

'Managing The Message' Becomes Industry Rallying Call

By Paul Wells

"Managing the message" is fast becoming a fixture of the energy industry's lexicon as it attempts to make up lost ground in the public relations battle being waged by environmental groups and other critics.

With Alberta's oilsands as the main target, energy producers and provincial officials have been under a relentless attack from some well-funded and influential groups and individuals for the sector's environmental performance and its real and/or imagined misdeeds on that front.

But lessons have been learned, officials say, and the push back is on.

"Being subject to [negative] campaigns like that was something new for Alberta and new for our industry here in Alberta. I think to some extent that it meant we were perhaps a little slower in responding," Alberta Energy Deputy Minister **Peter Watson** told the 2010 Energy Roundtable conference in Calgary earlier this week.

"What we've learned is you have to respond very proactively and right at the time when things are occurring -- enough to challenge an issue or a statement and provide some balance to the perspective that's being debated at that particular moment. Folks will see [the provincial government] be much more proactive ... we have to better manage the message."

While the province was initially slow in its response to negative and at times "misinformed and misleading" attacks on the oilsands industry, Watson said a plan is in place and strong effort is now being made to offer balance to the ongoing debate.

"It's a very complicated set of issues and a complex business, so we have to be out there delivering our message, helping people understand the nature of the commitment to protect the environment, the nature of the commitment to employ technologies and unlocking new approaches to create significant changes in performance," he said.

"We have to do that with governments, not only in our country and in North America, but governments in Europe and other parts of the world."

Watson said the province is of the belief that "transparency is the way to go."

"The critics will always debate the science and their view of the science and their view of the performance, so the notion of some more transparency ... we think is needed as these discussions continue," he said. "And we're prepared to go there."

Howard Lutley, president and chief executive officer of oilsands player **SilverBirch Energy Corporation**, said that while the oilsands industry has been around for about 40 years, it's only been in the last four or five years that its operations have ramped up to a point that attracted a lot of investor attention and, subsequently, attention from environmental groups and non government agencies.

"So, we were somewhat caught out. And the industry associations, particularly the **Oil Sands Developers Group (OSDG)** and the **Canadian Association of Petroleum Producers (CAPP)**, have acknowledged that," he said.

"We got a little caught out because we were so focused on getting the business to where it needed to be. We weren't keeping up with the stakeholder communications."

However, Lutley noted that about two years ago, CAPP and the OSDG got together and formed working groups -- including a CEO working group -- to address the issue of communication and that the initiative has been "quite effective."

"We don't yet see the results of that as we're still seeing the bad press. But every time a negative or inaccurate press release or comment comes out in a publication or a radio show, CAPP or OSDG will go back and refute that with the facts."

Dawn Farrell, chief operating officer for **TransAlta Corporation**, argued that because the public generally mistrusts both industry and government, the message may be falling on deaf ears. She quoted the findings of a recent study that suggested that the public believes business people 17% of the time, politicians 17% of the time and environmental groups 30% of the time.

"But they do believe think-tanks 65% of the time," Farrell noted. "I think one of the biggest challenges we face

in Canada is we don't really have a lot of think-tanks here. We don't support them all that well."

Because of the public's trust in information coming from think-tanks, Farell believes that industry and government should use the services of those groups more in an effort to encourage fact-based dialogue.

"The reality is we do need ... studies to be validated by independent think-tanks and talked about ... and we need to link them with the social media that's going on today," she said.

"People do want the truth, they just don't know who to believe and right now they don't believe us and they're not going to believe it for a long time, particularly in the environment we're living in today."

Those vocal in their opposition to oilsands development and who have caught the ear of the general public run the gamut -- from groups like **Greenpeace** to Hollywood director **James Cameron**. And according to **AJM Petroleum Consultants'** Vice-President of Business Development **Hugh Mosher**, both government and industry in the province should "grow a spine" and escalate their efforts to counteract the attacks on the oilsands industry.

To make his case, Mosher pointed to a campaign launched earlier this year by San Francisco-based special interest group **Corporate Ethics International (CEI)**, which lambasted the oilsands while encouraging U.S. residents to forgo Alberta as a tourist destination.

"Based on the big lie principle -- tell the lie enough times and it becomes the truth -- CEI targeted not only the oilsands but Alberta's tourist industry, the physical beauty of the province and by extension the citizens of Alberta," Mosher said in a recent blog posted on the AJM website.

"There are a number of reasons that CEI believes its campaign can be successful, but the primary one has to be that Alberta is an easy target."

In Mosher's view, both the provincial government and industry have lagged in their attempts to balance the discussion and sway public perception.

"Our provincial leadership does not fight for the province in a way that grabs the media spotlight away from CEI and similar organizations. CEI knows that the province does not have a comprehensive strategy to refute the claims made by CEI and others," Mosher said.

"Similarly, CEI knows that the oil industry is disorganized and industry organizations are so poorly funded that they cannot match the media budgets of high-profile activist groups. The result is that CEI and others have the media all to themselves; a media which is only too eager to broadcast sensationalized 'news' without any due diligence or critical review."

Mosher contends that while Alberta must continue to get its "environmental, industrial and political houses in order and show that Alberta is a responsible steward of both the environment and the oilsands," he notes that "building this reputation will take time, particularly since the supporting news stories aren't nearly as sensational as the media requires."

While some experts have suggested that strengthening regulations is the strategy Alberta needs to take, or that all the political parties need to come together to formulate a cohesive non-partisan strategy that presents a united front to attacks like that of CEI and Greenpeace, Mosher isn't sure that will be effective given the mindset of the opposition.

"All suggestions are well and good -- taking the high road is generally the better way in the long run but it also assumes that your opponent is willing to have a reasoned public debate. This is not the case with CEI and others like them. So, again, what is Alberta to do?" Mosher said.

"As long as Alberta and Canada act in the typical non-confrontational Canadian way, we will be easy targets for Corporate Ethics International et al; grow a spine, fight fire with fire, and it will be a different story. A story, perhaps, that even the media might consider newsworthy."