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## **Oilsands industry Urged to Win People's Hearts in Public Relations 'War'**

**By Elona Malterre**

Oilsands companies are "at war" with militant environmental groups and need to appeal to emotion as much as fact to win the public's hearts and minds, says the head of an influential public affairs company in the United States.

"Reason without emotion is impotent," **John Davies**, CEO of **Davies Public Affairs** based in Santa Barbara, California, told the **Oil Sands Heavy Oil Conference & Exhibition** in Calgary, July 19-21, 2011.

"Thing is, we're at war and we've been at war for a couple of decades, and the war is being fought at various fronts," including legislative, regulatory and in the courts, Davies said.

The other side is tapping emotion to muster strength for its cause, and using fear to change regulations and the economics of natural resources extraction, he told conference delegates. "What would you do if someone attacked your family the way they're doing this industry? You would defend them. So why aren't you defending your industry in the same way?"

According to **Derek Macdonald** of **Alstom Canada**, who introduced Davies at the conference, Davies Public Affairs was recently ranked the "fourth-largest U.S. environmental public affairs firm." The company's website (<http://daviespublicaffairs.com/>) says "Davies creates messages that motivates action" and "makes NIMBYs (Not-In-My-Backyard) and naysayers irrelevant."

According to **SourceWatch**'s website information about the company (<http://www.sourcewatch.org/index.php?title=Davies>). Davies "is another specialist in astroturf support. Mailing lists and computer databases put the firm in touch with receptive citizens, who are asked to write letters to their representatives. And if they don't have the time, (the company) offers to write the letter for them, adding their signature under their consent."

SourceWatch lists Davies's energy clients as including Aramco Services Company, BP ARCO, Chevron USA, ExxonMobil and Pacific Gas and Electric Company. **PR Week** ranked Davies as the twenty-fourth largest independent PR agency in the U.S. in 2008, with 2007 revenue of \$11.9 million.

John Davies has more than 27 years in the PR business. His firm's clients encompass companies in the pharmaceutical, biotech, real estate, energy and mining sectors.

Davies told the oilsands and heavy oil conference about a **Sierra Club** lawyer's comments about coal, which he said were made to an **American Bar Association** meeting about two years ago. The lawyer said that the Sierra Club's opposition to coal-fired power was "going to change the regulations so that we increase the cost to a level that is unfeasible," said Davies, who maintained that environmental groups are using the same tactic to undermine oilsands production.

The game is being played in both the U.S. and Canada, although from the American perspective, the game is all about pipelines, Davies said. "So all of a sudden, your pipelines become the worst thing for the environment."

Both the proposed **Keystone XL** pipeline (a **TransCanada Corp.** project to carry crude from Hardisty, Alberta to Cushing, Oklahoma, and eventually to Texas), and the **Gateway Pipeline** (an **Enbridge Inc.** venture involving a twinned pipeline system running from near Edmonton, Alberta, to a new marine terminal in Kitimat), have faced opposition from environmental groups and First Nations.

Davies said that with any resource-based project, companies face opposition from three groups of individuals: those who are 1) responsible; 2) persuadable; and 3) irrational. Companies need to understand what motivates each group, he said. The attitude of the "responsibles" represents a good thing, such as Neighbourhood Watch, gone bad and turned into NIMBY, he said. "It's stepping up and doing something in your neighborhood and your community . . . Who doesn't want to move into a neighborhood that has pride of ownership . . . NIMBY's pretty good on that side."

The irrational group is hostile and vocal; they're looking for a cause to rail against and the resource company is their cause, Davies said. These are people who are not going to change their minds, yet companies often spend a great amount of time on them, he added. The group that companies should be talking to is "the group right in the middle – the persuadables," who have some issues that need to be answered, he said. These people are motivated by fear that's largely driven by 24-7 media flooding the news with stories of environmental catastrophe, he said. The media announced four 'storms of the century' last year, Davies said, adding: "How many storms of the centuries can you have in one year?"

Resource companies need to invite persuadable individuals into the decision-making process so they have a sense of power and engagement, he advised, noting that a great deal of good will can be generated by engaging citizens.

Davies referred to his company's public relations work on a proposed copper mine in Arizona. There was a groundswell of opposition to the project, based on experiences with other mines that "had left a sour taste" with the community, he said.

Prior to his company's involvement, opposition to the mine outnumbered supporters three to one, he said. But that opposition presented an opportunity when coupled with a vision that appealed to the emotions of the community, he added. "We could become the '**Prius**' of new mines."

Prius cars use two times as much copper as a regular car, and "an electric car uses three times as much copper," Davies explained. "All of a sudden we've got a story to tell (about renewable energy) . . . And we all know about wind energy."

Davies didn't elaborate on the use of copper in wind energy projects. However, the website of the **Copper Development Association Inc.**, the market development, engineering and information services arm of the copper industry, describes the importance of copper in just one project (<http://www.sourcewatch.org/index.php?title=Davies>).

**Renewable Energy Systems Ltd.**'s current project near Sweetwater, Texas, will comprise 61, 1.5-megawatt **General Electric** turbines, for a total capacity of 91.5 MW. Each turbine will be mounted atop a 130-ft mast, with a copper-wound transformer located 41 feet away from its base, according to the website. For the 575-volt power connections alone, this phase of the Sweetwater project will require 47,500 linear feet of 777-kcmil copper cable, according to the website.

"Not counting the turbines, transformers and control wires, the **Sweetwater II** wind farm contains more than 35 miles of copper low-voltage and grounding cable and more than 67 miles of copper in the neutral conductors of high-voltage power cable."

With the PR strategy for the Arizona copper mine project, Davies said his company linked the development to high technology and renewable energy. "People want the economic growth but they're not going to sell the environment out," he said. "We needed to make the issue the economy," to build support *after* addressing the community's concerns about environmental issues, he added.

The PR firm focused on the economic advantages of the copper mine, which included creating jobs and boosting the state's economy by "\$19 billion over 20 years." Davies also employed a strategy that he said played to people's sense of patriotism, persuading them that developing the state's copper was "needed for the nation." It is important to define a 'why' for any project, and the financial returns by themselves aren't a sufficient 'why,' Davies stressed.

After listening to the community's concerns and filtering their perceptions, Davies created a brand message, he said. "Projects are just like products. You have to brand them. You have to do something with them . . . you have to create a 'why.'"

He told the conference delegates that he expected they could all say what they did for a living, and most of them could explain how they did it. "But if I asked you why, nine out of 10 of you would scratch your head for a real reason (and respond): 'I do it to put money on the table. I do it to pay my credit card . . .' That's not powerful enough."

Davies offered an explanation for how **Barack Obama** beat **Hillary Clinton** in the U.S. presidential race: "Because he had a powerful 'why.'" **Al Gore**'s passion about global warming "set the world on fire," he added, "but he couldn't become president because he didn't have the same passion."

**EnviroLine** reported, in a 2006 story, that the former U.S. presidential contender "shows a keen understanding of human nature and the political system. He knows that scientific charts and numbers can't change human nature – only emotional impact can." See [http://envirolinenews.ca/file/page/archives/volume\\_16\\_issue\\_19\\_20.pdf](http://envirolinenews.ca/file/page/archives/volume_16_issue_19_20.pdf).

The current slate of Republican candidates isn't able to distinguish among themselves, unlike "Sarah Palin who has an incredible 'why,'" Davies said. He said his mantra has become: "Motivate the educated. You have to touch people's heart before you can touch their brain."

During the PR campaign for the Arizona copper mine, after Davies gave the community the 'why' message,' the approval rate for the project jumped to 75 per cent from 37 per cent, he noted. "We didn't promise anyone anything," he said. "The message was: 'In a recognized mining district, the permits would be issued once proper environmental protections are ensured, which is an environmental impact statement. Studies have shown that (the project) will create 4,000 jobs and inject \$19 billion into Arizona's economy. That (information was) from an independent study from a university . . . (it was) all facts, all from third parties."

However, trying to use engineering and economic figures, without appealing to people's emotions, is like quoting your personal financial statistics on a first date, Davies said. If you spend your first date detailing about how much money you make, how much you spend on rent, how much you make for a car payment, your chances of a second date aren't great. But if you talk about your passions and your vision, then you have a much better chance for a second and subsequent dates, he said.

Davies urged oilsands companies to really understand the messages they want to convey to the public. Companies need to portray themselves as "setting higher environmental standards," being a "bridge to a sustainable future," fulfilling the "essential elements of a green economy," with "reclamation beginning on day one."

Great leaders inspire people with passion, he said. "The end game is that . . . we want to create a relationship. . . . We meld people. We get people to be our friends. We teach people about what's going on. We cultivate an ongoing and outgoing relationship. . . We get them to speak up. We get them to call decision makers."

**Source: EnviroLine** (<http://envirolinenews.ca/20110728/oilsands-industry-urged-to-win>)