

REPORT ON MAY REGIONAL EXECUTIVE CONTACT MEETINGS  
ON EXPANDED PUBLIC OUTREACH

OVERVIEW:

Over 170 representatives from 110 companies attended one of three meetings in Chicago, Houston and New York to give reactions to a proposal for expanding public outreach about progress in implementing Responsible Care.

Advance materials (Concepts for Expanding Public Outreach and Questions and Answers - copies attached) were sent to all attendees.

Following presentations to update the status of Responsible Care, to present strategies for improving public perception, and to review feedback from Earthday outreach activities, members divided into discussion groups to comment on proposals for expanded public outreach.

THE PROPOSAL:

The proposal called for broad-based public outreach by CMA and member companies to a range of key audiences. Those audiences were:

- o Employees
- o Local and State Officials
- o Affiliated Organizations
- o Educators and Students
- o Media
- o Plant Site Communities
- o Federal Officials
- o Shareholders/Financial
- o Public Interest Groups
- o General Public

Some of those audiences are being addressed now. Others have been largely ignored by CMA, member companies, or both.

The subject of the outreach would be information materials and a series of regular report cards on the implementation of Responsible Care. The outreach initiative would provide continuing opportunities to demonstrate and report on performance and progress. The commitment to improve performance received broad attention in the pre-Earthday (Handle With Responsible Care) introduction. Focus group and interview data indicate it is the strongest message the industry can deliver. (The educator/student audience will require special information.)

FEEDBACK FROM THE PRE-EARTHDAY RESPONSIBLE CARE ADVERTISEMENT:

Over 4000 callers used the "800" number in the advertisement introducing Responsible Care. When data is fully processed information will be available on which publications generated the most inquiries.

Separately 2000 telephone interviews of readers of these publications were conducted utilizing the Simmons National Data Base.

Approximately 35% of those receiving a publication in which the ad appeared recalled seeing it. This compares to recall percentages in the single digits which are more common for first time exposure to "issue" advertising. (The ad reached 31 million households, for a readership of 62 million.)

Thirty-one percent of readers saw the ad in USA Today, TIME, or National Geographic; 31% split between fourteen other publications and 38% don't recall the specific publication where they saw it.

Thirty-six percent said "yes, the chemical industry is headed in the right direction with this effort; 15% said they would have to wait and see; 36% said they didn't know and 12% said "no, this isn't the right direction."

Nearly 60% said it was important to see the names of the companies listed in the ads and 45% would be interested in getting progress reports on the initiative.

PRESENTERS RESPONSE TO KEY QUESTIONS:

**Do we need to reach the general public?**

The broad public has impact on every other audience we have to satisfy. The times of reaching just a few influences are over. Public concern and support for environmental actions are at an all-time high and show no signs of going away.

If we don't tell them what we're doing we miss a major opportunity we'll never regain. Worse, we risk being seen as aloof, disinterested or unresponsive and uncaring.

A continued lack of response to public concerns turns emotions to anger then to outrage. Where this has happened the broader public goes from no interest, to a desire to know more, to a desire to act and control.

**Can we really affect public opinion?**

Analysis of 4400 questionnaires returned in a Responsible Care survey continues to place the industry in a unfavorable light. A favorability rating of 28% put the industry next to last among ten other industries.

Yet there was overwhelming support from the sampled audiences for the ten Guiding Principles. The summary of the study concludes:

"Because of its inherently different nature, the chemical industry will never approach the current approval ratings of some of the more popular industries, such as computers. Yet the data indicate a willingness for people to respond more favorably to the industry. The public welcomes the notions embodied in the Guiding Principles; they will need, however, to be convinced of the chemical industry's true commitment to change."

**Will a major incident kill our efforts?**

No question that front page headlines and TV news have a potent effect. But recent experience clearly demonstrates that the effect is far more negative if the response is silence. That communicates arrogance or indifference.

Consistent communication to the public about commitment and performance ... the fact that there is a working plan and that the industry is acting to greatly reduce the risk of incidents ... improves the odds that an incident will be seen as an unfortunate aberration instead of a typical occurrence.

**What are the most cost-effective ways to deliver our message?**

The most cost effective way to reach broad audiences is through press relations and the continuing activities of CMA and member companies in this area are and should be a major part of any communication plan.

In addition personal contact programs for targeted audiences will continue to be important.

A paid media program (advertising) is also cost-effective. The pre-Earthday introduction of Responsible Care reached a circulation of 31 million households, over 62 million readers, for 4.3¢ each.

A key advantage of paid media is the consistent accuracy of message delivery - both in content and in target. There is no guarantee the press will print our information with accuracy or timeliness.

**Will we communicate the benefits of chemicals?**

Research indicates the general public recognizes the benefits of chemical products. The issue centers on the industry's performance (related to health, safety and environment) in bringing those benefits.

Once credibility is strengthened through improved performance, other messages will be more acceptable. In the short-term, member companies are in a better position to promote product benefits in their own communication activities.

**How will we know how we're doing?**

It will be important to install measuring and monitoring mechanisms to evaluate progress with all of the audiences targeted for public outreach.

Through Responsible Care we have already completed benchmark surveys of a random sample of 7500 people, 4500 among the general public and 3000 who live in households near plant communities. We are already funded to continue with follow-up surveys over the next few years.

We will continue to conduct research through focus groups, interviews and telephone surveys to develop and test messages and any proposed advertisements.

Additionally the feedback and response from media contacts will provide anecdotal evidence of how we are being perceived.

SYNOPSIS OF COMMENT FROM EXECUTIVE CONTACT MEETINGS:

There was overwhelming evidence of top management and company commitment to the objectives of Responsible Care and strong indications that considerable activity is underway in individual companies to improve performance.

Members expressed general satisfaction with the results of the pre-Earthday introduction of Responsible Care. In the main, industry employees appeared pleased to see their company associated with the initiative and publically identified as a supporter.

There was general support for improving outreach to all audiences identified by the Board Public Perception Committee.

Members commented they would like to see even more CMA and industry emphasis on support for education, employee communication and community relations.

Opinion was mixed on the issue of communicating to the general public and on whether the industry could be effective doing so. This led attendees to call for more information about the objectives, messages and audiences of any advertising component.

While the projected cost of outreach (\$10 million a year for five years) surprised some, struck others as too much or too little, finances generated limited discussion. Although several members were outspoken in their opposition to reaching out to the general public through advertising, the prevailing attitude seemed to be "if it could be demonstrated that outreach would be successful the cost would be worth it."

Members called for close attention to making sure improved performance remains the preeminent objective of the companies. It is critical to the credibility of all public outreach.

While questions were raised about the timing of outreach (ie: should we wait for more specific performance improvement before we begin outreach?) the majority of advice supported communicating now and focusing on performance improvement as advised by the Public Advisory Panel.

Comments called for careful research in crafting the messages to be communicated. "There must be much testing - perhaps going as far as a pilot program."

Companies must not rely on CMA's effort to carry all of the water for the industry. The program must be designed to leverage all of CMA's activities with member company efforts.

CMA must plan a credible response for the inevitable accident because one will come and Responsible Care will be criticized as ineffective or not relevant.

We have to be able to demonstrate that we are making progress. But we should not get too concerned if we don't convince everyone. We can't hide our problems, we have to communicate our commitment and our progress.

Communication now will demonstrate leadership to other industries and to affiliated members of our industry. We need to show the way to them.

NEXT STEPS:

1. The Public Perception Committee, the Executive Committee and Board of Directors will review the comments from the membership, the executive contact meetings and discuss future actions.
2. Feedback from the executive contact meetings and the Board discussion will be reviewed with the executive contacts at The Greenbrier.
3. Further modifications and refinements of the concepts will be made from June to September.
4. Executive Committee and Board action could come as early as September, but not before the Board is assured of strong membership support.

ACTION REQUESTED:

None. For information only. For further information contact Jon Holtzman (202)887-1200.

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