

STRATEGIC COMMUNICATIONS FRAMEWORK REQUEST FOR APPROVAL

OBJECTIVE Gain Board approval for a new CMA strategic communications framework that is a grassroots-focused program that communicates about industry behavior, benefits and issues – for both advocacy and outreach audiences.

BACKGROUND The commitment of CMA members to involve and inform the public and to earn the public trust is expressed in both Responsible Care® and CMA's strategic plan.

- Responsible Care® Guiding Principle # 1: "Recognize and respond to community concerns about chemicals and industry operations."
- The CMA Strategic Plan, under the goal of earning the public trust, which calls for improving "the perception of the chemical industry with its key audiences, such as employees, public officials and the general public," communicating "that improvements in the quality of life depend on ... continued innovation and development of breakthrough products," and communicating "value to the overall economy."

A \$10 million per year public outreach campaign - \$8.5 million of that for advertising - was approved by the Board in 1990 and has been underway for nearly five years. According to tracking surveys, the Public Outreach Program has been successful in stopping the 25-year slide in public favorability. In fact, from 1993 to 1996 public attitude has improved by 4%, reaching 24% favorable. By contrast, in Europe, where there has not been a comprehensive public outreach program, recent surveys have shown a failure to improve favorability after several years of Responsible Care® implementation.

Elected officials, the public and environmental groups have recognized the growing strength and importance of local leadership and control. The chemical industry, while making strides, still lags in the effort to reach local audiences.

- Although there are exceptions, self-evaluations of the CAER Code continue to show facilities lagging behind in carrying out the community awareness part of the code. For instance, only one in five neighbors of chemical facilities have a positive view of the chemical industry.
- In interviews done for a benefits communication research project, senior industry managers, even when prompted, said they could think of no instances when the risks of chemicals outweighed benefits for the public. On the other hand, community leaders said that for lower-income people, those who live close to the plants, and for people living along transportation corridors, the risks of chemicals often outweigh the benefits.
- In separate research, in 11 focus groups made up of near neighbors to operating facilities in plant communities in seven states, half of them with CAPs, not one person had heard of Responsible Care®. None were aware of any operational improvements to protect health, safety and the environment.

CMA ACTIVITY TO DATE The Board Public Perception Committee has reviewed the progress of outreach to all audiences. It halted the advertising campaign as of October 31, 1996, to conserve resources for a refocused effort. It also directed the Communications Committee and CMA staff to develop a proposal to improve communication with grassroots audiences which strengthens existing effective programs and adds new elements.

The Communications Committee formed five work groups to consider and recommend outreach programs for employees; plant communities; local, state and federal officials; media; and educators and students. Members from CMA's Communications, EHSOC, State Affairs, and Federal Government Relations Committees participated in the work groups. A group was also established to oversee public opinion benchmarking and tracking, and communication research.

RECOMMENDATION A successful communications strategy will focus communications toward communities in which the industry operates. Success in communication at the community level, for both outreach and advocacy, will require the strong participation of management at local facilities and assistance from CMA in developing and delivering performance, benefit and advocacy information. Particularly important will be a clear and continuing mandate of support from company leaders to legitimize the time, attention and resources local management will have to devote to meeting this Responsible Care® and advocacy commitment.

Responsible Care®, as a community-based initiative, provides a clear locus for implementing these recommended plans and activities. Of key importance will be constructing partnerships at the community level to identify and address concerns with common ground solutions. Employees and community advisory panels can contribute unique resources to understanding and building these partnerships and solutions.

The Public Perception Committee recommends implementing the new communications strategy in two steps. The first step, outlined in Attachment A, covers through May 1997. It includes establishing benchmark opinion surveys with target audiences; completing existing outreach projects and the benefits communication research and pilot; and developing communication materials and delivery systems (Internet/Intranet capability and a rapid response structure). The second step, outlined in Attachment B, includes a series of activities to support and conduct advocacy and outreach about performance, benefits and issues to core community and national audiences, and measure the impact of these efforts.

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| <u>BUDGET</u> | Projected results for completion of activities already underway. | \$5,725,200 |
| | Resources to accomplish Step 1 (January to May) | <u>909,000</u> |
| | Total 1996/97 | 6,634,200 |
| | (Proposed revisions to \$10 M currently budgeted) | |
| | Preliminary budget estimate for Step 2 (1997/98 fiscal year) | \$3,171,800 |

RESPONSIBLE CARE® IMPLICATIONS The recommendations will help meet the objectives of Responsible Care®. It will be a primary driver in accomplishing the Association's strategies.

STATE, FEDERAL AND INTERNATIONAL IMPLICATIONS This revised approach to communications will improve the quality, quantity, and responsiveness of information provided to audiences important to the association. It will assist site management, state chemical industry councils and CMA advocates in delivering messages and assessing industry credibility.

ACTION REQUESTED Pending final review by the Board Public Perception Committee, approve the new Strategic Communications Framework, including the revised budget for the remainder of 1996/97 set forth in Attachment A and the general levels and concepts for the 1997/98 fiscal year set forth in Attachment B. The 1997/98 fiscal year proposal will be subject to further refinement and review as part of the overall budget process in March and April.

CMA
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