

Hill and Knowlton making impact

By JUDITH GREER

"A business should close down with as much grace as when it opened its doors," said Harry Englehart, vice president and general manager of Hill and Knowlton Inc.'s Pittsburgh office.

Closing down shop can be a crisis for most people involved — employees find themselves jobless, owners lose their business and their business image, investors lose an investment, and consumers lose a product or service.

If communicated adequately and accurately, the price paid can be reduced for everyone, and the business name and image does not have to be destroyed. If forecasted, people losing jobs can have a head start finding a new one, and the owners can prepare for the many intricacies needing attended to when closing a plant with "grace."

In a city where forces have joined to attack business images and the lines of communication are actually being used in a tug of war, communications expertise must be acquired.

This is where Hill and Knowlton Inc. come into play. The marketing and public relations firm researches a client's business, offers financial counseling, and supplies communications expertise.

"Most major companies really went through hell, quite frankly, due to the course of the last recession," said Englehart. This caused them to reevaluate their productivity standards, and their business mix in terms of products and diversification versus core business, he said.

Now that they're moving into a recovery, they must position themselves to do what they hope and need to do to become what

they want to be 10 years from now, Englehart said.

First, the company has to explain to their investors what shape their company is going to be, both today and in planning for the future, said Englehart.

Another step is to explain to the general public the reasons for the shift in emphasis. And thirdly, it must explain to the employees what is happening, because if the employee is going to be an essential cog in maintaining productivity levels or increasing them, they have to know what's going on, he added.

"What we try to do is to come to grips with who the message is aimed at," Englehart said. And in trying to communicate that message, there are three planes that must be hit on: the intellectual, psychological and emotional.

A lot of the public relations people focus their energies primarily on the wrapper and do not spend as much time on the message to be given, said Dale Stetzer, account executive at Hill and Knowlton. "A good meeting is a showcase and should embellish the cause of the company and its executive team," said Stetzer.

He said that equal emphasis must be placed on their messages and how effectively they deliver those messages. "Nothing is more disheartening than an executive asking you to follow him into the future when it is obvious that he can't even follow his own script," Stetzer said.

Pittsburgh itself is changing and this presents major opportunities for the entire communications business in this town, said Englehart. "We are moving quickly to become a 'gray-collared' town — "we are not totally white because the foundations of industry are here," he added.

This is indicative of a new kind of business operating in Pittsburgh, being more service oriented, having a greater focus on high technology, and an increasing focus on the health care sector of business, said Englehart.

Advertising and public relations agencies have an equal role in the communications industry, according to Englehart, but their approach is different. Whereas they deal principally with space that one purchases and that one controls to a great degree, "we deal on the other side of the newspaper, with the reporters and editorial section," he said.

"We are in essence supporting the marketing program by getting third party endorsements for products, companies or whatever, and that's what the reporter is doing, simply by writing about it," said Englehart.

"What we are doing is taking that first in-

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formation thrust to the potential buyer and working on that level," he said.

Here both the audience and the medium you are dealing with become the focus of attention, and the client is counseled on how to get its viewpoint across in the same space as the other side of the story, Englehart said.

"We counsel clients that the best you should hope to get out of the media is a balanced story, because that is their charge, to get a balanced story," Englehart said.

During a crisis situation, a business should use straight forward and forthright tactics either in the defense of its position or in the purveyance of its message, he said.

The bulk of Hill and Knowlton's work is not press related however, Englehart said, but they are still involved in direct communication from business to audience preparing trade journals, seminars, corporate brochures, annual reports, TV spots and more.

"We are working with the substance of a product rather than the sizzle of it," he said. The ad agency works with the sizzle of it.

Current Hill and Knowlton accounts include PNC Financial Corp., assisting in communication activities surrounding a project to gain national recognition. They have also been retained by Alcoa to help with its 100th anniversary in 1986 which will include very high public visibility.

Two clients that Hill and Knowlton will not represent are political candidates and unions due to a direct conflict of interest, said Englehart.

Hill and Knowlton serves more than 750 clients throughout the world. The firm has more than 40 offices of its own and associate arrangements with some 50 leading regional firms in North and South America, Europe and the Middle and Far East.

Since the opening of its local office in the U.S. Steel Building in February of 1982, the staff has grown to 12 plus one senior consultant. Revenue growth in the first 11 months was a net fee income of approximately \$356,000, based on a time billing system, said Englehart. He added, that figure grew to double in 1983.



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