



Speech to the Montreal Chambre de Commerce  
February 1946

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### Summary

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Page talks to the Montreal Chambre de Commerce and explains the challenges big businesses face in the court of public opinion.

Companies are faced with a variety of obstacles that challenge their ability to directly connect with individuals and increase public trust. Unfortunately, “size and power breed fear and dislike, especially when surrounded by secrecy or mystery.” To influence favorable attitudes, companies should maintain transparent or open communication and act as good corporate citizens. Those organizations that pay heed to public opinion rather than rely or wait upon regulations and law to guide their actions are better able to weather the court of public opinion.

### Key topics

**Corporate Social Responsibility**  
**Corporate Power** – fear/suspicion of big businesses  
**Public Relations** – PR challenges/limitations  
**Public Opinion**  
**Public Trust**

### Page Principles

**Tell the truth**  
**Prove it with action**

### Talk

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Montreal Chambre de Commerce  
Montreal QC Canada  
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### TALK

Public relations has come to be a highfalutin phrase with a somewhat mysterious air and I fear a certain content of buncombe in it. Public relations is, of course, merely one's relations with the public. Princes and paupers, the butcher, the baker, the candlestick maker, have all had relations with the public for lo these many years. Some have good relations and some poor, but none but the hermits could escape having some kind of public relations.

Princes on the average I would think have done less well lately than formerly and the paupers better than they used to do, but their relations with the public come under the head of politics.

The butcher, the baker, and the candlestick maker, that is, business in general, perhaps has not all the public esteem that it could wish and that is why public relations

is discussed in business circles nowadays. It is a curious thing that business has not greater public esteem because business is a way of making a living, a thing which almost all of us have to do. As it is a common interest, it ought to provide a common bond and be popular with everyone. Why isn't it? I think that the commonest reason for a lack of popular favor for business is size and certain things that often go with size.

Little business is popular. There are in the United States almost as many government agencies for encouraging little business as there are for the regulation of big business. No one is afraid of little business. Many people are afraid of big business. The man who runs his own store is generally polite to his customers, for he can see that it pays. The clerks in a large store may not be equally obliging for they have not exactly the same incentive. Dealing with Bill Smith may be pleasanter and more personal than dealing with the William F. Smith Corporation. When Bill Smith gets to be a corporation he may well lose one of the reasons that enabled him to be a corporation.

Size is an evidence of success. Size also in many kinds of business has operating and purchasing advantages. But it isn't inherently popular. Moreover it is hard to keep size polite. There is some tendency for the top to get top-lofty because of removal from public contact and for those who do have contact with the public not to have the interest to make that contact both efficient and courteous.

Now we have reached a state in North America, where a considerable part of our business is done by firms and corporations—whether you call them big business or little—in which the heads are removed from public contact and the public is dealt with by an organization.

Generally speaking the goods and services provided the public have good quality and value. In these aspects I think business makes a better record than it does in the courteous thoughtfulness and individual attention with which the services are rendered and the goods sold. If this is true the values are better than the relations with the public. And unless management is eternally vigilant and wise this will be so because the goods are inanimate and easier to control than the people who make up an organization. To teach and inspire a high standard of thoughtfulness; courtesy and individual attention to the public is a difficult task, especially when the inspiration must come from men who have ceased to have public contacts themselves.

This is one of the simple human reasons why as business gets bigger it is hard for it to maintain the public's good will. Yet there are so many cases where this difficulty has been overcome, that I believe it is clear that an increase in courtesy at the point of contact with the public is one of the biggest opportunities that business has.

Public relations officers are often thought of as identical with publicity officers. I don't think it makes much difference what they are called so long as it is accepted that what you do for the public and how you do it is far more important than what you tell the public.

Yet what you tell them is important also. The public judges a business not only by its contacts with it, but also by what it hears about it. And it hears and believes many fantastic things. In the United States we took a poll of public opinion recently concerning the earnings of the telephone business. In it were two questions: One, what did people

think we did earn, and two, what did they think we should earn. It turned out that the average opinion was that we did earn nearly three times what we do and that we should earn nearly twice what we do. I am tempted to agree with this latter opinion but, people thinking what they did about what we earned, they can hardly help expecting either a considerable cut in rates or a tremendous boost in wages, or both. We have tried to tell what the facts are but evidently we have not been entirely successful and that lack of success in telling has danger in it.

Of course the public is more interested in the telephone company's rate of return than in the rate of return of competitive businesses. But people are very quick to suspect that there may be something against the public interest in the methods by which even competitive businesses become successful. Size and power breed fear and dislike, especially when surrounded by secrecy or mystery.

I believe then that it is always good counsel to tell the public the facts about business. But this is difficult for the public is quite busy about its own business and not much prone to listen about yours unless perchance some one accuses you of having prospered by unfair methods or grown rich and arrogant, or you are hit by the kind of attack which may well make the headlines. Then you will be asked to tell your story, but on the defensive, which is a poor way to start.

There is a measure of safety then in keeping the public informed about your business—a as much as they will let you. There is a further measure of safety in examining the business with a critical and hostile eye yourself to see what there is about it which would be embarrassing if your worst enemy in his meanest moment got the facts on the first page of the paper. Having gone through that self-examination, maybe something should be changed. If not, a good explanation of the facts all written out isn't bad insurance.

What kind of things would these be that would provoke the public's hostility? It is hard to tell. The public is exceedingly whimsical. If you are a little business you can cut rates and be a public benefactor. As you get larger and cut rates you may be indicted for trying to kill off your smaller competitors, but just how big you have to be to deserve this indictment is uncertain. In the United States it is not uncommon for business to be pilloried for violation of an act that Congress is thinking of passing. This doesn't sound logical but it is distinctly human. Usually businesses that critically examine themselves have a fair chance of seeing such dangers before they occur. A constant adjustment to public opinion is much safer than reliance on law, for public opinion is what makes law and by the time it gets provoked enough to enact a statute, the statute may be pretty stringent.

I have now talked about fourteen of my fifteen minutes and said nothing that was new and nothing that was not obvious. That I would do so was obvious to you when you asked me to speak on public relations—or how to get on with humanity. Individually and collectively this is an old subject. Statesmen and politicians have worked at it for thousands of years—with only relative success. Business has done the same with the same results. As long as people are human public relations will be ever-changing, precarious, interesting and full of possibilities.

There is one continuing aspect, however, in free countries where public opinion functions. The public is the boss. All business begins by public opinion—a license to peddle peaches or a charter to run a bank. What the public has given it can take away. A servant it has commissioned, it can punish or dismiss. The law may delay the public will but business can't prosper against it. So even if no one has found out how to be sure to have continuously good relations with the public, it is fairly evident that it should be done and it is worthwhile putting some time and thought on the matter. Trying to run a business is a hazardous enterprise at best. It is worthwhile trying to have as many of the public on your side as possible.

Besides, the public expect you to run your business so that it can be on your side. The public may be whimsical, and sometimes slow, but it is generally fair—and dangerous when disappointed.

It expects the best goods and services at the least cost possible and at the same time that you pay good wages and salaries and a good return on the investment. It further expects that your business will, like a good citizen, support good causes, that you will give some time to public service outside business and also that you won't run foul of any particular hobby the public is interested in at the time—and as you get larger you are expected to take more of these responsibilities. As this counsel of perfection is exceedingly hard to accomplish, I take great comfort in the fact that with the public an honest desire to do well by them and an unfailing courtesy and frankness cover a multitude of sins, and the public will forgive much if they get these.