



news & views

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CHAPTER PROGRAM

Thursday, April 12

LOCATION

DoubleTree Guest Suites
Winter St., Waltham
781-890-6767
Exit 27, Rt. 128 (I-95)

PROGRAM

Social Hour/Buffer - 6:00 PM
Program - 7:15 PM

SPONSOR

Miller/Shandwick Technologies

TOPIC

"Heralding a New Era in
Massachusetts Journalism"

SPEAKERS

Patrick J. Purcell
Publisher & President
Boston Herald

Andrew Costello
Editor
Boston Herald

Kevin Convey
Editor-in-Chief
Community Newspapers

COST

\$40 members with reservations
\$50 non-members
\$10 PRSSA members (presentation
only)
Visa/MC accepted

ADVANCE RESERVATIONS REQUIRED

Register with: Paul Wetzel, APR at
617-292-0470 or via email at
wetzelpaul@msn.com (by April 10)

Boston Herald leadership team on PRSA docket in April

Despite successive decades in the last half of the 20th century, when dozens of metropolitan daily newspapers around the country went out of business, leaving major metropolitan areas with only one newspaper, Boston remains one of the few large American cities to support two daily newspapers.

The PRSA/Boston Chapter has heard from the region's larger newspaper on at least two recent occasions. Now is the time to hear from the other one — the one that tries harder.

Boston Herald publisher and president Patrick J. Purcell, Herald editor Andrew Costello, and Community Newspapers editor-in-chief Kevin Convey will be "Heralding a New Era in Massachusetts Journalism" at the April chapter meeting.

Scheduled for April 12, the program will be held at the DoubleTree Guest Suites Hotel in Waltham, beginning with a 6 p.m. reception and buffet. The speaking portion of the event begins at about 7 p.m. Miller/Shandwick Technologies, a leading Boston-based technol-

ogy public relations agency, is the sponsor of the event.

The speakers will discuss the recent Herald Media purchase of the more than 100 Community Newspapers located throughout Eastern Massachusetts, as well as the later purchase by the Herald of a group of seven more weekly newspapers in Boston's affluent western suburbs.

Questions to be addressed will include how the new newspaper combination will compete with the Boston Globe and other media outlets in the region, how news coverage will or will not change in the newspapers owned by the new chain, and how the public and PR practitioners can access the news columns of the newspapers.

Advance reservations are required for the program by the registration deadline of Monday, April 9. Those interested should contact PRSA/Boston Administrator Paul Wetzel, APR, by calling 617-292-0470, or by e-mail at: wetzelpaul@msn.com.

Admission to the program is \$40 for PRSA members, \$50 for non-members, and \$20 for students.

Changing your communication policy since ‘Regulation FD’

By: Cynthia Clark
Boston University

Communicating on behalf of a publicly traded company just became more complicated thanks to the Securities and Exchange Commission's new Regulation Fair Disclosure (FD) introduced in October 2000. In order to understand what information can or should be disclosed, corporate communicators, and anyone who communicates with Wall Street, need to know what information is material and what isn't.

The difference is not always clear, but it's important to remember that "material" information can be either qualitative or quantitative. According to the SEC, information is material if it is likely to alter the buy, sell or hold decisions of a reasonable investor. According to the Association for Investment Management and Research information is material if its disclosure is likely to have an impact on the stock price.

Full Disclosure versus Selective

By implementing Regulation FD, the SEC is trying to facilitate the flow of information, level the playing field among individual investors, analysts and the media and recognize the important changes in information consumption due to the internet.

There are two key issues for corporate executives to understand regarding information disclosure (1) full public disclo-

sure versus selective disclosure and (2) intentional versus non-intentional disclosure.

To start, SEC guidelines require that corporate communicators release material information promptly and fully. Traditionally, companies satisfied full public disclosure by filing an 8-K form with the SEC or by sending a release over a newswire. These practices are still acceptable. However, many companies are using the Internet to communicate with shareholders.

Under Regulation FD, there is only one way to use this technology to satisfy full disclosure. A Web cast conference call; press conference or analyst conference will be considered fully disclosed as long as it is open to all interested investors. Simply posting a press release on your site is not sufficient. The SEC suggests using push technology to make these appearances fully accessible. Using a blast email feature on your Web page is considered push technology.

Selective disclosure is perhaps the most important concept to understand and one that is also somewhat subjective. Selective disclosure is when the company releases material information to analysts but not in press releases to the general public or in SEC documents. By all accounts, selective disclosure is not part of a strong corporate disclosure policy. However, some companies either

intentionally or unintentionally commit selective disclosure.

Was It Intentional?

If material information is disclosed intentionally on a conference call or in a speech, then the company is required to disclose that information simultaneously with the statement either through a press release or an SEC filing. Under the definition provided in the SEC Rule 101(a), selective disclosure is intentional when the individual making the disclosure either knew prior to making the disclosure, or was reckless in not knowing.

On the other hand, non-intentionally disclosed information requires that the company release this information within 24 hours or before the market opens, whichever is later. Non-intentional disclosure is information that the issuer thought was already made public.

This 24-hour period may cause problems for some communicators as they might hold onto the information until they can get clearance for legal reasons. In the meantime, investors may trade on the information.

The media can also take advantage of selective disclosure in order to be the first one to the news desk since they are exempt under Regulation FD. In other words, the press can speak with anyone in the company and those conversations are not covered

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Letter from the President

The Business Side of a Non-Profit Professional Association

You may have noticed that the fee for attending our monthly programs has increased. It is the first increase in quite a few years and was triggered by a rise in function room and meal costs.

In our 2000 report to members a few months ago, (<http://www.prsaboston.org/member>), it was pointed out that meeting room expenses are the single highest cost for the chapter at more than 28 percent of total expenditures.

Starting with our April monthly program, members will pay \$40 and non-members will pay \$50. These fees represent a \$10 increase. Student admission will be \$20.

During the board debate over the increase, it was agreed that a committee should seek alternatives to hotel function rooms to lower our costs and adjust monthly program fees accordingly. Perhaps, your company has a room or you know of a facility that can

accommodate 50-75 people on average with food provided by a caterer or delivered.

While our Boston meetings typically are the most well attended, we also want a suburban alternative along Route 128. I welcome your suggestions at 978 625 4518 or hsholkin@mediaone.net.

The membership of Boston PRSA has surpassed 450 practitioners due in large part to an infusion of new members from high-tech PR agencies Sterlmg Hager and Miller Shandwick Technologies. Thank you for supporting PRSA and our profession. There are now almost 20,000 members in 116 chapters across the United States.

The past year has been a difficult one for PRSA headquarters in New York. The year 2000 ended with a net loss of approximately \$650,000.

Contributing factors to the deficit included much

less revenue than anticipated from October's international conference in Chicago and tax liabilities uncovered for 1999 and 2000. Systems, people, and policies also contributed to the deficit.

Catherine Bolton, PRSA's new president and COO, reported recently that fiscal procedures and controls are in place to better manage PRSA in the future. PRSA Treasurer Reed Byrum, APR, said the Society has solid net worth, money in the bank, a strong cash flow, and reserves of more than \$800,000.

PRSA Chair and CEO Kathleen Lewton, APR, and Bolton are leading wide-spread changes in New York to improve services and recruit new members. For more details on financial matters or changes in New York, please go to <http://www.prsa.org/pressroom/>. We can always do better. Please let me know what you like about PRSA Boston and what could be better.

Howard Sholkin

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under this rule. Communicators who speak with the media regarding material information and don't share that information with analysts or investors are walking a fine line. It's best to treat them the same.

Regulation FD does not

apply to foreign-based issuers or low-level employees, however, it does apply directly to public relations professionals who regularly communicate with securities market professionals or holders of the company's stock. Violations are punishable by fines or injunctions.

Cynthia Clark is an assistant professor in the College of Communication at Boston University where she teaches Investor Relations and Corporate Communications. She recently appeared on a PRSA-sponsored digital event focusing on Regulation FD.

Pat Jackson, “That Rare Combination of Genius and Generosity”

The following announcement from Kathleen L. Lewton, Chair and CEO, PRSA, was posted on the PRSA Web on March 26, 2001.

It is with the most profound sadness that I share with you the news that one of the greatest leaders of the public relations profession, and certainly the most dedicated leader of the Public Relations Society of America in recent times, has left us far, far too soon.

Patrick Jackson, APR, Fellow PRSA, senior counselor of Jackson Jackson and Wagner, president of PRSA in 1980 and the 1986 Gold Anvil winner, died on Friday [March 23] in his home in Exeter, New Hampshire.

Pat was that rare combination of genius and generosity. He was forever on the forefront of refining and redefining the contemporary practice of public relations. Pat was the most fervent advocate of practicing public relations both as an art and a science, and he forged new ground in terms of establishing our profession as an integral part of the management of businesses, organizations, government and public service. His vision sometimes exceeded our grasp, but he was unceasing in his commitment to teach us and inspire us to take public relations into new realms, new responsibilities. He showed us what public relations could be at its very best, and then by his own professional achievements and his tireless commitment to teaching and lecturing and

writing, he helped us learn.

This true genius, when combined with his generous spirit, played an integral role — no, the integral role — in the development of the Public Relations Society into the organization it is today. He was always there, to chair a blue ribbon task force or counsel on a thorny problem; to help us see our way through an issue or create a new way of doing things. Without his incisive and insightful leadership that continued, full force, long after his term on the national board ended, PRSA today would be a far less successful organization.

Similarly, Pat extended his wisdom and warmth to countless numbers of individual practitioners who would call or write or grab his arm after a presentation and say “Could I ask you for just a little advice.” He never said no. He always called back, whether it was from an airport pay phone or his car on the way to the airport. He was there for every fellow professional, with no questions asked and no reward expected.

He did it because he loved our profession — truly, truly loved public relations. Let us never forget his passion, his enormous energy and enthusiasm, the way he cared so much about our profession, our Society, and the people of public relations. Let us be inspired by his life to try and follow in his footsteps, because even though we can never achieve his greatness, by the very act of trying, we will

give tribute to his memory.

True role models that one can respect professionally and love personally happen only rarely in a lifetime. His passing leaves a void that can never be filled. We will miss him so very, very much.

Our love and prayers are with his wife, Stacey; their children, Alexandra and Jeremy; his other children Richard, Kevin, Pamela, Roberta; his brother and PRSA Board member T. Michael Jackson; other family members; his partners and colleagues at JJ&W, including our dear colleague Isobel Parke, and all of those who have had the privilege of knowing this remarkable man and who will be so bereft without him.

Contributions in memory of Pat Jackson may be sent to the Patrick Jackson Memorial Fund, c/o PRSA Foundation, 33 Irving Place, NY, NY, 10003; or the New Hampshire Environmental Foundation, c/o Jackson Jackson & Wagner, 14 Front Street, Exeter, NH 03833.

Editors' Note: PRSA ~~National~~ has created a special memorial section of the Web site where association members can share their fond memories of Pat Jackson. Since Pat was a long-time member of the Boston chapter, we would also like to invite Boston Chapter members to submit your memories, which will be published in next month's issue of News & Views. Please forward recollections to Steve Quigley at stevequigley@mediaone.net.

Whether Investor Relations or Public Relations, Make Sure Your Communication Is Consistent

By: Sally J. Curley
Genzyme Corporation

Remember the old joke “How do you get to Carnegie Hall? Practice Practice Practice.” In investor relations, it’s a different twist. “How do you make your shareholders happy? Communicate Communicate Communicate.”

In the 60’s it was largely non-existent. In the 70’s it was called financial public relations. In the 80’s it became investor relations, that niche of communications that deals with the investor world – loosely defined as anyone who has the capacity to invest in a publicly traded company.

This niche evolved in an effort to address the needs and demands of a particular audience — the professional investor. IR practitioners further interpret and put into context the messages delivered through news releases. This often requires providing more detail in response to investor demands. IR officers ensure that investors — both individuals and professionals — are provided with as much accurate, timely information as possible so that an informed decision may be made about buying or selling a security.

In response to quarterly earnings release, for example, a *Wall Street Journal* reporter may ask about total revenues, net income, EPS and company highlights. This may be the extent of the information that the reporter needs for a credible story. The professional investor, however, will ask, “In which areas were revenues increasing or decreasing? What are the current revenue and industry trends? Was the net

income based on base operations or did it include one-time events and what were the events? What are expectations or guidance for future quarters?” From the same news release, it is easy to see how vastly different messages can be communicated if both PR and IR are not on the same page. This can lead to issues ranging from misprints in the media to shareholder litigation if the information is material.

At the heart of this discussion is the issue of consistency across messages. Creating consistency means moving beyond the news release – creating a Q&A document and talking points that incorporate questions anticipated from media and investors. It means “sticking to the script”, even when dealing with the most persistent analyst or reporter. A consistent message written about in the press and in First Call analyst notes breeds a perception of trust, honesty and credibility for a corporation. An inconsistent message creates confusion among investors and various media, further perpetuating the inconsistency in messages.

Still, in this new world of Regulation Fair Disclosure (Reg FD), how do we as communications professionals weigh that delicate balance between too much and not enough information? How do we ensure that all audiences have the appropriate message and that communications between the PR and IR folks are consistent? How do we gauge whether or not it is still appropriate to conduct a “Dow Joneser”, because the media are exempt from Reg FD but the investment community is not and

believes that exemption to be unfair?

Unfortunately, there are no simple answers. Which makes it all the more critical for PR professionals and IR officers to work closely together to construct the scope of the message, so that each constituency believes that they have received complete and accurate information. Close teamwork provides a strong opportunity for a positive statement to be created and delivered.

Representatives from both PR and IR need to be involved in the “fact gathering” stage early on in the process. It is critical for both to understand and accurately interpret the nuances and/or facts of a “story.”

Ongoing communications between both should be viewed as essential to the other’s role.

Both IR and PR should agree to disagree on some items, but be willing to compromise. What are the critical issues? What are the key questions that need to be addressed?

Agree early in the process on a common goal or theme. This alleviates misinterpretations later on and creates a strong teamworking environment.

Be sure to involve the appropriate internal and external counsels as appropriate. Legal should review all releases early on, and advise both the IR and PR officer on disclosure issues, if any.

Remember, in the end, both IR and PR are working towards a common goal – to disseminate the news as broadly and completely as possible to all audiences in order to enhance shareholder value.

Chapter relives Edgewater nightmare

Usually, a delayed product launch is one of the biggest crisis most high-tech public relation firms ever have to face. Yet PAN Communications of

Andover received a call last December 26 that defined the true meaning of a crisis for them. A tragic shooting at the office of their client, Edgewater Technologies, had killed seven people.

Through a mixture of written statements, a press conference and a broadcast burial service, the team gave the public information about the tragedy, and navigated Edgewater through the media scrutiny following the event.

News & Views Has A New Editor

We are delighted to announce that John Sullivan, PRSA member and account manager with Sterling Hager, Inc., has been appointed editor of News & views.

John brings a wealth of experience to the post, having worked as a newspaper reporter, editor and managing editor for nearly a decade. John's tour of journalism duty included stints with *Seacoast Newspapers*, *Dover limes*, *Foster k Daily Democrat* and *The Portland Newspapers*. Welcome aboard John. We certainly appreciate your willingness to step forward to serve the chapter.

Few members are likely to appreciate John's decision to step forward more than Jack' LeMenager. Jack is the interim editor of News & Views who generously and graciously resumed the editorial reins while we searched for a "permanent" successor to Marty Cohn. (Jack previously served as News & Views editor from 1994 through 1996.)

Despite the demands of his growing consulting practice, Jack has somehow managed to coordinate, write, edit and layout each issue of News & Views on time and in style. Thank you Jack, once again, for your service to the chapter.

— Steve Quigley
Chair, Communications Committee

PAN Communications' Linda Miller, Edgewater account director, and Rob Morton, Edgewater senior account manager, spoke to a full house at the March 22 PRSA/Boston Chapter meeting about their experiences, from the minute they received the call to the aftermath that affects both agency and client to this day.

While Miller and Morton spoke about the specifics of the experience, Nancy Sterling, vice president of ML Strategies, an affiliate of the law firm Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., provided candid feedback on the actions of PAN Communications.

Sterling, a seasoned crisis communications expert, has provided consulting to clients such as major financial and health care companies. The three-person panel discussed what PAN Communications did correctly, what could have been improved, and what all public relations professionals should do to prepare a crisis communications plan.

Miller said the first thing the account team did was to give out company fact sheets, and that stopped the media from knocking at the door for the first 24 hours. After the first 24 hours, she said, the media wanted access to Edgewater executives.

Morton explained that the two weeks were the most emotional and physically exhausting of his life.

"You wake up to phone calls at 6 in the morning from Edgewater executives and the media, and the phone simply didn't stop ringing until 10 at night," he said.

As the discussion ended, Sterling provided a list of must do's for any crisis communications plan. First and foremost, Sterling cited the need to get someone at the site of the crisis immediately, then monitor all media coverage to correct any misinformation that is being disseminated.

She suggested that one of the first actions taken should be to place contact information on the company's Web site. And, just as crucial, Sterling recommended that every company have a succession list. In that manner, all executives will be able to contact each other, enabling information to be correct, consistent and quickly disseminated — which is, after all, always the final goal.

The evening's event was sponsored by Bridgeman Communications.

Marina Carter
Account Executive
Sterling Huger, Inc.

“K.I.D.S.” — Kids in a Drug-Free Society

It's a sobering thought to contemplate that America's children will someday be America. How we prepare them for adulthood, and how well we protect them from the real dangers that confront them, will have everything to do with what our nation looks like 25 years from now.

Most parents today would agree that substance abuse among young people is a serious problem. The difficulty is that it's a lot more serious than many parents think. For instance, while 14% of parents say it's possible that their teenager might have used marijuana, 42% of teens have actually tried the drug. In addition, approximately 60% of 8th graders say they have tried alcohol and 3,000 children become regular smokers every day.

Fortunately, there is good news in all this. Research has proven that effective parenting is the single greatest weapon in the fight to keep our children away from substance abuse.

K.I.D.S. encourages and motivates parents to talk with their kids about risky behaviors *and gives them the tools to do so.*

That's why K.I.D.S. is here. To encourage you as a parent to take the initiative in your family and help your children avoid what could be one of the greatest dangers they face as young people.

K.I.D.S. is a national coalition of PRSA, its Foundation and the Partnership for a Drug-Free America, funded in part by the Robert Wood Johnson Foundation.

For more information on how you might be involved with K.I.D.S. please visit www.keepkidsdrugfree.com.

April Professional Connections

To place a “Professional Connection” ad, contact Meagan Ellis of Business Wire at 617-236-4266, ext. 224. To respond to an ad, send resume and cover letter to address indicated.

PR and Marketing Manager New England Conservatory looking to fill position to work directly with Director to develop and implement new strategic communication efforts and marketing initiatives to support recruitment and enhance institutional image and visibility. Team player, with at least two years of experience in related field, solid marketing background in similar environment, and demonstrated ability to think strategically. Advanced degree in Communications/PR/Marketing. **Web Manager** Responsible for developing and managing NEC's Web site. Ideal candidate will be well versed in Web technology but also a creative communications professional who understands the need to respond to many diverse constituencies via the Web. Develops and maintains visual, editorial, and technical standards. Advises on marketing applications. HTML, Adobe GoLive, Javascript, Photoshop, and Illustrator. The position is an exciting opportunity for a committed team player and creative thinker interested in the site's continuing growth and development. For either position, send resume and cover letter to HR, New England Conservatory, 290 Huntington Avenue, Boston, MA 02115, or FAX to 617-585-1165, or e-mail to: dmessenger@newenglandconservatory.edu.

Director, Media Relations. The Dana-Farber Cancer Institute is seeking a Director of Media Relations for its Communications Department. This person will direct all of Dana-Farber's contact with journalists and news media outlets, and lead a staff of 5 media relations officers and freelance consultants. The position combines both aggressive proactive outreach concerning Dana-Farber's research, clinical and fundraising activities with

departmental management, and crisis communication responsibilities. There will also be significant contact with senior medical, research, and administrative staff. For more info, please visit www.dfci.harvard.edu Please respond to: Dana-Farber Cancer Institute, Human Resources, 44 Binney Street, Boston, MA 02115, Fax: (617) 632-4411; email: kirsten_tunney@dfci.harvard.edu

Director of Media Relations Worcester Polytechnic Institute (WPI) needs a Director of Media Relations in Development and University Relations. In direct support of WPI's strategic plan, and guided by its communications and marketing plan, the successful candidate will direct a strategic program of media and public relations aimed at enhancing the University's national name recognition and reputation, promoting people, programs and accomplishments to the news media and other key audiences to support such critical functions as undergraduate and graduate enrollment, faculty recruitment, development and research sponsorship. Qualifications: Bachelor's degree, preferably in a field of communications, science or technology; at least 10 years of experience in journalism and/or media or public relations; ability to work in an academic environment where success is often the result of cooperation; demonstrated writing and editing skills are essential, as is the ability to set priorities, manage multiple tasks and meet deadlines; familiarity with Associated Press Style Manual. Skill in photography is advantageous. Submit a cover letter and resume referencing position #/494 to WPI, Human Resources, Box PRSA, 100 Institute Road, Worcester, MA 01609-2280. Or by fax at 508-831-5715 or email: human-resources@wpi.edu.