened by enacting legislation prohibiting the siting of the facility.

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Case 2 (Confidential)

A major East Coast pharmaceutical/chemical company discovered a toxic waste site, later listed as a Superfund site, on its property.

To get input from local citizens and inform the community about efforts to clean up the site, the company formed a community advisory board.

The board, which consisted of representatives of nearby neighborhoods and others, met monthly. In addition, open meetings for the entire community were held twice a year. Concurrently, the U.S. Environmental Protection Agency (EPA) organized and conducted regular community meetings regarding the site.

Despite efforts to screen members of the advisory panel, one panel member's spouse was an activist in Greenpeace. As information was passed to the board, it also was communicated to Greenpeace through this member. Greenpeace, one of the more radical environmental groups, became active in the debate, and the media presented the views of these activists as representing those of the local community as a whole.

Because the activists were more interested in the issues than other citizens, they were always present at both the EPA and larger community meetings, and their intransigence and unwillingness to consider the company's perspective ultimately made it impossible to resolve the issue to anyone's satisfaction.

The company has subsequently resolved the issue through litigation, resulting in fees of more than $60 million, including almost $10 million in penalties. In reaching the plea agreement, the company chairman accepted responsibility for the pollution and apologized to the community for mistakes made along the way. The chairman expressed the hope that the "agreement would help re-establish a positive relationship between the company and the community," something the advisory board was unable to accomplish.

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Case 3 (Confidential)

A Fortune 500 chemical company purchased a plant in Texas and found itself facing intense scrutiny concerning emissions of volatile organic compounds. The company had to file for a new air emissions permit at levels that appeared to exceed those of the previous owner. However, the previous owner had seriously underestimated emissions due to faulty calculations. In fact, the new permit actually represented a reduction in emissions.

Local citizens also were concerned that other manufacturing operations were being shifted to the plant because of a hostile regulatory climate elsewhere, and that emissions would increase as a result. Actually, the expanded facility was geographically closer to the market for the plant's products, and introducing new processes was a cost-savings measure.

Lastly, residents adjacent to the plant complained about an offensive odor from the facility. Their goal was to block the installation of environmental pollution control equipment and force the closing of the facility. The community was strongly divided over the plant, with several local elections focusing primarily on the issue.

After conducting an assessment of the local communities, which were highly polarized as a result of rumors about increased emissions, the company established a community advisory board. The board consisted of the plant manager, who appointed himself chairman; the head of the fire department; a representative from the PTA; and the heads of the local Lions Club and of the Lionettes. Local environmentalists were not invited to the meetings.

A combination of factors, including the board's structure and composition, were responsible for the inability of the board to fulfill its mission. In an effort to maintain control over the board, the company determined that the CAB chairman would be a representative of the plant. Consequently, the panel was perceived as having little credibility, including by its own members.

The chairman was unable to get sufficient attendance at meetings to make progress. Members were reluctant to attend for fear of being seen as tools of industry and criticized for taking sides against the community. The group consisted of only five members hand-picked by the chairman; consequently if two were absent, as frequently occurred, the group was too small to function.

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After approximately three meetings, it was apparent that the CAB as constituted was not going to be effective in achieving the company's goals, and the organization was allowed to disappear quietly without objection from its members.

At the same time, the company also engaged in other local activities such as a partnership with a local school, and hired a naturalist to conduct nature programs for students. As a result of these and other communications efforts, tensions gradually relaxed.

The plant manager has consulted with a multicorporate CAB operating in Deer Park, Texas, and is considering reinstituting a CAB under independent leadership, without any company representatives actually on the board. However, this manager believes that the overwhelming sentiment in Texas regarding industry today is that industry is unwanted. Given this starting place, he believes that the potential downside of empowering an independent CAB, i.e., developing an agenda that is in direct conflict with the company, may outweigh the potential benefits.

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Case 4: Browning Ferris Industries

Browning Ferris Industries (BFI) has assiduously avoided use of community advisory boards after an unsuccessful experience in Washington state.

The company was trying to site a hazardous waste incinerator, and set up a community advisory board to help communicate with the citizens and include various points of view in the proceedings. In order to be inclusive, the town appointed the 12 members of the board. Either the advisory board became the voice for the opposing group, or the board was blackmailed into supporting the opposition. Rather than have to convince the entire town that this was not a good idea, the opponents focused on the board. After a year of fighting, the members had been sufficiently browbeaten, and the company abandoned this effort. Since that time, the company has not taken that approach.

Browning Ferris sees the problem as one of political focus. By forming a small advisory group, it becomes easy for the opponents to identify those it is necessary to influence. Community advisory boards "narrow the leverage point," that is, they create a group of between five to 12 people who are easily identified, and that allows the opposition to focus on a narrow target.

Browning Ferris also avoids public meetings for similar reasons. In dealing with environmental issues such as siting a hazardous waste or even a solid waste incinerator or landfill, emotions run high and the community is often divided. In these situations, the opposition is the most committed. This is the group that is always present at open meetings, is emotional and vocal, and can be intimidating even though the majority may support the project.

According to a BFI public affairs officer, at open meetings, the proponents tend to cede control to the tactics of the opposition, such as shouting and intimidation, and the case is lost.

Instead of this approach, BFI has taken a less conventional path. This involves trying to reach a consensus with the community as a whole, rather than narrowing the number of decision makers. Knowing that the opposition will not give in and will take any approach and give all kinds of reasons, BFI tries not to give them a forum. "We would like to have the freest transfer of information but in a way that is not dominated by the opposition." This has led them to the concept of the "open house" program.

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The latter is not a meeting or forum for expressing viewpoints, but a more controlled environment. The company rents a facility in the community (after the community has expressed interest in the project) such as a school gymnasium and sets up a portable display that breaks down the project into component parts. These include background on the company, the need for the project in the area, what the project would look like, the permit process and other components. At each booth is stationed one of the company's people, and the community is invited in to see what the company has in mind and to talk about it. Unlike an open meeting, however, these conversations are one-on-one and compartmentalized, so that numerous small conversations are in progress. This makes it difficult for the opposition to take control of the meeting. There is little opportunity to use intimidation, and the company retains control.

In one town, a group of supporters independent of the company asked if it could set up a booth of its own. The company may hold two open houses on different days a few weeks apart in the same community; anyone interested has an opportunity to come in.

BFI also has offered to fund an open house sponsored by the opposition, but opponents have not shown any interest because they don't want to accept funding from the company and because they have little interest in this type of forum because it is less amenable to their tactics.

After BFI conducts its open houses, it requests a public referendum on the issue. Rather than locate the decision-making authority in the local politicians, the company attempts to reduce the pressure on the small number of local politicians. Otherwise, they become the small group that must be influenced, and the opposition can easily reach them directly and try to intimidate them, as well as create fear among the citizens so that they will pressure the politicians. "The opposition plays by different rules, and on controversial issues, government bodies can be easily intimidated by nasty messages from angry or frightened constituents. Their response is to say, "who needs this?" and to withdraw the invitation," according to BFI.

Instead, BFI obtains a reputable, credible third party to conduct the referendum election. If the public votes in favor, the politicians can easily approve the project as having the support of the people. If the proposal is defeated, the company moves on to another location without having endured the acrimony of a confrontation in public meetings.

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BFI notes that these are political decisions, not based on science or fact, and it is necessary to create incentives for the local public to support the project and to minimize the power of the opposition.

> "In a situation where there is some health risk, no matter how small, the community has little incentive to settle for anything other than zero risk. You have to show them that either there is a cost to that or where there is a positive incentive for them to accept your solution. You have to show them either the creation of an opportunity or a lost opportunity. Otherwise they have no reason to go along.
>
> "We offer them jobs and a piece of the action, usually a percentage of royalties. The carrot is financial incentives. They need to see that they have something to gain or lose."

BFI also sees its approach as creating good will with state officials, who are inclined to give the company "the benefit of the doubt" in some situations.

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