



35 years at the helm

Some of Burson-Marsteller's competitors might like to think that Harold Burson, at 66, is thinking of stepping down. Burson, sadly for them, has no such intentions. He won't quit, he says, until those around him tell him they don't want him around any more. PAUL HOLMES talks to B-M's founder.

'I HAVE always said that I was a businessman first, and that my business just happens to be public relations,' says Harold Burson. Then he smiles: 'But it's the public relations part I enjoy most.'

Perhaps that is why now, after 35 years at the helm of the company that bears his name and echoes his values and visions through its three dozen offices on five continents, Harold Burson is leaving more and more of the business to his successors and getting more and more involved with the agency's larger clients.

Burson works hands on with such major accounts as Coca-Cola, Merrill Lynch, Arthur Anderson, and, for the past couple of years, the Seoul Olympics, for which Burson-Marsteller is the official public relations counsel.

'About 40% of my time is billed, which probably means that I am actually working

with clients for 60% of the time. Ideally I would like to get that up to 100%.'

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And there is little likelihood of that, for Burson-Marsteller has perhaps the strongest 'corporate culture' of any PR agency in the world, and Burson himself appears to inspire tremendous loyalty from both those who work with him and those who compete with him.

'Harold Burson created an unusual environment for people to grow in,' CEO Jim Dowling told *Public Relations Journal* a couple of years ago. 'Harold was always willing to share; he was receptive of ideas and let people execute them. He created

an institution and I am simply a part of it. In 1990 Harold will still be chairman and I will be a legend in waiting.'

He remains approachable. 'Everyone around here knows that I get to the office, whenever I'm in town, by 7:25, and if anyone really wants to see me, all he has to do is stand in the doorway. I think my accessibility encourages other top people here to be accessible too.'

Burson was born in Memphis, Tennessee, shortly after his parents moved there from England. His father owned a hardware store. He became a copy boy on the local paper, the *Memphis Commercial Appeal*, at age 12, and then served as the paper's campus correspondent while attending the University of Mississippi. He also edited the campus newspaper and served as the university's publicist.

After graduation he went to work for the *Commercial Appeal* full time, and in 1940 covered the construction of an armaments factory in Memphis. The construction company, alarmed by the media attention it received, asked him to handle its PR — at double his reporter's salary.

After spending the last two years of the Second World War in Europe, serving with combat engineers and as news correspondent for American Forces Network, he returned to New York and in 1946 started his own public relations agency, with the construction company — HK Ferguson — as his first account.

In 1953 he entered into partnership with advertising executive Bill Marsteller — 'one of the few advertising people of his time who recognized the difference between PR and advertising,' Burson says — a partnership that allowed the company to grow. In 1979 B-M was sold to Young & Rubicam. At the time, revenues were less than \$30m.

'During the 1980s we've grown by about 24% annually,' he says. 'Even during the last recession our business grew. That's because of the importance of communications today, to both corporations and non-profit organizations.'

'You have to remember that even ten years ago business was not covered in the press, except in terms of labor or unemployment news. If a company was profiled, it was almost always a success story. There was nothing like the scrutiny there is today.'

'This is particularly true of crises. Few people realize that before the tragedy in Bhopal, the greatest industrial tragedy involving an American company was the explosion of a ship off the coast of Texas in 1947. More than 400 Americans were killed, but it was a time when we didn't have broad television news coverage.'

'Personally, I think this increased scrutiny is a very healthy trend. I think the more people know about business, the more people understand it, and the more business reacts to people, the healthier it will be.'

Harold Burson is a long way from the stereotypical PR man. He is soft-spoken, understated, analytical. He thinks before he speaks, and when he does speak it is because he has something to say.

Dowling's belief in Harold Burson is far from unique. One of the keys to B-M's success has been its ability to attract and keep the right people: managers such as Dowling, Elias Buchwald, Bob Leaf; exponents of the craft such as crisis management superstar Al Tortorella, or employee motivation guru Geoff Nightingale.

That, according to Burson, is the main value of B-M's size (it now employs almost 2,000 people around the world, and billings top \$125m). 'Size creates the critical mass necessary to pay for the people we need to be the best. There is no way our offices in each country could afford people like these, but we can afford them as a central resource.'

Those people have made Burson-Marsteller the leading edge PR firm of the past decade, extending the definition of public relations — sometimes controversially — and expanding into new areas of practice.

'Public relations is anything that helps to form attitudes and motivate people to do something,' says Burson. 'We are doing

things that are far beyond the traditional consumer PR of ten or 15 years ago. We have attracted controversy, but people are often uncomfortable with pioneers. Galileo was thought of as a heretic.'

'When we first started, PR was very narrowly defined. There were some people who performed a broad counseling role, but they were the exceptions. Press relations was regarded as the heart of the function, as much as 75% of the effort.'

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Burson offers corporate advertising and financial advertising — both of which he believes to be legitimate PR tools — as well as sales meetings and special events. His justification is simple: the client wants it and B-M is capable of delivering it.

'We have pioneered greater use of research, we have pioneered the greater integration of communications programs, we have pioneered new techniques in consumer marketing, and we have pioneered in the international marketplace, where we were the first to offer the ability to deliver service of a single high standard around the world.'

It was Jim Dowling who coined the term 'seamless' to describe the B-M approach, and Burson believes that the company is now very close to realizing that seamlessness. To do so it has spent in excess of \$2m, holding seminars and meetings in every office to promote the Burson-Marsteller 'vision and values' credo.

Yet curiously, considering his role as the man behind the largest international PR firm in the world, Burson says there is no such thing as international PR. Rather, what B-M offers is 'the integrated use of national campaigns.'

In 1960, Burson and Marsteller wrote a long-range plan for their business which, Burson says, 'pretty much describes the company as it is today.' It included plans to go into Europe, then Asia, and eventually Australia. Now B-M is pretty much everywhere Burson wants it to be, although he would like a permanent office in Seoul and — eventually — a stronger presence in Latin America.

That, however, may be left to Burson's successors, and in particular Jim Dowling, who has assumed more responsibility in recent years. He now holds the offices of president and chief executive.

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'One of the biggest problems in a business like PR is making the transition from first generation management to second generation,' Burson says. 'The history books are littered with the names of companies who didn't do it right. But I have a great deal of faith in my senior people. Jim Dowling has been chief operating officer for five years and has played a key role in the continuing development of the company into new areas — many beyond our original plan.'