

2004 Atlas Award Lecture
on International Public Relations

*Pioneering International Public Relations in an Era of
Increasing Globalization*

An Informal Overview of Five Decades

by

Sylvan M. Barnet, Jr. and Arthur Reef
United States of America

2004 Recipients
Atlas Award for Lifetime Achievement
in International Public Relations

Presented on October 25, 2004
PRSA International Conference,
New York, NY

Public Relations Society of America
33 Maiden Lane, 11th Floor
New York, NY 10038-5150

Pioneering International Public Relations in an Era of Increasing Globalization

An Informal Overview of Five Decades

by

Sylvan Barnet, Jr. and Arthur Reef
United States of America

Arthur Reef: We appreciate greatly the honor of the Atlas Award and the opportunity to share with you some fifty years of international public relations experience.

In our presentation today, we will describe some of the factors which motivated our decisions to leave each of our comfortable careers in international communications and journalism to seek new opportunities we anticipated in international public relations. We will discuss the origins of Barnet & Reef Associates, our organizational problems, the activities and programs that, over many years, shaped our views of international public relations and the role it played in a rapidly changing political and economic environment.

Why and how were we prompted to move to this new career choice?

Sylvan Barnet had been a successful manager of an international newspaper in Paris, the European Edition of the *New York Herald Tribune*, and then the head of the *Trib's* syndicate and news service in New York.

I had been involved in various assignments and positions in Latin America, the Far East and Europe, including three years in Germany, three years in Italy and a number of years in France, the U.K. and other countries of Europe during the late 1940s and 1950s.

But, our decisions were made as a result of our views of world events during those years. We were witnesses, and even sometimes participants, in the monumental economic and social changes that accompanied the total rebuilding of war-devastated Europe.

The innovative Marshall Plan was launched not only to revitalize and reconstruct the European economics but also to promote the values of freedom and democracy – a response prompted by the onset of the Cold War.

In the Far East, a devastated Japan had to be rebuilt and politically transformed; other Asian economics were seriously damaged and needed assistance or guidance.

Latin America was the scene of recurrent struggles between rigid autocratic governments and aspirations for free societies.

Hopefully, a new world of law and order was evolving with the 1944-45 formation of the United Nations and the Bretton Woods Organizations.

New nations were being born as the colonial powers, including Great Britain, France, Belgium and Portugal, retreated from Africa, the Middle East and Asia.

As witnesses to these extraordinary developments and in view of our years of international experience and overseas residence, we saw opportunities to participate, to offer a much needed service to clients and, not so incidentally, to benefit personally.

At this point, I suggest it would be appropriate to ask Sylvan Barnet to contribute his views.

Sylvan Barnet: There is relevant anecdotal background on how I got into public relations and on how I met Arthur Reef.

My first meeting in Paris at the *New York Herald Tribune* involved public relations for the paper. The manager of the Hotel George V was angry because Art Buchwald, then a new columnist, had written that the hotel was gouging the tourists with outrageous prices, or killing the golden goose of tourism as it was just beginning to lay her eggs in post-war Europe. We turned aside this advertiser's pressure on our editorial side and I formed a long-lasting friendship with Art.

We also had an ad representative in Brussels, Eric Cypress, who had just written the first book on public relations in Europe. Eric had a young Dutch assistant named Loet Velmens. When John Hill visited Europe, he asked me to help him and I introduced him to Cypress, Velmans – and even Buchwald. The rest is history; Hill and I crossed paths during Barnet & Reef, as competitors, and later at American Airlines he was my public relations counsel.

Europe, in the years immediately following the war, was a hotbed for communists and their slogans of “Ami, go Home” and “the ugly Americans.” That was the climate. Sound familiar?

My work at *the Tribune* involved closed coordination with the USIA the Voice of America, the Economic Cooperation Administration, the military and the French government to increase tourism.

In Europe, the local media were struggling to recover from the war (and lack of newsprint and fighting communist newspapers). There was little international media aside from us. Time, Life, Newsweek and the Reader's Digest and few public relations people. The French financial public relations people were actually ordered by their clients to keep news out of the papers!

Then, in the mid 1950's, as chief of our syndicate and news service operations in New York, I met publishers and editors from coast-to-coast and all of the industry associations.

At the International Chamber of Commerce, I met Eldridge Haynes, just starting Business International, and through the International Advertising Association, I met Elmo Wilson and Elmo Roper, just starting International Research Associates, INRA. And, most importantly, I met Arthur Reef at various meetings.

The Tribune was Republican, the “Eisenhower” newspaper, so we were involved with intense government relations. Tex McCrary and his assistant, Bill Safire, were our public relations counsel. Our owners, the Reid family, strongly believed that we were the primary voice here and in Europe for democracy and the free world against communism in the early days of the Cold War.

Then, three influential things happened to me in 1957. *The New York Herald Tribune* started to hemorrhage financially; the jet age began with the 707s; and the Europeans started what became known as the Common Market. And by then, European recovery west of the Iron Curtain was a fact. American companies were flowing into Western Europe; Communism had not won, and NATO was containing it. The landscape was more benign; it was time to make our move and Arthur will now detail our decision.

Arthur Reef: When we initiated the Barnet & Reef Company, we decided to establish our own basic principles, derived from experience.

First, to be effective, we felt there was a need to clarify what would be our approach to international public relations counseling as distinct from publicity and press relations. I would like to identify this need as the Perception Phenomenon, defined in various stages.

Stage one: Potential and actual clients’ frequent lack of understanding of the need to address the perceptions held by various publics or groups that could affect the client’s ability to function effectively; in the case of commercial organizations such as corporations, the perception by the financial communities, banks, shareholders, external forces such as environmentalist and various other non-governmental groups, and of course, employees, customers, government and quasi-governmental regulatory agencies; additionally, other entities such as political parties, media, and even opinion-influencing individuals – all similar affected by perceived views.

Stage two (sometimes absent in the public relations counseling function) is the need to identify the specific groups or publics whose perceptions must affect the client’s health and ability to function.

Stage three is an examination or analysis of the perceptions, namely:

- are they current and strong or weak?
- Are the perceptions
 1. True? Or false?
 2. Unfavorable - but false?
 3. Unfavorable - but true?
 4. Favorable

The counselor's proper remedy and actions would be in the case of (2) to correct the perception, and for (3) make recommendations to correct the misperception and act to attain (4) namely, favorable perception.

As part of a successful public relations counseling function is the ability to anticipate changes in perception – e.g., environmental concerns that have emerged, making big business a villain.

Stage four (most frequently absent and most difficult to achieve) to effectively counsel or practice planned actions on (3) e.g., unfavorable but true perceptions, and the need to make fundamental policy or substantial changes. These can usually be made only at the highest client level of authority. Such counseling work required, for the counselor, direct access to the CEO, or COO, or president, or head of government or government agency – levels of authority equal or higher than chief financial or legal officers. It also meant access to board members who could be extremely useful and valuable.

Clearly, from this approach to our international public relations function, our potential clients would have to be persuaded that we were capable of providing competent international counseling.

With these principles in mind, we made our final decision to initiate Barnet & Reef in late 1958. And we knew we faced considerable problems of financing, recruiting personnel, promotion, etc. We had to develop our uniqueness as an organization, and as an operating company with a new, unique sales approach. Sylvan Barnet will explain our start-up at Barnet & Reef and then I'll explain the start of PR International, our operating organization abroad.

I. ORGANIZING BARNET & REEF HEADQUARTERS

SYLAN BARNET: It was clear that our major assets were our individual experiences and our contacts among business, governments and various associations such as PRSA and the new IPRA.

We were able to secure the necessary start-up financing from a close friend of mine. It was enough to pay the Park Avenue rent when we opened our doors in early 1959. We started looking for one or two internationally-experienced junior people (from a very limited pool). We contacted all the associations for outreach.

We built an HQ Advisory Committee, knowledge people on cultural affairs, financial affairs, on research, on design and visual communications, and also on areas – Latin America, Southeast and Far East Asia. Eventually, we would attain a B & R staff of fifteen. Arthur now will explain how he built the PR International network, incorporated separately.

II. ORGANIZING THE PR INTERNATIONAL NETWORK

ARTHUR REEF: We knew that at B & R headquarters in New York we were equipped to meet and counsel executives of potential international clients. But, equally we knew that we needed local execution requiring local personnel and access. Obviously, it would be too costly to finance and staff our own offices in various parts of the world. We had one unique asset, namely experience in tapping into resources we knew: people and organizations we could call upon to provide information, contacts, knowledge of local social and political customs and mores, local and national labor laws and media contacts. If the individuals or organizations we invited to join PR International were not available, they or we enjoyed sufficient alternatives.

The network would be tied together by close personal relations – so important in many parts of the world – bolstered by the prospect of income (frequently in U.S. dollars) and controlled by a subsidiary executive board. Selecting and inviting individuals and organizations was a relatively direct process.

In some centers such as London, Paris and Geneva, there were already established public relations organizations recently formed. But elsewhere it was more difficult to find good people; we concentrated on those in communications – journalists, editors, freelancers and some in local government positions.

Through our contacts and personal visits, we managed to attract over forty participants to PR International and to weld them together in a linked professional relationship, through regional meetings and regular communications, like newsletters. Some of them were mentioned in the Reed-Hardy IPRA Review article. The best glue would be a steady stream of assignments and fee income.

With the establishment of PR International, we turned in earnest to solicit clients, directly and through our selling materials which Sylvan Barnet will now describe.

III. OUR SELLING PROMOTION

SYLVAN BARNET: Our basic selling proposition was: “While distances shrink...world markets expand.” Companies moving abroad, with the emergence of common markets, created the necessity for new marketing and public relations. Companies faced growing, intense competition everywhere. Thus, they had to earn the approval and goodwill of all groups – from their customers and distributors to government officials and opinion leaders.

Our first simple flyer immediately drew a large response: “THE WORLD IS GETTING LARGER” with more places to go and more sales to make. Gone was the old “stay-at-home” master-minding-the-world mentality and the good old days of export sales.

Next, came our basic brochure with nine case problems and solutions covering government relations for market entry, marketing packaging, customer relations, product or brand identity, community relations in selecting plant sites, plant opening community relations, employee relations in takeovers and changing national attitudes to sell products.

We supported this with blueprints for planned actions and services needed from us including market analysis, finding distributors, and evaluation of current marketing and public relations programs.

We supported our basic brochure with flyers such as “BAD PRESS IN GERMANY, ” “SURE YOU CAN DO IT YOURSELF, ” “HOW IMPORTANT IS A PLANT OPENING ABROAD?, ” and “ARE YOU DEVELOPING A SPLIT PERSONALITY IN YOUR COMPANY’S IMAGE?” These all proved effective.

IV. RESULTS

SYLVAN BARNET: The 1951 IFRA Review article details our various accounts. I’ll give a few anecdotal insights.

Our first check came from Burlington Hosiery for a new product one-day launch at Macy’s. We organized foot massages gratis with each pair of stockings.

Our first assignment for AMF International was to help open their bowling lanes in London. We had Everest mountaineer, British hero Sir Edmund Hillary, throw out the first ball. This, he exclaimed before the cameras, “was harder than climbing Everest!”

We soon acquired Dow Chemical and Merck, Sharpe & Dohme International for press work in many countries around the world.

One of our first plant openings was for the Columbian Carbon Co. in Turin, Italy. Our newly-retained Italian associates found an artist named Simbari who drew ten fabulous sketches of this ugly carbon-black, industrial plant for \$300. We gave away all of them to many officials attending, kept none. Today, Simbari’s gorgeous oil and acrylic paintings fetch up to \$250,000 apiece!

Goodyear came to us. They wanted public relations in 21 countries. At first, it looked like Hill & Knowlton would have a large part of the assignment. Goodyear awarded us the entire account, from Europe, to Latin America, and the Far Pacific. This impressed John Hill!

Philip Morris wanted us for the introduction of Gauloises in the U.S. and the launch of Parliaments in France. WE had twin celebrations at the Eiffel Tower and the Empire State Building – proclaiming the new “entente cordiale.”

And, one summer day, the State Department called the International Advertising Association to find a public relations firm to represent Eastern Nigeria, newly-independent. The IAA contacted us; we met Nigerian chiefs at the Waldorf and signed a contract. It was the best account ever with fees paid in dollars each year in advance by Barclay’s.

Finally, U.S. Aid awarded us a four-year contract to promote trade and investment from the U.S. for the Indian Investment Centre, from coast-to-coast. A very rewarding account.

V. PROBLEMS ARISE

ARTHUR REEF: Our success with international clients was limited. We had only a handful with whom we maintained access at the highest level of authority, namely AMF, John Deere, Nigeria and the Indian Investment Centre.

Our major problem was the low number of new clients and but one from the PR International network. The flow of new clients was one-way – from B & R to members of our network abroad.

We needed a secure domestic U.S. base. To build one would be a long, slow and costly process.

After much soul-searching, we decided on the easiest solution – to merge or sell out to a major U.S. public relations firm with ambitions to enter the international public relations market.

Negotiations with several firms resulted finally in a sale to Harsha, Rotman & Druck. As part of the agreement, we were to provide our time and services, for a limited period, to the merged companies. Barney stayed for another year and I left for greener pastures after three months.

VI. LIVES AFTER BARNET & REEF

ARTHUR REEF: Beckoning me were offers from previous clients. I accepted the one from a top executive at a major natural resources company American Metal Climax (later known as AMAX). This was probably the best decision I ever made.

The company was planning major expansions for its already widespread international operations, along with increasing diversification. It had no established public relations function or related communications function in-house or outside (except for a very limited trade advertising program).

Their offer met all my conditions – to be a board-elected officer or vice-president, with full access to the CEO and to board members, and, of course, reasonable financial terms.

I served as corporate vice president and later as senior vice president for three successive CEO's. With the consent of my last CEO, I resumed international public relations counseling several years before retirement and continued afterwards for many years until I moved to the sunny climate of Florida ten years ago.

SYLVAN BARNET: After Barnet & Reef, I went into government, as deputy

director of the new U.S. Travel Service, in the Commerce Department. It was headed by John Connor, former CEO of Merck and one of our B & R clients. I was cleared for this job by appointments secretaries at the White House, Jack Valenti and Joseph Califano. I soon learned how my government and Congressional Committees work – valuable experience for any citizen and especially for corporate executives.

I worked with the entire travel industry and the travel media, promoting pleasures and family travel to the U.S. around the world. I started a business travel promotion called BUSIVIT; for this I brought all of the city Convention and Visitors Bureaus into close contact with the government.

This led me into American Airlines after two years at USTS, as vice president of public relations, where I had a marvelous staff of 55 people. I retained Hill & Knowlton for corporate public relations.

My major task was to help Americans really go international – into the Caribbean and the Pacific, simultaneously with the introduction of a new fleet of 747s and DC 10s.

But my arrival at American in 1968 coincided with the new “terrorism” for the entire industry, namely, hijackings. My first year was preoccupied, with the entire industry, in countering this and trying to win back the public’s confidence to fly to new destinations. This required massive public relations work by the entire staff.

But my greatest satisfaction came from American’s sports and cultural community public relations programs and events. These included sponsoring the American Golf Classic, the American Youth Performs national orchestra, the Newport Jazz Festival, the Ebony (Johnson Publications) fashion show and our “ghetto” multiracial, stewardess role-model program called “Grace and Glamour.” These last two earned us Gold Keys from Denny Griswold.

Finally, I come to my present work for the past 17 years as Rotary International’s representative to the United Nations in New York. Basically, this is a public relations assignment: to make known our worldwide organization of 32,000 clubs in 166 countries; to open doors at the UNIT 8E for collaborative efforts with them, to interface with the whole UNIT 8E system and World Bank, to participate in UN Conferences and sessions of the Economic & Social Council and the social and humanitarian committees of the General Assembly where we track 22 such issues. We network, too, with the various NGO committees on substantive issues, and with them, work to protect and expand our privileges at the UNIT 8E where we hold the highest rank. My various experiences in public relations at Barnet & Reef and since then, have stood me in good stead.

Rotary’s main signature “brand” has been our work with the UNIT 8E and the CDC in Atlanta to eliminate the scourge of poliomyelitis from the earth. After 17 years, we are almost there, having immunized over two billion children. Further, we have shown the UNIT 8E and governments how to mobilize society to conduct national immunization days – again, with intensive public relations. The UNIT 8E has been amazed with our ability to immunize 165 million children in one day, as in India.

Yet, Rotary needs vastly improved public relations, despite its known successes. I have just returned from our world headquarters in Evanston, Illinois to discuss what must be done in this, our centennial year, and in the immediate future. In a two-year examination among 23,000 Rotarians worldwide, public relations was considered by nearly one third as a number one priority.

In July, the UN's Economic and Social Council gave its imprimatur to our nearly 60 years of association with the UN in a flowering tribute for our 100th anniversary year. A good public relations result.

Indeed, we are pulling the stops for the Centennial – with all types of public service announcements in numerous languages, a worldwide poster contest, traveling Centennial Bells, thousands of club projects and the issuance of Rotary stamps by seven governments, hopefully including our own. And, finally, with a Peace Symposium at our annual Rotary Conference at the UN in November. This will be attended by 800 senior and 300 young Rotarians, including our new Peace and Conflict Resolutions scholars and some of our 1200 Ambassadorial scholars from around the world.

In major panels, all will discuss Rotary's world programs on polio elimination in its final year, health concerns such as HIV/AIDS, literacy and education, and water resources and sanitation. These are paramount issues articulated as the UN Millennium Development Goals adopted four years ago by the UN General Assembly. They are namely:

- ERADICATE EXTREME POVERTY AND HUNGER
- ACHIEVE UNIVERSAL PRIMARY EDUCATION
- PROMOTE GENDER EQUALITY AND EMPOWER WOMEN
- REDUCE CHILD MORTALITY
- IMPROVE MATERNAL HEALTH
- COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES
- ENSURE ENVIRONMENTAL SUSTAINABILITY
- DEVELOP GLOBAL PARTNERSHIPS FOR DEVELOPMENT AND COOPERATION WITH THE PRIVATE SECTOR

All of the above are worthy social and humanitarian goals in every nation.

I would like to end with a final observation about the importance today of corporate and organizational social responsibility as we see it at Rotary. I think there are valuable workshops on this topic today at this PRSA International Conference with its major emphases on “Architects of Change, Advocates of Understanding.” WE all live in a “fishbowl” today. Never has there been so much transparency and instant communication, actions and reactions.

Four years ago, at the Economic Forum in Davos, the UN Secretary-General, Kofi Annan, launched the so-called Global Compact for businessmen, asking them to protect human rights, practice fair labor standards, and help protect our environment and natural resources – good yardsticks of social responsibility.

As an organization of business and professional people, Rotary is interested in the social dimensions of globalization (the subject of a top-level symposium a month ago at the U.N. Economic and Social Council).

Social responsibility and a code of business ethics, developed by Rotary during the Depression years of the 1930's are hallmarks of Rotary Clubs worldwide and each Rotarian. We believe these, the so-called Four-Way Test, are applicable for all, including practitioners of public relations. These are:

IS IT THE TRUTH?

IS IT FAIR TO ALL CONCERNED?

WILL IT BUILD GOODWILL AND BETTER FRIENDSHIPS?

WILL IT BE BENEFICIAL TO ALL CONCERNED?

Not a bad credo. It seems to work!!!

Q.E.D. and we thank you.

The Atlas Award for Lifetime Achievement in International Public Relations

Established in 1995 by the International Section of the Public Relations Society of America (PRSA), the Atlas Award recognizes individuals who have made extraordinary contributions to the practice and profession of public relations on a global scale. Recipients have demonstrated, through a substantial body of work, their leadership in international public relations for employees, clients, institutions, governments, agencies or other organizations, and are selected by the Executive Committee of the International Section in consultation with colleagues in international practice. The Award is presented at the PRSA Annual Conference. The Atlas Award Lecture on International Public Relations was inaugurated in 1997 as part of the Conference program.

Atlas Award Recipients:

1995 – **John M. Reed, APR, Fellow PRSA**, United States

1996 – **José Rolim Valença**, Brazil

Taija Kohara, Japan (Special Posthumous Award)

1997 – **Harold Burson, APR, Fellow PRSA**, United States

1998 – **Lawrence G. Foster, APR, Fellow PRSA**, United States

1999 – **Dennis Buckle**, Great Britain

Jacques Coup de Frejac, France

2000 – **Gavin Anderson**, United States

2001 – **Barbara M. Burns, APR, IPRA Fellow**, United States

2002 – **Göran E. Sjöberg**, Sweden

2003 – **Daniel J. Edelman, APR, Fellow PRSA**, United States

2004 – **Sylvan M. Barnet, Jr.**, United States

Arthur Reef, United States