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## Secrets and Lies:

### How Shandwick PR Tried to Destroy the Rainforests of New Zealand

by Nicky Hager and Bob Burton

Shandwick, the world's fourth largest PR firm, boasts that it provides a "complete portfolio of public affairs services—from government relations, corporate communications, opinion research, and grassroots mobilization to advocacy advertising, coalition building, and litigation and crisis communications—a single source of expertise, knowledge and reach." It also proclaims that "our work and behaviour must exceed the highest standards of ethics and integrity." It claims to "advocate vigorously, serve creatively and act always with integrity."

In 1999, however, these ethical pretensions were publicly called into question by hundreds of pages of internal documents about a covert, multi-million-dollar PR campaign, led by Shandwick, to "neutralize" environmentalists opposed to rainforest logging in New Zealand. Leaked by an insider who was uncomfortable with the PR campaign,

*continued on next page*

## Flack Attack

The PR industry invisibly reaches into virtually every nook and cranny of the modern world. Luckily for us, so too do PR industry whistleblowers.

Just as McDonalds boasts that its hamburgers are identical throughout the world, many PR firms use a global template for their campaigns. This in turn can sometimes enable savvy citizens to "reverse engineer" their strategies. An exposed PR campaign in one corner of the world can enable citizens throughout the globe to understand, anticipate and counter the PR campaigns that they themselves are facing.

Citizen activists everywhere can learn from the recent publication of *Secrets and Lies: The Anatomy of an Anti-environmental PR Campaign*. Based on hundreds of pages of leaked internal documents from Shandwick New Zealand, *Secrets and Lies* offers an unprecedentedly detailed look into the campaign that Shandwick ran for Timberlands, a logging company

owned by the government of New Zealand. The book is guaranteed to shock even the cynical with its revelations about the depths to which corporations will go in their efforts to control public opinion and public policy. *Secrets and Lies* co-authors Nicky Hager and Australian Bob Burton offer some of those revelations in this issue of *PR Watch*.

"Burton and Hager's story isn't just about one PR firm in New Zealand," says Dave King, a former employee of Shandwick's Washington office. "Having worked for that firm in the US and followed the way the PR industry twists the truth and manipulates the public, I know that this exposé illuminates a global problem."

Fortunately, in this case the story has a very happy ending. While Shandwick advised Timberlands on managing various crises, it wasn't prepared for the

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the documents form the basis for our new book, *Secrets and Lies: The Anatomy of an Anti-Environmental PR Campaign*.

Shandwick's own documents detail a PR campaign that was indeed "vigorous and creative," but hardly compatible with words like "ethics" and "integrity." The nature of Shandwick's tactics prompted us to lodge a complaint to the Public Relations Institute, sparking the first major PR ethics investigation in their history. Shandwick and its client infiltrated environment groups

and systematically attacked critics and potential critics of the logging industry including journalists, academics and even grade-school principals. Sometimes Shandwick went to ridiculous lengths to snuff out the views of activists, including hiring contractors to paint out graffiti on walls and posters stuck on street poles.

While attacking critics of rainforest logging, Shandwick simultaneously arranged for the deceptive creation of a supposedly "independent" pro-logging community group, cultivated allies in academia, industry and politics, and even cultivated support from a few environmental groups such as the World Wide Fund for Nature.

### TREE MUGGERS

The client for Shandwick's pro-logging campaign was New Zealand's government-owned logging company, Timberlands West Coast Ltd. Timberlands had been consistently losing ground against the efforts of conservation groups, which were campaigning against further rainforest logging.

In many regions of New Zealand, you can drive all day through farmland, towns and plantation forests without encountering a single stand of the native forest that once covered more than three-quarters of the country. The modern environmental movement in New Zealand grew out of a 1970s campaign to stop this destruction of the country's natural resources. It succeeded in stopping wholesale clearing of the region's natural beech forests, but battles continued throughout the 1980s over logging of the rimu forests, with some forests saved and others cleared and planted in pine trees.

## Flack Attack *continued from page one*

political firestorm that its own actions provoked when they were exposed in *Secrets and Lies*. The book's publication in New Zealand created a political scandal with its revelations about Prime Minister Jenny Shipley's behind-the-scenes maneuverings on behalf of Timberlands.

Following a campaign dogged by questions and protests from supporters of native forest conservation, Shipley went down in defeat in New Zealand's November 1999 elections. The very first act of the new government, on the afternoon after the new ministers were sworn in on Friday, December 10, was to demand Timberlands cancel a planning hearing for the beech logging plan that was scheduled to start on the Monday. Timberlands at first refused before finally conceding and announcing it was withdrawing its logging application. A week later, negotiations began about ending the company's other native logging, and Timberlands quietly terminated its contract with Shandwick.

The publication of *Secrets and Lies* prompted a response from Shandwick, which attempted to distract attention from the book's revelations by accusing the authors of using "stolen" documents. The company admitted, however, that the documents are genuine. Shandwick representative Klaus Sorenson even told *O'Dwyer's PR Services Report* that he was proud of the work his company did to counteract "environmental extremists" in New Zealand. "We stand by our work and our reputation," he said.

The sad truth is, Shandwick's campaign against New Zealand rainforests is typical—not just of Shandwick, but of the global public relations industry. As *O'Dwyer's* noted, "most of the things the firm did come right out of the PR playbook."

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***"Neutralize likely opposition. Identify key figures. Monitor their program. Counter misconceptions."***

**—Shandwick PR plan for Timberlands**

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By the 1990s, conservation groups had succeeded in stopping almost all logging on public land. A large majority of New Zealanders believed that logging should be stopped in public native forests, and environmental groups believed that sooner or later public pressure would end the logging entirely. This, of course, would also end the native forest logging business that Timberlands had worked to maintain. Timberlands did not want to leave it to the public and the government to make this decision. Rather than ending logging, in fact, the company planned to expand it dramatically.

The strategy Shandwick devised for Timberlands focused on four central elements: neutralizing opponents, creating public and political credibility for Tim-

berlands, building the impression of an independent public campaign supporting Timberlands, and lobbying at the political level.

#### **“NEUTRALISE LIKELY OPPOSITION”**

The original 1991 PR strategy document, prepared by Shandwick and included in the leaked papers, outlined the priorities for the Timberlands campaign: Item one on the plan was, “Identify and target messages to each target audience: MPs, especially Cabinet, shadow spokespeople, Heads of Departments, Local community leaders, Key national movers.” The second item was, “Attract and mobilise key third party support.”

Shandwick then went on to spell out how it should deal with environmental opposition to the rainforest logging. “Neutralize likely opposition. Identify key figures. Monitor their program. Counter misconceptions.”

“The main thrust,” stated another strategy document, “is to limit public support for environmentally based campaigns against Timberlands, thereby limiting public pressure on the political process.”

Among the critics to be “neutralized,” Timberlands’ PR consultants included environmental groups, scientists and members of Parliament. The goal of the PR strategy, according to a 1997 Shandwick “communications program,” was to “swing the communications ‘pendulum’ back in Timberlands’ favor.”

The public approach involved attempting to discredit the opposition as being small, extreme and guilty of “misinformation.” Behind the scenes, more aggressive tactics were employed. To gain advance warning of the plans of

conservation groups, Shandwick recommended that Timberlands establish a “monitoring system” capable of “effectively capturing necessary information on the issue.” This entailed setting up an intelligence operation: infiltrating, monitoring the actions of opponents and building up information that could be used to attack and discredit environmental groups and individuals.

In several known instances, “moles” attended conservation group meetings to collect information. In 1997, Shandwick arranged monitoring of the Victoria University Environment Group (VEG), which had played an important role in the launch of Native Forest Action (NFA), an activist group engaged in a tree-sitting occupation of Timberlands’ Charleston Forest in 1997.

One of Shandwick’s staff members had a son who was a student at Victoria University. The PR firm paid him \$50 per hour to attend VEG meetings and report back to the PR company on what was said. VEG organisers recall him regularly attending meetings, never offering to help or showing interest in conservation but asking frequent questions about planned protests and other activities in the West Coast native logging campaign.

Every Friday, Shandwick would participate in a weekly phone conference that included staff from Timberlands, Shandwick and a local PR firm, Head Consultants, which also worked on the campaign. One of the main agenda items for each week’s phone conference was a discussion of news about Native Forest Action, noting all activities, news of individual members and planned activities. No detail was too small. “NFA: Acknowledged

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poster put up around Wellington during last few days,” one set of minutes recorded. Acting like a police intelligence unit, Timberlands arranged for participants in anti-logging protests to be photographed or videotaped, with this information forwarded to the PR companies.

In February 1998, for example, Timberlands staff took numerous photographs of individuals protesting outside an international forestry conference in Rotorua and circulated copies to Shandwick and Head “to show them what we’re up against.” At another public demonstration, in which members of Parliament participated, Head Consultants did the videotaping.

In addition to the NFA, Timberlands employed Shandwick to investigate the Royal Forest and Bird Protection Society (F&B), New Zealand’s oldest and largest conservation organization and a longstanding critic of Timberlands. Shandwick chief executive Klaus Sorenson prepared a report in October 1997 titled, “An Analysis of the Recent Financial Performance of Forest and Bird Society.” It presented income and expenditure trends and a detailed financial breakdown and sought to identify weaknesses in the society’s finances.

#### CULTIVATING ALLIES

Timberlands knew that its generally poor community image would make a stand-alone lobbying campaign unsuccessful. “It will be difficult for Timberlands to succeed as a ‘lone voice’ against public/environmental opposition,” stated an internal PR strategy. “The more allies the company has, preferably influential ones, who are willing to publicly support Timberlands, the easier it will be to counter opposition, and to exert counter-pressure at a political level. For this reason it is important that Timberlands develops its network of alliances and supporters,” stated an internal PR strategy.

Ambitiously, Timberlands felt it should try to tap into New Zealanders’ pride. “Associate Timberlands West Coast closely with subjects, people, skills and ideas with which New Zealanders closely identify and value,” said the PR strategy. Timberlands hoped that this would make it “increasingly difficult to discredit Timberlands West Coast; and ‘Mainstream light greens’ (i.e. not affiliated with any environmental group) [would] feel justified/comfortable in supporting Timberlands West Coast.” This aspect of the strategy entailed attacking uncompromising environmentalists while splitting off more “moderate” groups and encouraging them to publicly back the logging plans. (For details about how this strategy was implemented, see “Building Bridges and Splitting Greens” on page 8 of this issue.)

A similar approach was used to cultivate favorable media coverage while suppressing critical commentary.

As far back as 1994, Timberlands planned its “journalist contact program” for courting supportive journalists. The objective, it wrote, was to “develop close contact with a number of key individuals in the press industry whose support is likely to be most influential.”

Any journalists writing regularly on the issue, and especially potentially sympathetic environmental and business reporters, were invited on three-day tours of the West Coast as guests of Timberlands. The company carefully planned and controlled every aspect of these guided tours. The visitors were taken to model logging sites where visible scars of the logging operation were few and invisible. Equally importantly, top company officials accompanied the journalists, allowing long hours face-to-face with which to win their captive audience over to their point of view. Evenings of wining and dining with company senior staff provided further opportunities to build up friendly relationships.

Once they returned home, sympathetic journalists were targeted for ongoing contact. When Timberlands wanted lots of positive stories to appear, the PR staff used their skills and contacts to try to build good publicity for the company.

Journalists often rewarded this attention with large feature articles, in which only token and sometimes no mention at all was made of opposing viewpoints from groups like Native Forest Action. Indeed, Timberlands *expected* articles in return for its money. In one case when no article appeared, Shandwick’s Klaus Sorenson took on the job of phoning a reporter “to find out why they haven’t produced articles as a result of the media visit.”

Unknown journalists were screened, and journalists critical of Timberlands were singled out for harassment. In one example, Timberlands spent thousands of dollars on an all-expenses-paid PR visit to the West Coast for a group of business reporters. One reporter, Richard Inder from the *National Business Review*, took the ordinary journalistic step of seeking comment on the opposite side of the issue from Forest and Bird, which took the opportunity to send a paper stating its case against logging to the journalists who had gone on the tour.

When the Timberlands bosses found out, they were furious and sent Shandwick to investigate. “It suggests that Richard Inder . . . was working hand in glove with F&B as he accepted the invitation to be part of the visit,” wrote Shandwick’s Rob McGregor. “We will try to deal with him separately. Klaus [Sorenson] will be following this up.” Sorenson, who had worked himself as deputy editor of the *National Business Review* before becoming a Shandwick executive, contacted the editor of the paper to accuse Inder of unprofessional conduct.

## A FRIENDLY NEIGHBORHOOD FRONT GROUP

Even before Timberlands' plan for expanded beech tree logging went public, it developed a strategy, detailed in one of its primary PR strategy papers in 1994, to "be prepared in the event of an anti-beech [logging] campaign to counter-lobby Parliament."

Part of this strategy consisted of "parliamentary lobbying" in Wellington, the capitol of New Zealand. Timberlands described its lobbying as "a tiered approach to focus most information on most influential members—scaling up effort for MPs [members of parliament] whose opposition [is] likely to be most damaging, and those whose support is likely to be most influential."

Lobbying in Wellington alone, however, would be insufficient. Once the logging plan became public, Timberlands knew that groups like Native Forest Action would campaign against it. Its PR advisers decided therefore to "develop key West Coast and national allies to publicly support sustainable beech production as part of a counter-campaign by Timberlands."

Shandwick outlined its plan for developing these allies in a June 1994 paper which urged that resources be put into a "Community Unity Strategy" to overcome what it tactfully described as "some of the unevenness in local support for West Coast forestry and Timberlands."

The company took its case directly to locals through expensive advertising in local newspapers and radio stations. The PR firm also advised creating a community front group that could appear to be a "West Coast voice" for the Timberlands agenda. This idea was developed further at a PR strategy meeting between Shandwick and Timberlands, and the front group was launched under the name of the "Coast Action Network."

To get the group off the ground, Timberlands called in favors from local businesses reliant on the company and also sought to build influence among locals through local sponsorships aimed at maintaining "an overall presence in the community through sporting and cultural events—in order to encourage a feeling of involvement/inclusion in local community and identification of [Timberlands] with West Coast and its people."

The leaked Shandwick papers sum up the manipulative thinking behind these community activities. "Discussion identified a number of opportunities where public relations can be applied to further the interest of Timberlands," said the notes from one meeting between Timberlands and Shandwick, before going on to discuss ways that the company's local charitable giving could be used to further its attack upon Native Forest Action.

An automatic letters to the editor system was also established. Employees of the PR firm drafted responses



***In New Zealand, the publication of Secrets and Lies sparked protests by New Zealand citizens who were angry at the extent of Shandwick's PR manipulations. (photo by Bob Burton)***

to any critical letters or news coverage that appeared in the local media. Although the letters were written by Shandwick staffers, they were to be signed by local West Coast residents.

Key messages in the campaign, repeated frequently by Timberlands' spokespeople, included the claim that 500 West Coast families relied on the forestry industry and that loss of local native forest logging jobs would destroy the social fabric of the region. This statistic was misleading, since more than 95% of region's forestry jobs involved plantation forestry rather than native forest logging. By playing on the theme of "jobs versus trees," Timberlands hoped to tap into old "greenies vs locals" prejudices from the bygone era when there were hundreds of native forestry jobs, not the two dozen currently at stake.

At the October 31, 1997 PR telephone conference, Shandwick staff were given the job of dealing with a proposal that had appeared in the newspapers suggesting that some of Timberlands' most ecologically-important rainforests be preserved as a memorial to Princess Diana. The company was predictably unimpressed by the idea, and Shandwick drafted letters opposing the proposal and faxed them to Timberlands for review. "The revised letter to the Minister of Conservation follows together with the letters I have just drafted for the editors of the *Greymouth Evening Star* and the *Westport News*," noted a cover sheet from Shandwick's Rob McGregor.

Unlike the usual letters that Shandwick drafted for Timberlands CEO Dave Hilliard, however, these letters were written to go out over the signatures of people with no visible ties to the company. "Thank you for your help with this and for arranging for the Action Group to dispatch the letters on their letterhead and in the name of their organisation," McGregor wrote. "Better this salvo comes from them than Timberlands." ■

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# When Helicopters Attack: A Near Accident Leads To Coverup

by Nicky Hager and Bob Burton

In February 1997, a small group of Native Forest Action supporters established a treetop protest in the rainforests where Timberlands was logging, erecting tiny platforms made from wooden planks and rope.

The protest prevented logging for nine weeks. In response to mounting public pressure, the government announced it was looking at options to resolve the controversy. Timberlands went on the attack.

Early on 16 April 1997, a large group of Timberlands staff arrived with police, dogs and helicopters and began removing already felled logs. In official company papers, the day was described in pseudo-military fashion as "Operation Alien." ("Alien" was the term used for protesters). During the morning, the Timberlands manager in charge of the operation instructed a helicopter pilot to try to wreck one of the main tree sitters' platforms, which had appeared in several newspaper photos. The helicopter airlifted a five-ton log, slung under the helicopter like an aerial battering ram, and attempted to smash up the platform.

What Timberlands did not know and had not checked was that an NFA member, Jenny Coleman, was preparing to climb the tree when the helicopter began smashing into it. A zoology graduate who had studied marine sciences before joining the NFA campaign and becoming one of its most experienced climbers, she had no idea the helicopter was about to attack.

In a statement made afterwards, Coleman said she had just unpacked her climbing gear and was preparing to ascend the tree when the helicopter "hovered over the tree for a few seconds before swinging the hanging log into the top of the tree. I scrambled, terrified for my life with debris and sticks raining down on me and the five-ton log swinging above me ... smashing branches from the tree above the platform and the tree swaying and creaking towards where I was. I was completely freaked out and terrified for my life, and scrambled on my hands and knees, slipping on the muddy ground up the bank and down the ridge towards the river, away from the chopper. I leapt into a hollow under a rotten tree stump below the edge of the ridge and vomited with fear as I crouched in the wet ferns."

Interviewed by a filmmaker a few days later, Timberlands general manager Kit Richards confirmed that the helicopter pilot was "removing the platform. He actually used that log to break the platform because the protesters were obviously making an effort. . . . It would remain a point of interest to try and climb."

When asked about the risk to Jenny Coleman, Richardson replied, "Oh, we've heard that claim, and we had staff on the ground standing next to the tree. . . .

The protesters had made a move to try to get to the tree [but] they moved away again as our staff approached."

This statement was an outright lie, as a later investigation confirmed. The tree sitters, upset about the near accident, filed a complaint with the Civil Aviation Authority (CAA) about "serious and unnecessary danger to people engaged in a peaceful protest."

"It is evident that no ground search of the area directly adjacent to the base of the platform tree was undertaken prior to the helicopter maneuvering overhead the platform tree," concluded the subsequent Civil Aviation report by investigating officer Damian Paine. Timberlands' handwritten diary of the operation recorded that the intention was to destroy the platform and that other than a visual check from helicopters overhead, no effort was made to ensure that the dense forest area around the demolition effort was clear of protesters.

Behind the scenes, Shandwick staff member Rob McGregor undertook the task of lobbying an acquaintance within the CAA. In a fax stamped CONFIDENTIAL to Timberlands, McGregor reported on his efforts: "I spoke with Martyn Gosling from Civil Aviation. . . . After much reminiscing, he said they are 'still tying a few loose ends together,' but the message for Timberlands is 'Don't panic.' " Gosling is the CAA public relations person.

In an attempt to discredit the complaint, McGregor told Gosling that the complaint was politically motivated. "I explained Timberlands' concerns—a significant part of your operation is reliant upon the helicopter and that without the helicopter you would not be able to continue with the sustainable logging of the exotic forest. I also pointed out that this point was not lost on the complainants and had presumably motivated their complaint to CAA. They are fully aware of the political considerations behind this complaint and seem to appreciate your perspective."

McGregor was pleased with his lobbying work, reporting to Timberlands, "I got the strong feeling that there are not going to be any problems for you from this inquiry. I was also told that we have to remain silent on this for the time being."

Following this behind-the-scenes lobbying, Timberlands was sufficiently reassured by Shandwick's informal contacts that it denied publicly that the incident had even occurred. "At the time of the alleged incident there were several Timberlands staff, an independent inspector from Occupational Safety & Health (OSH) and a police observer. All were within sight of where this incident was reputed to have occurred," stated Timberlands' Dave Hilliard. "All these persons have sworn that no such



incident occurred and that at no time was any individual in danger."

The "observers" to which Hilliard referred were actually 500 yards away across the river at the time the incident occurred, but Hilliard felt confident. "The whole incident is now the subject of a formal CAA investigation," he continued, "the outcome of which Timberlands staff eagerly await."

As Timberlands expected, the CAA subsequently cleared the helicopter pilot of wrongdoing, in a judgment that the environmentalists believed was strikingly unsound.

More recently, New Zealand's Ombudsman agreed that the case deserved attention, and in October 1999 he launched a formal investigation into the CAA processes and Shandwick's lobbying. ■

## Shandwick's Story: From Good-for-Nothing to Global Threat

Peter Gummer, the British chairman of Shandwick, is candid about why he started a PR firm. "When I started off in public relations, it was a business that people went into because they weren't good at anything else," he wrote.

While working at a London venture capital firm in the early 1970s, Gummer observed a parade of his peers establishing their own businesses and making serious money. "So I thought that I'd like to start my own business. And as I wasn't very good at anything, I decided I'd better start a PR firm," he explained.

These days, however, no one disputes Gummer's success. Shandwick has grown from a one-person show to a company that boasts of employing 1,731 people "through a network of 122 wholly owned, associated and affiliated offices in 61 countries across the world," which are managed through regional hubs in London, New York and Singapore. Shandwick says it "serves clients in virtually every corner of the world." The bible of the PR industry, *O'Dwyer's PR Services Report*, lists Shandwick as the fourth largest PR firm in the world with total 1998 net fees of more than \$170 million. (The three largest firms are Burson-Marsteller, Hill & Knowlton and Porter Novelli.)

During the recent reign of England's Conservative Party, Peter Gummer's brother John served as a government minister. Peter Gummer himself was knighted in 1996 and is now known as Lord Chadlington. He is pragmatic, however, about his conservatism, as Shandwick counts Tony Blair's Labour Party among its clients.

Internally, Shandwick is structured to concentrate on core industry and practice areas including the technology sector, entertainment, healthcare, and industrial. In October 1998, it was bought by the Interpublic Group of Companies, a U.S. firm that also owns the advertising agencies McCann Erickson

Worldwide Group, Ammirati Puras Lintas and The Lowe Group. Interpublic claimed that in 1998 its fees from public relations would exceed \$300 million, with approximately 70% derived from its work in the United States.

Some of Shandwick's current or recent clients include:

**USA:** 3M, Aerospatiale, American Cancer Society, Bayer, Brown and Williamson Tobacco, Browning Ferris Industries, Central Maine Power, Columbia Gas Systems, Chase Manhattan Bank, Ciba-Geigy, Coca-Cola, Compaq, Council for Agricultural Science and Technology, U.S. Department of Energy Office of Energy Efficiency and Renewable Energy, Dun & Bradstreet, Earth Day USA, Eastman Kodak, the Falkland Islands, Federal Emergency Management Agency, Ford Motor Company, Gabon, General Electric, General Motors, Georgia Pacific Corporation, General Mills, Global Climate Information Project, Honeywell, IBM, KPMG Peat Marwick, Kraft, Lever Brothers, Mastercard International, Michelin, Monsanto, Mall of America, Microsoft, New York State Electric and Gas, National Pest Control Association, Northwest Airlines, Novartis, Novo Nordisk, Ray-Ban, Remington and Sharp Electronics, Shell, Symantec.

**Europe:** Anglian Water, Corporation of London, ICI Paints, Meat and Livestock Corporation, MCI Worldcom, Mercedes-Benz, Nestle, P&O Cruises, Reckitt & Coleman, Shell International, Tesco, Unilever.

**New Zealand:** Real Estate Institute of New Zealand, Professional Firefighters Union, Southern Cross Healthcare, Timberlands.

**Australia:** Screen Producers Association of Australia, Australian Chicken Growers Council.

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# Building Bridges and Splitting Greens

by Nicky Hager and Bob Burton

Timberlands biggest problem was that it was opposed by New Zealand's largest environment groups and supported by only one very small group. It needed to muddy the waters sufficiently to make the public think that environment groups disagreed among themselves about its rainforest logging proposals.

Shandwick's PR papers devoted considerable attention strategies for "bridge building" with "Environmental Lobby Groups." The company was not about to back away from its plan to log the rainforests. What it wanted was to entice environment groups to support its plans, targeting especially those individuals who could be cultivated and would bring their organization with them: "Identify key opposition groups and the individuals within them who are likely to be more supportive/less opposed to Timberlands."

It set out to court environmentalists from the World Wide Fund for Nature (WWF) and a "third wave" environmentalist, Guy Salmon of the Maruia Society. Timberlands claimed repeatedly that these were "mainstream" groups although over 95% of New Zealand's environmental membership was in groups opposing Timberlands' logging, compared to less than 2% in the Maruia Society.

Timberlands thought the place to start was to "develop points of agreement or commonality with these groups, ideally leading to joint agreements/statements, etc." The plan was to "establish or develop existing relations with individual group members on *common or non-contentious areas* [emphasis in original] eg. scientific research on forest wildlife." From these initial contacts, Timberlands planned to move on to "share research information and involve them in developing scenarios for management in the wild."

To cement the courtship, Timberlands considered offering "appropriate support" for "some of their projects." In return, the company would "Obtain permission to use photos and personal quotes from a number of supporters and experts, in particular, bird experts, ecologists etc."

The most delicate overtures involved the WWF, with which Timberlands initiated cooperation regarding some non-contentious surveying for the South Island kokako, a bird in the Timberlands-controlled Maruia beech forest that was thought to be extinct. "WWF has funded further kokako research," noted the Timberlands papers, which weighed the opportunity "to discuss with WWF a joint press release."

Although Timberlands staff were keen to publicly associate with the WWF, they worried that pressing too hard could undermine longer-term plans. "Discussion

of merits of gaining exposure for Timberlands at expense of jeopardizing its relationship with WWF," they noted. They took comfort, however, in the attitude of WWF conservation officer Simon Towle. The teleconference minutes noted that "Towle has little problem in being quoted in a joint press release with Timberlands."

The kokako project was unrelated to Timberlands' logging activities on the West Coast, an issue on which the WWF had no policy or involvement. However, Timberlands invited WWF staff on a PR trip to the West Coast and was delighted with the results. The visitors, they bragged, "described their impressions of our management as for them 'like children looking through a toy shop window.'"

Timberlands' PR strategy stated that it was "important to acknowledge the role different staff members and personalities can play in contacting and developing relationships with various groups." In the case of Simon Towle, Kit Richards of Timberlands took on the task of building the relationship through regular telephone and mail contact. The relationship developed so well that Richards felt confident enough to send the WWF an early copy of its controversial logging plans. It also gave the then-still-secret report to the Maruia Society.

In 1997, Timberlands scored its first public success. Although the WWF had no policy on or involvement in the West Coast forest issue, Towle agreed to appear on a five-minute Timberlands promotional video, titled *Sustaining Our Natural Beech Forests*, which was designed to sell the ecological virtues of its beech logging scheme. Towle's interview did not mention the South Island kokako or bird research or even ecology. Instead, he was quoted saying that the shift to "treating beech as a high quality, high value product is a very, very positive move." For Timberlands, having the words "World Wide Fund for Nature" on the screen introducing Towle was likely to have been at least as important as anything he said.

By far Timberlands' greatest public relations asset, though, was Maruia Society executive director Guy Salmon. Previously called the Native Forest Action Council (NFAC), the Maruia Society was New Zealand's most active environmental organization during the period from 1975 to 1985. Throughout this period, Salmon's conservatism led to conflicts with many of the group's active members. By the late 1980s, other environmental groups had become dominant, and shrinking membership forced the Maruia Society to close many of its branches.

In the 1990s, Marui's principal activity consisted of lobbying and writing by Salmon, who traveled to the



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United States in 1989 and returned enthusiastic about “third wave” environmentalism. This was the idea that, rather than opposing environmentally damaging activities, environmentalists needed to work closely with companies so that they would improve their development plans voluntarily. Instead of relying on environmental regulations developed by the state, “third wave” environmentalists argued that sustainability should be achieved by harnessing “market mechanisms.”

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***Staffers for the World Wide Fund  
for Nature “described their  
impressions of our management  
as for them ‘like children looking  
through a toy shop window.’ ”***

**—report on a Timberlands-sponsored PR tour**

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Salmon put this theory into practice by habitually taking the side of Timberlands whenever the issue of West Coast native forest logging arose. Timberlands devoted a separate section of its 1994 PR strategy to Salmon and the Maruia Society, based on an aggressive “direct enviro approach” rather than the “bridge-building” approach designed for groups like the WWF. Timberlands realized that Salmon’s belief in collaboration with industry could be used to attack the philosophy of other environmentalists.

“When appropriate,” the strategy went, “initiate direct contact for discussion on the overall environmental debate, its direction and its future (Maruia). Audience: Guy Salmon and similar thinkers.” They were the “future,” in Timberland’s eyes, because environment groups that opposed rainforest logging were outmoded. The only real environmental issues worth discussing concerned not whether, but how to proceed with the logging. Ironically, the Maruia Society had been named after the Maruia Valley which, thanks to its outstanding beech forests, was where Timberlands planned to begin its beech logging scheme.

By 1997, however, the “outmoded” environmental campaign to protect the forests grew to a point where they threatened the company’s beech logging plans. In September 1998, the new logging plans were leaked to environmental groups, released to journalists and publicly condemned by opposition party leaders. Guy Salmon immediately approached Simon Towle of the WWF and suggested they issue a joint news release, which was sent out the same evening.

The release stated that Timberlands’ proposals for sustainable “harvesting” of beech forests should be given

“serious and open-minded consideration.” Borrowing industry phraseology, it characterized the plans as “a very sincere and impressive effort to achieve very low impact sustainable management of the forest. . . . The two groups also noted that Timberlands had made a significant contribution to scientific research into the conservation of endangered species such as kokako and kiwi, and into control of major pests such as stoats.”

Predictably, the news release was reported as an indicator of divisions within the environment movement. “Environment groups are split over proposals to log native beech forests on the West Coast,” reported one newspaper.

If anything, Timberlands had been *too* successful in its efforts to turn Towle into a corporate mouthpiece. The WWF for which he worked had no policy on the beech logging plans, and Towle had made his statement without authority or checking it with his organization. His statement drew a public rebuke from the WWF chairperson, Dame Cath Tizard, who issued a press statement saying that it was “regrettable that WWF-NZ’s position on the Timberlands Beech Forest Proposal has been misrepresented.”

The damage was done, however, and Timberlands had what it needed: the impression of support from the environmental movement. Notwithstanding WWF’s official protest, Tony Ryall, the government minister in charge of Timberlands, used the Salmon-Towle news release for months thereafter as his standard response to anyone who wrote him concerning West Coast logging. In the eyes of the government, it was proof that reasonable environmentalists backed the logging.

Salmon even offered Timberlands political advice on whom to lobby. The minutes of one weekly PR conferences recorded Guy Salmon advising Timberlands to lobby Deborah Morris, the Associate Minister for the Environment: “Kit Richards [Timberlands strategic planning manager] spoke with Guy Salmon at Taupo. GS believes D Morris is still an important MP target.” ■

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# Erasing the Writing on the Wall: Timberlands Censors Its Critics

by Nicky Hager and Bob Burton

Shandwick's efforts to stifle public expressions of opposition to rainforest logging knew no limits. In June 1997, Shandwick's Rob McGregor worried that anti-Timberlands graffiti was flourishing in Wellington. Large walls displayed messages such as "Timberlands—Rainforest Vandals."

"What is your policy regarding this type of graffiti?" McGregor asked in a memo to Timberlands. "We could arrange to have them removed by waterblasting if necessary," he added helpfully.

Soon Timberlands and Shandwick were hiring contractors to paint over all graffiti concerning Timberlands or native logging. In September 1997, Shandwick extended this "public relations" work to include the elimination of posters and leaflets. Members of Native Forest Action (NFA) found that their posters, stuck to lamp-posts around the city, were being painted over with thick

khaki-coloured paint – exactly the same paint being used at that time to cover graffiti messages.

In a report on the "graffiti erasure campaign," Shandwick acknowledged that the public was not against the graffiti—"the population is generally tolerant and accepting"—but it was adversely affecting one of Timberlands' target audiences, senior politicians. "Annoyance with the campaign," Shandwick wrote, "is largely confined to some Ministers/the Prime Minister and reportedly some parts of the Wellington City Council."

"The current erasure response by the company is discreet and effective," Shandwick wrote, pleased that "there is no obvious company involvement." But every time graffiti was removed, it reappeared. "NFA are persistent. . . . This has resulted in the company's annoyance growing as the cost of removal grows," noted one memo. Minutes of the weekly PR teleconference meetings

## Shandwick Takes Aim at a Goldman Prizewinner

In 1991 Cath Wallace, a senior lecturer in public policy at Victoria University in Wellington, was acclaimed as one of the world's leading advocates for the environment when she received a prestigious Goldman Environmental Prize in recognition of her role in leading the campaign for Antarctica to be declared a World Park.

In December 1997, Wallace attended a conservation conference in Taupo organised by Auckland University's School of Environmental and Marine Sciences. She arrived to find Timberlands' logo featured prominently and a large display promoting its beech forest logging plans—*quid pro quo* for a \$4,000 contribution that the company had given to conference organizers. Offended to see the company using a conservation conference to "greenwash" itself, Wallace light-heartedly added a note under the logo: "logs old growth forests."

Timberlands, it turned out, did not have much of a sense of humour. Shortly after the conference, it asked Shandwick to investigate what could be done to get back at her. The PR firm drafted a letter of complaint for Timberlands general manager Kit Richards to send to the vice-chancellor of Wallace's university, Professor Les Holborow. The letter attacked Wallace as lacking objectivity, promoting an extreme environmental viewpoint and doing "little to enhance the reputation of the university." Richards complained about



**Cath Wallace**  
(photo by  
Bob Burton)

Wallace's addition to the logo, adding, "I would ask you to accept that our concern stems from our extensive commitment to education."

In her reply to the vice-chancellor, Wallace pointed out her long-standing opposition to Timberlands' logging of old growth forests. "The incident of which [Richards] writes is simply a convenient opportunity to put pressure on me," she stated. "What we have here is an issue that has been under debate for a long time and Timberlands is looking for ways to put pressure on those who disagree with it." The university replied to Timberlands, and that was the last Wallace heard of the matter.

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between Timberlands and Shandwick frequently included a “graffiti report,” with updates such as “Graffiti en route to Wellington Airport has been taken care of.”

Finally Shandwick dreamt up a “final solution” to the graffiti problem. The most frequent source of irritation was a large concrete wall in Wellington, strategically located along the route used by politicians to travel between Parliament and the airport. In December 1997, Shandwick noticed a small article in a newspaper proposing a mural on the wall and spied an opportunity to stifle their troublesome critics once and for all. Timberlands covertly contributed \$2,500 for design and painting of a native forest mural, thus obliterating the space loved by graffitiists and loathed by the Prime Minister.

### CIVICS EDUCATION, SHANDWICK STYLE

In May 1997, approximately 100 schoolchildren attended a conservation rally at the New Zealand Parliament calling for an end to West Coast logging. In the weeks leading up to the rally, their teachers and school principals had made a class project of forest conservation, with visiting speakers on ecology and most of the children individually making and painting large cut-out birds and other native animals. At Parliament they were met by the Minister of Conservation in a friendly and low-key event.

Timberlands was incensed by this small protest, and Shandwick launched a private investigation aimed at identifying the schools involved. They traced the students to two schools in particular, and Shandwick’s Rob McGregor drafted a letter for Timberlands to send to the principals. “We understand that children from your school may have recently taken part in a presentation outside Parliament opposing our company’s operations,” it began. After stating the company’s usual arguments in defense of its logging, the letter went on to warn, “We consider our reputation besmirched by what would appear to be an ill-considered action that disregarded the facts of the matter and co-opted children for political gain. We must advise that, in the event of any further action of this nature, we will seek legal redress.”

The final version of the letter, which was sent two days later, omitted the legal threat, but Timberlands still challenged the principals about their pupils being “involved in an action based on misinformation, designed to advance a ‘political’ agenda.” The principals who received the letter were surprised and annoyed that the company would track them down and criticize them over such a minor event. They had received signed permission from parents for each child wanting to take part and had talked the issue through with the pupils to make sure they understood what they were doing.

The company’s own political agenda was evident from a fax that McGregor sent to Timberlands accompanying the final draft of the letter. “Could you please send me copies of the letters when you have sent them,” he wrote, “and I’ll fax a copy to Cath Ingram in [Prime Minister Jenny Shipley’s] office.” The company wanted to show Shipley that it had dealt with the criticism.

Not content with letters of complaint to principals, two weeks later Klaus Sorensen of Shandwick sent Timberlands a seven-page strategy plan for getting the company’s message to “year seven and eight schoolchildren.” Following the rally, he explained, Shandwick felt that “a more formalised approach” was needed to deal with “environmental attacks” of this nature. The PR firm spent the next year developing a school resource kit and website resources to be made available to every school in the country for use in science curriculums.

In contrast to the small school conservation rally, which had been organised openly and with parental permission, Shandwick believed that Timberlands should downplay its role in the school PR kit and make it appear, as much as possible, to be a legitimate part of the school curriculum. “An outstanding issue relating to the School Resource Kit is how it is branded, the prominence given to Timberlands,” noted on internal document.

Shandwick knew the company would not be popular with school students and wanted as little sign as possible that it had provided the educational materials. “To ensure uptake of the resource and to enhance its credibility,” Shandwick advised, “we recommend the Timberlands branding be discreet rather than prominent.”

### VACUUMING DIRT FROM AROUND THE GLOBE

Following publication of *Secrets and Lies*, Shandwick attempted to deny the international scope of its anti-environmental lobbying. “We have never sought any help or information or instructions from Shandwick’s overseas as far as Timberlands is concerned,” Sorenson said.

The company’s leaked documents, however, show that Shandwick turned to its international network for help as it attempted to cut off Native Forest Action’s sources of funding. This effort centered on the Body Shop cosmetics company, which Timberlands mistakenly believed was a major funder of the NFA campaign. The plan, devised and executed by Shandwick staff, was to find embarrassing information about the Body Shop’s environmental record and about company owner Anita Roddick and use this to pressure the company into abandoning the anti-native forest logging campaign.

The “Body Shop initiative” began in mid-1997 when the Body Shop displayed a Native Forest Action petition





**Published in summer 1999, *Secrets and Lies* helped bring down the government of New Zealand. It is available in the United States for \$13.96 plus shipping/handling from Common Courage Press ([www.commoncourage.com](http://www.commoncourage.com)). To order by phone, call 1-800-497-3207.**

calling for an end to West Coast native forest logging and helped advertise a rally at Parliament. Shandwick suggested the Body Shop's support for NFA be listed on the agenda of their weekly PR telephone conference. "Franchise owners of Body Shop are pro-active in green movement. Need to develop a campaign targeting them," the minutes said. Shandwick's Klaus Sorensen was charged with developing the campaign.

Shandwick sent requests to consultants in its overseas offices looking for dirt on the Body Shop. "One of our clients in New Zealand, a State Owned forestry company, is having some trouble with misinformation being distributed, mainly originating from the Body Shop," the request stated before getting directly to the point: "Could you please fax us any information you can locate on Body Shop/Anita Roddick, especially any negative publicity on environmental issues?"

The London office sent two reports on the Body Shop's international financial performance. "Anita Roddick has never had a particularly good relationship with the City partly because she is prone to campaigning against companies she considers not as ethical as the Body Shop claims to be," stated a cover note from Shandwick-London's Neil Huband.

The New York office noted that it had battled the Body Shop previously on behalf of the Shell Oil company, when it came under criticism for its role in the Nigerian government's 1995 execution of playwright and indigenous activist Ken Saro-Wiwa. Daphne Luchtenberg of Shandwick-New York alluded to "dealings and similar wranglings with The Body Shop over their campaign against Shell and Nigeria—Ken Sarawiwwo [sic]—do you remember?" She offered help for Timberlands from American Shandwick staff who had assisted in the Shell contract. "Colin Byrne advised them on that and he would be good to include in the conference call," she suggested. "Colin B also has a freelance consultant who is very hot on European environment issues and if the timing is right he might be involved."

Shandwick also dug into the financial affairs of Ashleigh Ogilvie-Lee, the owner of Body Shop's New Zealand franchise. In October 1997, it reported finding some useful dirt on her husband Michael. "NFA: Body Shop question has been addressed and action expected over the next week," stated the meeting minutes.

The scoop on Michael Ogilvie-Lee was that he owned part of a chain of shops called Art For Art's Sake which, in a small proportion of its picture frames, used rimu wood sourced from Timberlands. In August 1997, Sorensen pitched this tidbit to journalists from his old stamping ground, the *National Business Review*. When they failed to take the bait, he phoned a journalist with the *Independent* newspaper, proposing she do a story showing up the Body Shop's supposed hypocrisy.

"Body Shop ongoing—publication of article anticipated," Sorensen reported to Timberlands. After the article appeared, he suggested that Timberlands should extend "an invitation . . . to Body Shop" for the purpose of winning the company over to its view in favor of "sustainable" rainforest logging.

It was an attack that backfired. Michael Ogilvie-Lee responded to the discovery that his shop was using Timberlands rimu by reforming his company's policy. As a result, the story that eventually ran in the *Independent*, headlined "Body Shop backs tree huggers," reported that Ogilvie-Lee "had now persuaded the Art For Art's Sake chain to boycott Timberlands rimu, and [was] urging fellow traders to do the same."

Rather than cutting off funding for Native Forest Action, Timberlands' heavy-handed tactics angered Ashleigh Ogilvie-Lee so much that in late 1998 she phoned NFA to offer the group a five-figure donation—far more than she had ever given before. The company's erroneous belief that the Body Shop was a major funder of NFA had become a self-fulfilling prophecy. ■