

TALK ON PUBLIC RELATIONS

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Introductory Remarks (Mr. Cooley)

For nine weeks you have been coming here each week to hear a discussion of some aspect of public relations work. Today is the last meeting of the course, unless we go completely collegiate and have a few reunions. The song is over, although we hope the melody will linger on.

In closing the course we have in one respect reverted to a practice of our early childhood - we have saved the best for the last. Today we are to hear Mr. Page, who you all know directs the publicity and public relations work of the American Telephone and Telegraph Company. Of course, we have derived a great deal of benefit from Mr. Page's counsel throughout the year, and that might be said to be part of the one and one-half per cent., but coming here today was not written into the licensee contract. Mr. Page is here because he has a genuine interest in what we are attempting to accomplish. For that reason we are all the more appreciative, all the more complimented, that he has been able to fit a talk to us into his very busy schedule.

I am most happy to present Mr. Page.

(Mr. Page)

Thank you, Mr. Cooley. I am delighted to be here and particularly delighted to see the number of people who show this interest in public relations in the New York Company.

Mr. Cooley said that my work at 195 might be said to be in the one and one-half per cent. contract. I don't agree to the words "might be." I am confronted with the necessity, in the Chicago case, of proving that my work is part of the one and one-half per cent. contract.

The public relations of the Company are obviously its relations with the public. Just after the war there was much discussion of propaganda of all

kinds, of all sorts of methods of getting the public to believe this, that and the other thing. That propaganda idea, which was reputed to be infinitely more powerful than it ever was, got a good deal confused with public relations, possibly because professional publicity people, finding that term wasn't always popular, changed over and called themselves public relations counsel. Now the thing that we are talking about is the farthest removed in the world from propaganda. May I say again, your public relations are your relations with the public and the relations with the public, you know, occur where our people operating the business come into contact with the public. Our main channel of public relations, therefore, is through the regular lines of organization. The people who have the most relations with the public are our operating people below the supervisory level. The consequence is that you have to have an organization completely imbued with the public relations point of view, that is, a point of view desiring good will of the public, before you can be effective.

How effective can our public relations be? I have a belief that they can be very much higher than we have yet attained or than most people believe is attainable. You hear a great deal of discussion about the relations of large corporations with the public, in which the phrase occurs: "Oh well, they are attacking this corporation and that, or this or that utility, for political reasons." That is offered very often as an excuse. But it is not a valid excuse. The actual fact is that we have got to meet the political test. If our public relations are as good as they ought to be, as they sometimes are, and as I think they always can be if we work hard enough, there won't be any profit in attacking us. The real test, therefore is whether or not we have attained a position in which a man would lose votes and a newspaper would lose circulation by attacking the New York Telephone Company or the Bell System in any part. When we reach that state of public relations, neither the press nor the politician will attack us, for they do not attack us just for the fun of it. They attack us for a definite purpose. The politician's profession is to judge the issues which will gain him votes. He may sometimes be wrong but by and large his judgment isn't far wrong. To be certain of immunity from such attack we have to put ourselves in a position where it will not occur to any politician that it is practical to attack us. The minute we get in that position you will find that they won't have the slightest interest in attacking us. The only reason for criticism now is because they believe when they criticize

large corporations they are voicing a general public opinion. In spite of the fact that the general public opinion might not voice itself without their instigation, they have in considerable measure, so far, been convinced that they have been right. Now that isn't anywhere near as true now as it once was, and yet, on the other hand, we are quite a long way from having reached the point where we are not vulnerable to that kind of thing. Many people feel that there isn't a possibility of getting to such a state. There is at least one institution in the world that has got there. If one of the greatest private banks, perhaps the greatest private bank in the world, can reach such a happy state, certainly we ought to be able to do so. The Bank of England is a private bank. It is owned by stockholders but it devotes itself entirely to the public interests. You very seldom hear anything about the dividends it pays to its stockholders, and yet it pays them regularly all the time. The Bank of England has for many years demonstrated clearly that its interest and the public's interests are almost identical, so that it has ceased to occur to anybody in Great Britain to attack the Bank of England as a great private corporation. We have the possibility of doing exactly the same thing. It isn't an identical case. You never get those. But we are in a position where we believe that we have worked out a policy, a method of procedure, which is as fundamentally in the public's interest as the Bank of England's operations are in the public's interest in Great Britain.

You all know the Bell System policy is not only a financial policy but a service policy that we believe to be, as I said, just as much of public interest as the conduct of the Bank of England. It is the most in the public interest that we can now conceive. That includes a proper consideration of those who work in the Bell System and those who invest in the Bell System, because without a proper consideration of those groups in the long run you will not be able to serve the public interest intelligently. Having this policy, under which we have no incentive to do less than our maximum for the public, the only limitation on our public relations is the intelligence we display in operating under our principles and in explaining those principles.

In part of this task, the giving of good service, the operating departments have a free hand and do an exceedingly good job. It is exceedingly gratifying from time to time to have friends of mine come in and say to me (they never know the difference between the American Company and the New York Company; it is all one to them) "What in the world is it that makes the men in the Telephone

Company do the way they do?" I say, "What do you mean?" "Why," they say, "a fellow came over to my place the other day from the Telephone Company to put in a new installation. He not only did that but rearranged the equipment we had and made great improvements. He just volunteered this extra service to us." I don't suppose any three weeks pass that some friend of mine doesn't tell me this kind of thing. They also tell me when anything goes wrong, but the preponderance of the good news is considerably over the bad news and that is a pretty good indication, because people are likely to complain when anything hurts them. It is only the unusually good job that makes a man take the time to write you a letter, especially a busy man downtown, or call you up on the telephone. I have had both those things happen many times in the last year. The increase of this kind of thing seems to me to have a very large idea underlying it, and that is the gradual elevation of the telephone group by education, to a better and better understanding of the business. It is only by increasing the understanding of the business that they can do not only their specific jobs, such as the ones I have talked about, but that they can also represent the Company when people ask questions about its general policy or general principles.

It is on that philosophy that Mr. Gifford originally based what was called the "Dallas statement" - to give us all a chart to steer by. That is the reason since that time that the details of it, the principles of it, have been continually elucidated in conferences, courses, and kindred matters. Through the supervisory bodies in the New York Company, for instance, a general understanding of the principles and operating policies of the Bell System is spreading. Everybody that they touch, whether they be in the telephone business or outside of the telephone business, will gradually begin to get the picture. That information can spread down the line just as far as the capacity of the people down the line allows them to take it in. I don't mean that you can tell everybody everything, because you can't. The thing is a matter of judgment, but the more you can tell all the people that they will understand reasonably correctly, the greater force you have working for the good relations of this Company and the understanding of this Company by the public.

It is true that there are probably a great many subjects which a great many people in the New York Company would not completely grasp to begin with, and that may be urged as an objection to the general principle of pushing this information further and further down the line. The difficulty with that objection

is that those people are asked questions about the Company, its policies, its practices, its principles, all the time anyway. They answer those questions and discuss those questions with their friends, customers, or whomever they are in contact with, and they answer them whether or not they have had much, if any, explanation of them. In other words, we do not get out of our contacts with the public by merely shutting our eyes to them. The contact is there every minute and there isn't any way to escape it. The consequence is, it seems to me, that the wisest thing is to give all our people all the way down the line as much information and as good a guide in meeting the public as they can possibly manage to carry. That can't be done all at once. It is a slow process. The same slow process which informs them also inspires them. When I say that I mean that the more a man knows about the whole business and the purposes of the business he is in, and why it is a good business to be in, the more he will take a pride in it and see something in it besides three meals a day, and the better man he is going to be. The same thing gives him the information by which he can better explain it to the public.

That is pretty nearly all the philosophy about public relations that I have acquired in the five years I have been with the Bell System. It isn't much on paper. But the way it is being used by the operating departments in the field is very encouraging and inspiring to me. For instance, in the last year you have heard a good deal of discussion about the value of telephone service. For a long time before that we emphasized the value of the service and we emphasized the accuracy and speed of service. All of those things are connected, but we used to use more of our time and effort to explain the efficiency of our system than we did upon its values. During the last year that emphasis has been a good deal changed because we are facing a time when inevitably the public will come to discuss the rates, the cost of telephone service. You hear daily on all sides of you - "Why doesn't telephone service come down the same as everything else?" Now the degree to which the information on that subject has spread effectively through the Bell System is quite amazing and quite encouraging. The most dramatic cases, perhaps, are not those in the big cities, but those where there are only two or three or a dozen telephone employees in a small town or outlying district by themselves, where they have to meet this question themselves. There have been a great many extraordinary cases.

For example, the Mayor of Detroit (where there is the most acute distress in the country and, therefore, the most acute irritation - they have had a rate case almost as long as the New York Company had its rate case) published a request that all complaints against the Telephone Company that anybody in the town had be sent to him. That looked to me like a one-sided bet. I don't suppose anybody in this room could guess the number. Just six of them turned up!

That is an extraordinary testimonial to the fact that actual daily operations of our people with the public have been extremely good and, of course, are what the whole thing is based on.

Now, I am going (just to make the point clear) to repeat. To begin with, our whole public relations depend on our service. If that isn't good, then there is no story we can tell that will do anything any good and make anybody believe in us, and it is furthest from the minds of the Public Relations Department to try to tell any story except the truth. Therefore, we can't start with anything but good service. There is, however, an addition to good technical service and that is what goes under the various names of personalized service or service from the customer's viewpoint. In other words, our job is not merely to furnish technically good service, but to furnish service of the kind and in the way that the public wants it. We have to furnish that service, good service, in the way the public wants it and furnish it at a just and reasonable price. We have, to a large extent, convinced them that the service is good. You couldn't get such an editorial as appeared in the New York Times perhaps a month ago in which it stated that there was one thing that any American would die for, and that was his telephone service and the system behind it, if the service wasn't good. That far I think we have done a fine job; but on the question of what we charge for the service, we haven't succeeded in convincing the public as thoroughly as we have on the other, and yet to my mind, although it is harder to explain, our case there is as good or better than it is on the other side of the picture, that is, on the service side of the picture, because for the 50 years the Bell System has been growing there have been no excessive profits. Nobody has become rich on it. It has been devoted to public service from start to finish.

It is that job of explaining, first, the value and, second, the fact that it is done economically, that is, perhaps, our chief problem at present. Of

course that problem comes upon us much more vigorously in a time like this than if we had been working on it for a long time in good times.

What we have done has been so successful, and the prospects seem to me so successful, that I feel perfectly confident that I shall live in the Bell System to see, before I retire, a condition in which there will be no political profit in attacking us. We should be able, with the principles and methods that we have, to fix ourselves so in the mind of the public that there would not be votes in criticizing us. That is a high goal but I expect to live to see it achieved and I know one thing - if it is achieved we shall have even more satisfaction in working in this business. If we can make all the public see it as we see it and feel about it as we feel about it, it will be even a pleasanter and happier job than it is now. That is a great opportunity. I think we have a better opportunity for doing that than any other corporation in this country.

I want to congratulate you all on the degree to which the operating forces of the New York Company have gone in that direction and to assure you that I feel we shall finally arrive at this very high goal.

(Mr. Cooley)

Mr. Page, I want to thank you very much for coming here and for what you have said to us. We all enjoyed it tremendously and will profit from it and, in return, we shall see what we can do about the goal you described. We assure you that the New York Company has an unusual background for just that endeavor; a most remarkable, gratifying interest in public relations work and not only interest, but understanding of and appreciation of its benefits and what it is all about.

To the class again, we are tremendously grateful for the interest you have shown in this course and we thank you for coming here.