TWO

FOOD FIGHTS

I was making my way to the supermarket checkout with my two-year-old daughter after collecting some milk, when she stopped suddenly. She was transfixed by the image of Nemo, the brightly coloured clownfish from the animated Hollywood film, on a six-pack of Nestlé's flavoured and sweetened yoghurt stacked at her eye-level. Thankfully, she didn't protest when I explained that we didn't need it, but I was amazed that after having seen part of the movie just once at childcare the image was etched in her memory. I might have been surprised but the marketers of the food industry, which use extensive market research to guide their decisions, obviously aren't. The food industry in Australia is mammoth, accounting for nearly half of all retail sales in Australia, with much of that driven by advertising/marketing. The sheer scale of the industry means they are both vulnerable to tiny shifts in sales and politically powerful.

A few weeks after my trip to the supermarket, against a backdrop of kids playing in the school grounds of Hoxton Park Primary School in the south-western suburbs of Sydney, the federal Minister for Health Tony Abbott extolled the benefits of the government's $6 million *Healthy For Life* advertising program to the assembled media. Obesity, he warned, was so serious that the current generation could become the first to have a shorter life expectancy than their parents. The point of the ads, he said, was to remind children 'just how much fun exercise can be.'[1] But the rising obesity rates were not so serious that he considered government regulatory action was necessary to curb food industry advertising aimed at children; rather, parents should just turn the television off. 'The last thing I want to do is start dictating the menu in every Australian home, dictating what appears on every Australian television program…' he said. A $6 million advertising campaign may sound impressive, but it is no match for the corporate food heavyweights, which are estimated to spend approximately $100 million annually on television food and drink advertising to children.

The ads Abbott unveiled were a response to the mid-2004 commitment by the then opposition leader Mark Latham to ban all food and drink advertising during children's television programming.[2] Latham's support for a ban on television advertising directed at children spooked the Australian Association of National Advertisers (AANA), whose members include McDonald's, Nestlé, Cadbury Schweppes and Coca-Cola, to the extent that they dispatched a submission to Prime Minister John Howard outlining their objections, lest the government conceded ground. In part of their submission, AANA flagged the possibility that they would run a PR campaign and mobilise media proprietors against a ban. 'The current state of what has become known as "the obesity debate" extends beyond a threat to freedom of commercial speech to represent a risk to most large corporations and many small to medium enterprises', they complained.[3] The advertisers' threat had the desired effect. Asked later about whether the government would restrict advertising on television directed at children, Abbott timidly stated: 'I would ask advertisers to be responsible.'

Like many of the rather blandly-named trade associations, AANA counts issues management as a core part of its operations. How it manages issues, though, is not intended for public view: 'The Issues Management section of the AANA website is for members only', it states.[4] 'Issues management' was coined in the mid-1970s and popularised by Howard Chase, a US PR corporate practitioner who had worked for food companies General Foods and General Mills and then, after a stint working for government, turned to academia. As Chase saw it, embracing his issues management approach would mean shifting PR away from simply reacting to each crisis as it reared its ugly head to anticipating emerging issues and focusing the available resources to achieving 'meaningful participation in creation of public policy…' It was an idea born of its time, when the public standing of US corporations had collapsed and was under challenge from new social movements, and when Richard Nixon's presidency was mired in controversy over Vietnam and the Watergate break-in.

There were numerous attractions of the issues management concept for PR professionals: it would shift the PR role to be more closely integrated with senior management, and necessitate the expansion of resources to pre-empt problems, on the promise that there would be fewer high-profile crises that, inevitably, would be more damaging. An untended issue, they argue, could escalate within a year or two to a full-scale crisis from which it would be far harder to recover. Good issues management, its proponents argue, requires an emphasis on substance, not image; performance, not spin. A necessity of issues management, they claim, is having a detailed understanding of the concerns of 'stakeholders' and a willingness to acknowledge and fix problems. In this persona, they insist that the PR functionshould be welcomed by everyone as a valuable ally and problem solver.

The rise of issue and crisis management, though, has generated a lot of bad PR for the PR industry, with exposés revealing the extent to which some will go to 'manage' an issue. Some have sought to gain information on stakeholder views by infiltrating activist groups. Others have created front groups or, as they have been dubbed in the US, 'astroturf' groups—fake grassroots groups designed to put a community face on a corporate message. In PR parlance, Latham's proposed ban on junk-food advertising to children on television was an issues management problem. If Howard had agreed with Latham's proposal and implemented the change, it would have been a crisis for the advertising industry, the commercial media companies, and particularly the fast-food companies. A common misconception of PR is that it is all about advertising, but PR companies and consultants aren't generally directly involved in product advertising campaigns at all, with the exception of advocacy advertising in support of policy goals. But it does fall to PR and lobbyists to ensure government regulations don't frustrate their clients' advertising and marketing plans.

When Latham backed a ban on fast-food advertising in children's television hours, he also created an issues management problem for the Howard Government. Its *Healthy For Life* advertising campaign seems to be more about *appearing* to do something than actually having any sustained impact. Government advertising campaigns come and go, with little long-term impact, while food industry campaigns go on forever. Among government advertising campaigns, *Healthy for Life* is a minnow—the advertising campaign attempting to sell the Work Choices industrial relations changes cost approximately nine times as much. The message in the government's *Healthy for Life* campaign and their refusal to take action on junk-food advertising aimed at kids sits uncomfortably with the thrust of their own Family Law System advertisements, which proclaim: 'It's not time to focus on who's right. It's time to focus on what's right for our kids'. Of course, the commercial media companies win all-round, with both government and corporate advertising heading their way.

McPR

The companies with most to lose from concern about rising obesity rates are drink manufacturers and fast-food companies, such as McDonald's, which spends big bucks advertising to children. With approximately one million customers going through the doors of McDonald's outlets in Australia every day, the company is vulnerable to the slightest downturn in sales. At a forum on obesity organised by Liberal Senator Guy Barnett in December 2005, the CEO of McDonald's Australia, Peter Bush, explained that media analysis revealed the company had been averaging 60 stories a week, linking its name with obesity.[5] Bush reeled off an impressive-sounding list of changes the company has adopted in the last couple of years—a new range of salads, cutting the sugar content of buns from the parent company's standard of more than 14 per cent to almost 4 per cent, 'reengineering' foods to cut the total calorie count, and shifting to canola oil. Perhaps most significantly of all, it has trumpeted its kids-friendly credentials by cutting the amount of television advertising in children's viewing hours by 60 per cent, and has also launched a series of television commercials dubbed 'never stop playing'. 'They aren't about anything other than Ronald [McDonald] encouraging kids to get up and run and hop and skip', Bush said. However, McDonald's declined repeated requests from the author to clarify whether they had cut their *total* advertising in children's television hours by 60 per cent or had just changed the mix between product promotion and the brand-enhancing exercise ads. While these exercise-promotion campaigns may appear public-spirited, as does their sponsorship deals with

Little Athletics, they simply substitute pushing a brand for selling a product. It is familiar territory for McDonald's.

A decade earlier, the company became alarmed about its association with the 'junk food' tag, debate about advertising to children, and controversy over the nutritional quality of its food. McDonald's Australia turned to the Sydney-headquartered Professional Public Relations (PPR), which it has used as its PR agency since 1980, to rework a campaign run by its US parent company, promoting the message that eating at a fast-food giant was compatible with good nutrition. The 'What's On Your Plate' community service campaign was launched in late 1993 and featured a clay animation character, Willie Munchright, who delivered the message on good nutrition during Saturday morning children's television programming. The campaign created the appearance that McDonald's were promoting the need for a balanced diet, but an internal PPR document revealed they were primarily concerned with reinforcing 'an image of McDonald's as an organisation providing a good quality food service'.[6] The company had also set as a secondary goal to 'establish an active dialogue' with dieticians, many of whom were critical of McDonald's food. Despite spending $200 000 on the short-term advertising campaign, it had little effect—the waistlines of Australian children continued to grow.

A little over a decade later, Bush conceded there were real issues with the nutritional value of its products.

> McDonald's was a business that was slow and lethargic, very much like an elephant meandering through the bush, not listening to customers and being seen as the same very big and very easy target to be blamed for all kinds of things.

One thing that has changed after its Willie Munchright campaign was that McDonald's has been on the receiving end of class-action lawsuits. In the US, it reached multi-million dollar out-of-court settlements, including over its broken promise to phase out trans fats, an additive that increases the risk of heart disease. The most prominent suit, though, was filed in late 2002 in New York, alleging McDonald's breached consumer protection legislation by claiming its food was nutritious and healthy. The two teenage plaintiffs argued that their obesity, and the potential adverse health impacts that flowed from it, was attributable to McDonald's misleading advertising. The case was ultimately dismissed, but it spurred the company to diversify its menu options, redouble efforts to soften its image and—as the tobacco industry has also done—emphasise 'personal responsibility'. In PR terms, success in selling the notion that consumers are solely responsible for their food choices and how much they consume is designed to absolve corporations and governments from accepting any significant responsibility for their role or inaction.

Another catalyst for change was the 2004 documentary by US filmmaker Morgan Spurlock, *Super Size Me*, which chronicled the impact that a McDonald's-only diet had over 30 days. One of Spurlock's ground rules for the film was that, every time McDonald's counter staff asked if he wanted a super-size option on a meal, he accepted. As the film gained more profile, McDonald's felt compelled to act. Three months after the film was first screened, but ahead of its commercial release, McDonald's United States announced it would phase out its super-size menu option. McDonald's also unveiled a new range of meals that included a salad, bottled water and pedometer. In the world of PR crisis management, though, McDonald's overall response was seen as a losing strategy, having allowed Spurlock to gain a dominant voice in the media coverage of the film.[7]

When the film was released in Australia in June 2004, it broke box office records for the opening weekend of a documentary. McDonald's initial preference had been to ignore the film. But McDonald's Australia Chief Executive Officer Guy Russo later revealed to a US PR company publication that market research on the potential impact of the film revealed customers 'took it that our silence basically meant guilt'.[8] McDonald's launched a series of advertisements that emphasised moderation, balance and personal responsibility. Another strand of their campaign was to launch a counterattack, with Russo accusing Spurlock of being 'stupid' and personally 'irresponsible'.[9] Of course, it was obvious to anyone who watched Spurlock's documentary that his regimen was an exaggeration on a normal diet. But it wasn't until after his film was released and gained a significant audience, threatening to become a crisis, that the fast-food company ditched its super-size option. In a world of corporate intransigence, no challenge equals no change.

Kids' play

I sat in the foyer of PPR's Rozelle headquarters, waiting for Peter Lazar, the founder of the company and a member of Public Relations Institute of Australia (PRIA). I was looking at the single-lane lap pool crammed into the rear courtyard when Lazar arrived.

'It looks deeper than it really is', he quipped. It seemed appropriate that those waiting in reception at an illusion factory were greeted with an illusion. 'Not many people ever actually use it though', he added, before proudly showing me around what had once been a pub in the inner-city suburb.

Lazar is one of the grand old men of the Australian PR industry. After working in sports marketing, he moved into PR, where he spent five-and-a-half years in the 1960s working for the Dental Health Foundation, defending and promoting the fluoridation of water supplies. After a brief stint with Eric White Associates, Lazar cut loose, and in 1970 founded PPR. These