



ADVANCING THE PROFESSION
AND THE PROFESSIONAL.

December 9, 2010

VIA ELECTRONIC SUBMISSION

Jon Leibowitz, Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

RE: Comments of the Public Relations Society of America (PRSA)
to Proposed Revisions to “Green Guides” for Environmental Marketing
(FTC File No. P954501)

Mr. Leibowitz and Members of the Commission:

The Public Relations Society of America (PRSA) is pleased to submit comments and supporting materials in response to a request by the Federal Trade Commission (FTC) for public comments on proposed revisions to the FTC’s “Green Guides” for environmental marketing (the “Guides”). PRSA appreciates the opportunity to comment on what will surely become valuable revised guidelines for environmental marketing messaging and materials.

PRSA is the world’s largest organization of public relations and communications professionals, and its members are directly impacted by FTC rules and regulations governing the use of environmental marketing claims in public relations, marketing and advertising materials, as part of integrated communications and marketing programs executed on behalf of our clients and employers.

Our members are regularly involved — or will be involved — in the production and dissemination of environmental marketing communications, messaging and materials that are read, viewed or listened to by consumers.

PRSA is a 501c(6) professional organization representing more than 22,000 professionals, as well as 10,000 student members of our ancillary Public Relations Student Society of America (PRSSA), who practice public relations in every state and territory of the United States. PRSA is responsible for representing, educating, setting standards of excellence and best practices, providing certification and upholding principles of ethics for its members, and more broadly, the \$5.2 billion U.S. public relations industry.

Members of PRSA include independent practitioners, small business owners, employees of government agencies, corporations, academic institutions, law firms and professional services practices, public relations firms of all sizes and practice specialties and nonprofit institutions of every size and description. PRSA membership also includes professionals who engage public relations as part of a comprehensive mix of marketing communications and advertising strategies to achieve client objectives.

The Society operates under the direction of a board of directors elected each year by the general membership, with a chair/chief executive officer overseeing direction of both the Board and of the general Society. Guidance for the organization in fulfilling its mission — to advance the standards of the public relations profession and professionals through education, innovation and adherence to a strong code of ethical behavior — stems from the organization’s published bylaws and its industry-leading code of ethics.

We thank the FTC for the opportunity to present our views. If you have any questions or would like to discuss these issues further, please contact Keith Trivitt, associate director of public relations, at (212) 460-1495 or keith.trivitt@prsa.org.



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Thank you for your kind considerations of these comments.

Respectfully submitted,

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Cc: Laura Koss
Federal Trade Commission
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Appendix:

- Full Comment of Public Relations Society of America, pp 1–7
- Appendix One, PRSA Member Code of Ethics, pp 8–13
- Appendix Two, Professional Standards Advisory PS–12 (October 2009): Questionable Environmental Claims and Endorsements (“Greenwashing”), pp 13–18
- Appendix Three, Professional Standards Advisory PS–15 (August 2010): Looking the Other Way, pp 19–23
- Appendix Four, PRSA Letter to the Editor of *The New York Times* (Oct. 21, 2010) re FTC proposed revisions to “Green Guides” for environmental marketing, p 24
- Appendix Five, PRSA blog post: “FTC ‘Green’ Guidelines a Step Forward, but Code Calls for More,” pp 25–26

Response to Request for Comment

Federal Trade Commission

File No. P954501

Proposed Revisions to “Green Guides” for Environmental Marketing Comments of the Public Relations Society of America (PRSA)

A. Comment Summary

PRSA shares the view of the FTC that the public is best served by a limit in “blanket” or general claims of “environmental friendliness,” an industrywide end to the use of spurious or misleading certifications or seals of approval and full disclosure of verifiable claims regarding a product or service’s environmental benefits (and limitations). We also support the FTC’s effort to establish more clear, concise and comprehensive guidelines for environmental marketing claims, thereby fostering the most legitimate and substantiated marketing claims concerning “green” products.

This document provides substantial background on the most current professional standards for ethical communications as established by PRSA. You will find that our position on verifiable truth and full disclosure is consistent with proposed guidelines, and your proposals do not appear to place an undue burden on the profession. In fact, the guidelines under consideration should encourage broader application of principles already in place with PRSA membership, and we encourage that. (The U.S. Census Bureau notes¹ that there are approximately 200,000 public relations practitioners in the United States, as of 2006. Of those, approximately 22,000 are represented by PRSA, making it the world’s largest professional association representing public relations and communications professionals, but by no means a majority of practitioners.) As noted later throughout this document, we do encourage more specificity in the FTC’s guidelines to ensure there can be no misunderstanding about standards of ethical communication.

Too, PRSA encourages further guidance on application of these guidelines to broader public relations and marketing communications activities. Much of the public discussion appears to center on advertising and marketing. And while advertising and marketing are most clearly under the purview of the FTC, there are many types of tactical communication that fall within a gray area between the three types of communication activity (e.g., public relations, marketing and advertising), including websites, printed materials and even some forms of institutional or “corporate” advertising and marketing materials. Specific guidance on other types of communication would be helpful in ensuring consistent application of the final guidelines.

Based on principles in the PRSA Code of Ethics (the “Code”)², PRSA periodically issues Professional Standards Advisories (PSA) to clarify the application of Code principles to situations suggested by unfolding news or professional challenges. In Professional Standards Advisory PS-12³, PRSA addresses the emergence of “greenwashing” practices within public relations and marketing, and the disingenuous ways in which they can mislead consumers about a product’s environmental benefits.

PRSA’s Board of Ethics and Professional Standards (BEPS) noted in PS-12 that “greenwashing” conflicts with the Society’s Code on several levels: It corrupts public relations professionals’ obligation to the establishment of the free flow of accurate and transparent information; contributes to unfair competitive claims; and violates our profession’s commitment to communication that can be evaluated accurately. Practitioners were reminded in PS-12

¹ Statistics of U.S. Businesses: 2006: NAICS 54182 – Public relations agencies, United States. It is published at <http://www.census.gov/epcd/susb/2006/us/US54182.HTM>

² *PRSA Member Code of Ethics*, which is signed voluntarily by each member of the Society. It is published at <http://www.prsa.org/About/ethics/disclosure.asp?ident=eth5> and is attached to this document as Appendix One. The current code has been in place since 2000. It replaced a previous code that had been last revised in 1988.

³ *Professional Standards Advisory PS-12* (October 2009): Questionable Environmental Claims and Endorsements (“Greenwashing”). It is published at <http://www.prsa.org/AboutPRSA/Ethics/ProfessionalStandardsAdvisories/PS1209.pdf> and is attached to this document as Appendix Two.

of their responsibility “to educate decision makers about the potential damage to the reputation of the company if these claims are shown to be false, misguided or misleading.” In addition, PS-12 noted that exaggerated claims of environmental responsibility go to the heart of the PRSA Code of Ethics, which takes a strong stand against misrepresentation of any kind, whether a claim falls into a gray area open to interpretation or has no substance whatsoever.

Following are some of the steps PRSA regularly takes to keep its members informed about the ethical standards that come into play in the day-to-day course of their business activities:

- PRSA routinely publishes ethics and professional standards advisories for its members, as it did in late-2009, via PS-12, (“Questionable Environmental Claims and Endorsements [‘Greenwashing’]”) when the issue of greenwashing in environmental marketing claims became a concern.
- PRSA states its positions in opinion pieces, letters to the editor, position statements, blog posts and commentary, along with participating in interviews with both trade media and general consumer media at every opportunity.
- PRSA annually bestows awards for best practices in the development of some of the industry’s top environmental marketing and public relations campaigns. These awards for best practices have as one of their core principles the practice of ethical and transparent messaging and marketing claims.
- PRSA routinely offers professional development courses on specific tactics, such as the development of messaging within emerging markets, including green/environmental marketing, and in those the transparency requirements are also discussed and reinforced.
- PRSA members are able to earn accreditation, designated by APR (Accreditation in Public Relations) or APR+M (Accreditation in Public Relations + Military) after their names, through written and oral testing. Individuals who go through the APR or APR+M Accreditation process must be well versed in ethical professional practices , including proper disclosure of the sources and sponsorship of materials sent to the media and disseminated to the public.

PRSA’s Code of Ethics contains important guidelines for ethical practices that are relevant to the practice of environmental marketing:

- **Professional Values**
 - **Advocacy.** Public relations practitioners serve the public interest by acting as responsible advocates for those we represent. We provide a voice in the marketplace of ideas, facts and viewpoints to aid informed public debate.
 - **Honesty.** Public relations practitioners adhere to the highest standards of accuracy and truth in advancing the interests of those we represent and in communicating with the public.
 - **Expertise.** Public relations practitioners acquire and responsibly use specialized knowledge and experience. We advance the profession through continued professional development, research and education. We build mutual understanding, credibility and relationships among a wide array of institutions and audiences.
 - **Independence.** Public relations practitioners provide objective counsel to those we represent. We are accountable for our actions.
 - **Loyalty.** Public relations practitioners are faithful to those we represent, while honoring our obligation to serve the public interest.
 - **Fairness.** Public relations practitioners deal fairly with clients, employers, competitors, peers, vendors, the media and the general public. We respect all opinions and support the right of free expression.
- **Code Provisions:**
 - **Free Flow of Information:** Members commit to the free flow of accurate/truthful information. Behavior that includes withholding, embellishing, distorting or outright lying is in conflict with the Code.
 - **Competition:** Members are in conflict with the Code if they are misrepresenting information in order to gain competitive advantage.
 - **Disclosure of Information:** The area of greatest concern, because many claims, endorsements and purported validations are difficult to evaluate regarding their merit, is truthfulness and/or accuracy.

- **Enhancing the Profession:** Any behavior that is less than fully truthful brings harm to everyone in the profession, which requires credibility and trust to be effective.

In the spirit of clear and precise communication, PRSA encourages the FTC to offer sufficient examples of appropriate behavior to ensure consistent application by marketers, advertisers and communicators. It is critical that there be no ambiguity that might lead to different approaches to environmental communication. Advertising, public relations and other communicators must advise their employers and clients on appropriate forms of communication and messaging, and their counsel must be consistent if it is to be observed and effective.

B. Clarity and Applicability

In general, we agree with the Commission's overall goal of providing more clear and specific guidelines for environmental marketing claims; however, we hope that the Commission will further evaluate and review the proposed revisions to ensure that a certain degree of specificity has been made in said revisions, in order to reduce the possibility of consumers' misinterpreting certain claims. PRSA and its members subscribe to the principle of fully and accurately informing the public about relevant information needed to make an informed decision.

C. Unqualified Claims

The Commission's proposed revisions and additions to its "Green Guides" take significant and important steps toward bringing marketers' and advertisers' environmental marketing claims in line with accepted ethical practices in the digital age. We agree with the Commission's overall approach to update and modernize its guidelines in an effort to better inform and serve the public, while also seeking to balance marketers' and advertisers' efforts to market and sell their products and services, within reasonable and relatively unencumbered means.

However, PRSA views that the allowance for, and reliance upon, unqualified claims within the proposed revisions diminishes the overall effectiveness of the revised guidelines. As addressed in PRSA Professional Standards Advisory PS-12, "Vagueness [is] committed by every claim that is so poorly defined or broad that its real meaning is likely to be misunderstood by the consumer."

Whether in upcoming guidelines or as a longer-range goal, it is important that specific qualifications for marketing claims be communicated in the original material or an addendum, even if that addendum is posted in clear (no jargon, legal or otherwise) language on a website and only referenced in advertising, news releases or other communication materials.

PRSA's Code of Ethics calls for professionals who develop communications and messaging on behalf of clients or their employers to protect and advance the free flow of accurate and truthful information and to foster informed decision making through open communication.

A recently updated ethical standard to PRSA's Code of Ethics addresses the use of unqualified environmental marketing claims and how public relations and communications professionals can ensure they are ethically and responsibly informing the public in all of their messaging, communications and marketing materials.

In Professional Standards Advisory PS-15⁴, "Looking the Other Way" (August 2010), it is noted that among all of the staff functions in an organization, it is the communicator/public relations professional and communications department that are most frequently involved in counseling corporate executives and clients on ethical issues and implications from their external and internal communications and messaging. PS-15 reminds communications and public relations professionals that they have a responsibility to their employers and/or clients, as well as to our profession, to adhere to the highest standards of accuracy and truth in advancing the interests of those we represent and in communicating with the public. In addition, PS-15 reminds communications and public relations professionals that they "serve the public interest by acting as responsible advocates for those we represent," and that practitioners "provide a voice in the marketplace of ideas, facts and viewpoints to aid informed public debate."

Additional key points addressed in PS-15 relevant to the potential reputational harm to companies that may result from the continuing allowance of unqualified claims in environmental marketing messaging and materials include:

- Being confronted with information that just doesn't add up, but presenting it to the news media or the

⁴ Professional Standards Advisory PS-15 (October 2010): Looking the Other Way. It is published at http://www.prsa.org/AboutPRSA/Ethics/documents/PSA_15.pdf and is attached to this document as Appendix Three.

public without asking the hard questions that will ensure truthfulness and accuracy — or might stop the announcement altogether.

- Failure by a practitioner who knows the PRSA Code of Ethics but does not counsel a client to change bad practices or behaviors that conflict with the Code.
- Failure of a practitioner who observes a peer using practices in conflict with the PRSA Code to counsel the peer first, then higher management.

D. Specific Recommendations

Two key proposed changes stand out as having the potential to be subjectively interpreted by marketers, advertisers and communications professions, and would benefit from additional clarification from the Commission:

- General Environmental Benefit — Marketers should not make unqualified general environmental benefits claims; and
- Recyclable — Marketers can make an unqualified recyclable claim

PRSA agrees with the FTC that marketers should not make any type of unqualified benefits claim in any of their environmental marketing materials or messaging.

However, PRSA believes that in the current form, the proposed change to these guidelines leaves open the possibility for individual, subjective and potentially spurious interpretation of the guidelines and their intentions by the marketer. More specific points need to be made for this proposed revision to be effective.

Recent research and surveys have shown that the public and American consumers are far more likely to be influenced, and subsequently, make a purchasing decision, by environmental marketing claims that are both *specific and transparent*.

A 2010 research study⁵ by the Institute for Public Relations clarified the inherent role that public relations and marketing professionals play in engendering consumer trust and respect about a company's general and specific environmental marketing claims. Using data collected in a national survey of more than 4,000 PRSA members, researcher Denise Sevick Bortree noted that "organizations that [are] more committed to transparency and to disclosing information to publics engaged in more communications about environmental issues. This . . . [suggests] that a greater commitment to transparency will lead to more environmental communication, though that does not guarantee the communication itself will demonstrate accountability and be useful for publics who are making decisions about the responsibility of the organization."

As that research study demonstrated, disclosure, specificity and transparency are of utmost importance to consumers in determining their purchasing decisions, and in enhancing a company's corporate reputation. As public relations practitioners, we have a responsibility to ensure that we are providing consumers and the public with information that that helps them make a properly informed decision.

Additionally, the same category ("General Environmental Benefit") notes as a proposed revision that "Qualifications should be clear and prominent, and should limit the claim to a specific benefit."

PRSA agrees with this proposed revision, and hopes that the Commission makes it a cornerstone of its final guidelines. Relevant examples of such "clear and prominent" qualifications would be helpful for marketers and communicators who are seeking examples of best practices that are appropriate within the Commission's revised guidelines.

⁵ The State of Environmental Communication: A Survey of PRSA Members (March 2010). It is published at http://www.instituteforpr.org/research_single/the_state_of_environmental_communication_a_survey_of_prsa_members

Answers to Specific Questions:

To specific questions posed by the Commission in its call for comment:

1. Do consumers interpret general environmental claims, when qualified by a particular attribute, to mean that the particular attribute provides the product with a net environmental benefit?

In general, yes, consumers do interpret general environmental claims, when qualified by a particular attribute, to mean that the particular attribute provides the product with a net environmental benefit. A 2008 survey of 22,000 consumers by market research firm Information Resources⁶ found that approximately 50 percent of American consumers take into account “sustainability” when choosing a brand, with 29 percent of survey respondents saying they look for environmentally-friendly products, packaging and messaging associated with a product or service when making a purchasing decision about a product or service that falls within general environmental marketing claims.

Additionally, the 2010 Institute for Public Relations research study, cited in earlier commentary, on public relations’ role in developing and disseminating environmental marketing claims, clarified the inherent role that public relations and marketing professionals play in engendering consumer trust and respect about a company’s general and specific environmental marketing claims. Using data collected in a national survey of more than 4,000 members of the Public Relations Society of America, researcher Denie Seveck Bortree noted that “public relations departments often are asked to take the lead on communication about organizations’ environmental performance and related improvements that the organization is making in this area. Environmental communication is critical to organizations because it can influence the behaviors of publics and build the level of admiration and legitimacy of an organization.”

2. Should the Commission advise marketers that a qualified-general environmental claim is deceptive if a particular attribute represents an environmental improvement in one area, but causes a negative impact elsewhere that makes the product less environmentally beneficial than the product otherwise would be?

We recommend that the Commission advise marketers to be as transparent as possible and provide as much information as *reasonably possible* for all of their environmental marketing claims. In the case of qualified-general environmental claims, a positive impact in one area is only as valuable and transparent in its benefits to consumers as the actual value of the sum of all of its benefits.

While it may not be reasonable for marketers, advertisers and communications professionals to address *all* potential positive and/or negative impacts within their messaging, advertisements and other marketing materials⁷, it would be prudent for the FTC to advise marketers, via its revised Guides, to attempt to provide the consumer with as much relevant information concerning the positive and negative environmental impacts of a product or service as reasonably possible.

One of the core principles of the PRSA Member Code of Ethics is the fostering of informed decision making through open communication. Through that, PRSA advises its members — and the public relations profession — to be truthful and accurate in all forms of communication developed on behalf of their employers and clients. Additionally, PRSA Professional Standards Advisory PS-12 (“Questionable Environmental Claims and Endorsements”) advises practitioners to ensure their green claims “educate consumers, rather than confuse them,” as well as to “make claims specific, in order to eliminate the potential for misinterpretation of the claim.”

In both cases, PRSA has taken the stance that the best course of action for communications, public relations and marketing professionals who are developing messaging and marketing materials pertinent to

⁶ *MediaPost/Marketing Daily* article, “Consumers Consider Sustainability In Choosing Brands,” Jan. 11, 2008. It is published at http://www.mediapost.com/publications/?fa=Articles.showArticle&art_aid=74117

⁷ Space limitations, concerns over too much information leading to confusion, as well as a lack of clarity of messaging within confined space limitations and other relevant concerns would likely make any proposed guidelines regarding the mention of all specific benefits — positive, negative or otherwise — untenable and difficult for marketers to implement, thus, reducing the overall effectiveness of the Commission’s revised guidelines.

environmental marketing claims is to provide enough specificity — within reason — about all claims, the veracity of those claims and the overall benefit of the products and services noted within, so that consumers are able to make a clear and informed decision about the overall environmental impact of the product or service.

3. Would it be helpful to include an example in the Guides illustrating a qualified-general environmental claim that is nevertheless deceptive?

Any specific examples that the Commission can provide illustrating a qualified general environmental claim — even if that example is of a deceptive practice — would be helpful. PRSA understands that the Commission intends to include specific examples appropriate to qualified-general environmental claims, we also believe there is value, both to marketers and to the Commission, to provide specific examples of practices that may fall outside of the set guidelines, may be misleading or would be considered improper, either ethically or in regards to accepted standards of best practice.

PRSA's Member Code of Ethics includes examples of improper conduct for each Code provision. These examples are included within the Code to provide our members with specific examples of practices that would fall outside of a particular provision of the Code, and thus, would be unethical as per the Code.

In a similar manner, it would be helpful for marketers to understand, via specific examples provided by the FTC, where their environmental marketing messaging, materials and advertisements may fall outside of the Commission's guidelines so they can plan appropriately and address, both internally and with clients, areas where the Commission has provided specific feedback and guidance regarding appropriate standards for environmental marketing claims.

Summary Points on PRSA Position on FTC Proposed Revisions:

PRSA has long held the position that marketers, advertisers and public relations professionals have an obligation and responsibility to the public, and to their clients and employers, to ensure that the most truthful and accurate information is presented to them, regardless of the medium or presentation materials used.

Specificity and transparency are core principles of this stance. The proposed revisions offer a welcomed update to the Commission's current Guides. The revised Guides should serve to advise advertisers, marketers and communications professionals who develop messaging and materials within the environmental marketing sector with an excellent set of guidelines for best practices that fall within the FTC's purview of appropriate and advisable practices.

However, there exists some concern regarding the level of specificity and clarity within certain proposed revisions, as we noted at specific points in our commentary.

PRSA also cautions the Commission to thoroughly consider the potential long-term ramifications of continuing to allow for unqualified environmental marketing claims for certain product and service categories. Particularly in a market such as environmental marketing that is still emerging, and at a time where consumers are increasingly receiving advertising and messaging at rates that exceed their ability to fully process all of the information and claims they are being presented, it is imperative that the FTC ensure that marketers fully understand the impact of all of their environmental marketing claims, both qualified and unqualified. PRSA is not advising the Commission to take a position against the use of unqualified claims for certain product and service categories. We appreciate that the Commission has taken great strides toward fully understanding the impact of all environmental marketing messaging and claims as they relate to consumers' trust of said claims and the influence environmental marketing claims have on their purchasing decisions.

PRSA suggests that marketers keep in mind the public's current state of sentiment regarding the movement toward greater transparency and honesty in advertising and marketing communications. In that regard, the FTC's proposed revisions offer a welcomed update for providing marketers with a framework of ethical and legal standards in their environmental marketing endeavors.

After carefully reviewing the Commission's proposed revisions to its Guides, and after thorough consultation with numerous industry experts, as well as our own members, as to the overall impact and potential ramifications of said revisions, it is the belief of the Public Relations Society of America that the proposed revisions provide for a set of updated guidelines that are not only appropriate for use among marketers within the current landscape of public sentiment, but will be pertinent for years to come as market forces, public sentiment and consumer knowledge shift.

APPENDIX ONE

PRSA Member Code of Ethics

Preamble

Public Relations Society of America Member Code of Ethics 2000

- Professional Values
- Principles of Conduct
- Commitment and Compliance

This Code applies to PRSA members. The Code is designed to be a useful guide for PRSA members as they carry out their ethical responsibilities. This document is designed to anticipate and accommodate, by precedent, ethical challenges that may arise. The scenarios outlined in the Code provision are actual examples of misconduct. More will be added as experience with the Code occurs.

The Public Relations Society of America (PRSA) is committed to ethical practices. The level of public trust PRSA members seek, as we serve the public good, means we have taken on a special obligation to operate ethically.

The value of member reputation depends upon the ethical conduct of everyone affiliated with the Public Relations Society of America. Each of us sets an example for each other — as well as other professionals — by our pursuit of excellence with powerful standards of performance, professionalism, and ethical conduct.

Emphasis on enforcement of the Code has been eliminated. But, the PRSA Board of Directors retains the right to bar from membership or expel from the Society any individual who has been or is sanctioned by a government agency or convicted in a court of law of an action that is in violation of this Code.

Ethical practice is the most important obligation of a PRSA member. We view the Member Code of Ethics as a model for other professions, organizations, and professionals.

PRSA Member Statement of Professional Values

This statement presents the core values of PRSA members and, more broadly, of the public relations profession. These values provide the foundation for the Member Code of Ethics and set the industry standard for the professional practice of public relations. These values are the fundamental beliefs that guide our behaviors and decision-making process. We believe our professional values are vital to the integrity of the profession as a whole.

ADVOCACY

We serve the public interest by acting as responsible advocates for those we represent. We provide a voice in the marketplace of ideas, facts, and viewpoints to aid informed public debate.

HONESTY

We adhere to the highest standards of accuracy and truth in advancing the interests of those we represent and in communicating with the public.

EXPERTISE

We acquire and responsibly use specialized knowledge and experience. We advance the profession through continued professional development, research, and education. We build mutual understanding, credibility, and relationships among a wide array of institutions and audiences.

INDEPENDENCE

We provide objective counsel to those we represent. We are accountable for our actions.

LOYALTY

We are faithful to those we represent, while honoring our obligation to serve the public interest.

FAIRNESS

We deal fairly with clients, employers, competitors, peers, vendors, the media, and the general public. We respect all opinions and support the right of free expression.

PRSA Code Provisions

FREE FLOW OF INFORMATION

Core Principle

Protecting and advancing the free flow of accurate and truthful information is essential to serving the public interest and contributing to informed decision making in a democratic society.

Intent

- To maintain the integrity of relationships with the media, government officials, and the public.
- To aid informed decision-making.

Guidelines

A member shall:

- Preserve the integrity of the process of communication.
- Be honest and accurate in all communications.
- Act promptly to correct erroneous communications for which the practitioner is responsible.
- Preserve the free flow of unprejudiced information when giving or receiving gifts by ensuring that gifts are nominal, legal, and infrequent.

Examples of Improper Conduct under this Provision:

- A member representing a ski manufacturer gives a pair of expensive racing skis to a sports magazine columnist, to influence the columnist to write favorable articles about the product.
- A member entertains a government official beyond legal limits and/or in violation of government reporting requirements.

COMPETITION

Core Principle

Promoting healthy and fair competition among professionals preserves an ethical climate while fostering a robust business environment.

Intent

- To promote respect and fair competition among public relations professionals.
- To serve the public interest by providing the widest choice of practitioner options.

Guidelines

A member shall:

- Follow ethical hiring practices designed to respect free and open competition without deliberately undermining a competitor.
- Preserve intellectual property rights in the marketplace.

Examples of Improper Conduct under This Provision:

- A member employed by "client organization" shares helpful information with a counseling firm that is competing with others for the organization's business.
- A member spreads malicious and unfounded rumors about a competitor in order to alienate the competitor's clients and employees in a ploy to recruit people and business.

DISCLOSURE OF INFORMATION

Core Principle

Open communication fosters informed decision making in a democratic society.

Intent

- To build trust with the public by revealing all information needed for responsible decision making.

Guidelines

A member shall:

- Be honest and accurate in all communications.
- Act promptly to correct erroneous communications for which the member is responsible.
- Investigate the truthfulness and accuracy of information released on behalf of those represented.
- Reveal the sponsors for causes and interests represented.

- Disclose financial interest (such as stock ownership) in a client's organization.
- Avoid deceptive practices.

Examples of Improper Conduct under this Provision:

- Front groups: A member implements "grass roots" campaigns or letter-writing campaigns to legislators on behalf of undisclosed interest groups.
- Lying by omission: A practitioner for a corporation knowingly fails to release financial information, giving a misleading impression of the corporation's performance.
- A member discovers inaccurate information disseminated via a Web site or media kit and does not correct the information.
- A member deceives the public by employing people to pose as volunteers to speak at public hearings and participate in "grass roots" campaigns.

SAFEGUARDING CONFIDENCES

Core Principle

Client trust requires appropriate protection of confidential and private information.

Intent

- To protect the privacy rights of clients, organizations, and individuals by safeguarding confidential information.

Guidelines

A member shall:

- Safeguard the confidences and privacy rights of present, former, and prospective clients and employees.
- Protect privileged, confidential, or insider information gained from a client or organization.
- Immediately advise an appropriate authority if a member discovers that confidential information is being divulged by an employee of a client company or organization.

Examples of Improper Conduct under This Provision:

- A member changes jobs, takes confidential information, and uses that information in the new position to the detriment of the former employer.
- A member intentionally leaks proprietary information to the detriment of some other party.

CONFLICTS OF INTEREST

Core Principle

Avoiding real, potential or perceived conflicts of interest builds the trust of clients, employers, and the public.

Intent

- To earn trust and mutual respect with clients or employers.
- To build trust with the public by avoiding or ending situations that put one's personal or professional interests in conflict with society's interests.

Guidelines

A member shall:

- Act in the best interests of the client or employer, even subordinating the member's personal interests.
- Avoid actions and circumstances that may appear to compromise good business judgment or create a conflict between personal and professional interests.
- Disclose promptly any existing or potential conflict of interest to affected clients or organizations.
- Encourage clients and customers to determine if a conflict exists after notifying all affected parties.

Examples of Improper Conduct under This Provision

- The member fails to disclose that he or she has a strong financial interest in a client's chief competitor.
- The member represents a "competitor company" or a "conflicting interest" without informing a prospective client.

ENHANCING THE PROFESSION

Core Principle

Public relations professionals work constantly to strengthen the public's trust in the profession.

Intent

- To build respect and credibility with the public for the profession of public relations.
- To improve, adapt and expand professional practices.

Guidelines A member shall:

- Acknowledge that there is an obligation to protect and enhance the profession.
- Keep informed and educated about practices in the profession to ensure ethical conduct.
- Actively pursue personal professional development.
- Decline representation of clients or organizations that urge or require actions contrary to this Code.
- Accurately define what public relations activities can accomplish.
- Counsel subordinates in proper ethical decision making.

- Require that subordinates adhere to the ethical requirements of the Code.
- Report ethical violations, whether committed by PRSA members or not, to the appropriate authority.

Examples of Improper Conduct under This Provision:

- A PRSA member declares publicly that a product the client sells is safe, without disclosing evidence to the contrary.
- A member initially assigns some questionable client work to a non-member practitioner to avoid the ethical obligation of PRSA membership.

PRSA Member Code of Ethics Pledge

I pledge:

To conduct myself professionally, with truth, accuracy, fairness, and responsibility to the public; To improve my individual competence and advance the knowledge and proficiency of the profession through continuing research and education; And to adhere to the articles of the Member Code of Ethics 2000 for the practice of public relations as adopted by the governing Assembly of the Public Relations Society of America.

I understand and accept that there is a consequence for misconduct, up to and including membership revocation.

And, I understand that those who have been or are sanctioned by a government agency or convicted in a court of law of an action that is in violation of this Code may be barred from membership or expelled from the Society.

Signature

Date

APPENDIX TWO

Professional Standards Advisory PS-12 (October 2009)

TO: Members of the Public Relations Society of America

FROM: PRSA Board of Directors — PRSA Board of Ethics and Professional Standards

RE: Professional Standards Advisory PS-12 (October 2009) — Questionable Environmental Claims and Endorsements (“Greenwashing”)

All PRSA members pledge adherence to the Society's Member Code of Ethics. As issues arise relating to the practice of public relations, the Board of Ethics and Professional Standards (BEPS) is charged with providing guidance on such issues within the framework of the Code provisions. The PRSA Board of Directors then announces these guidelines through this series of professional standards advisories. The PRSA Member Code of Ethics may be found online at www.prsa.org.

ISSUE: As the United States appears to be entering a resurgence of concern and attention to environmental sensibility, sensitivity and preservation, there is an equal and, perhaps, accelerating use of environmentally friendly endorsements, which may be inaccurate, exaggerated or completely unfounded. Practitioners are advised to examine each of these claims of environmental responsibility, compliance, sustainability or even of public or customer acceptance, with an eye toward assuring that, when used, these accolades are clear, grounded in facts, information and data; and are valid, reproducible and appropriate.

BACKGROUND: Environmental endorsement claims likely come under regulation, scrutiny and rules associated with state advertising laws, standards and practices imposed by the various state and federal Environmental Protection Agency (EPA), Federal Trade Commission (FTC) and industry standards, such as Leadership in Energy and Environmental Design (LEED®) certification program of the U.S. Green Building Council, www.usgbc.org; American National Standards Institute (ANSI), <http://www.ansi.org/>; the International Organization for Standards (ISO), <http://www.iso.org/iso/home.htm> and other green rating organizations like Green Seal, <http://www.greenseal.org/>; Ecologo, <http://www.ecologo.org/en/redirect.asp>; and cradle-to-cradle certification by MBDC, www.mbdc.com/c2c/.

This Practice Standard Advisory is designed to alert communicators to all of these areas of restriction, regulation, control and rule, as well as good communication practices that adhere to the PRSA Code of Ethics and its Code provisions and values.

The FTC has been following companies claiming to be “green” in their business practices or products for many years. It published a set of guidelines in 1992 that established “Green Guides” for claims of biodegradability and eco-friendly products. Recently, there has been a new rush to claim the “greenness” of a product or service. With one-third of consumers checking labels for environmentally positive products, it has become a key motivator in purchasing decisions.

According to a recent *USA Today* article more than 10 percent of advertisements in major publications contain a green claim. (http://www.usatoday.com/news/washington/environment/2009-06-21-green_N.htm)

State laws, for example, require that all advertising be truthful. In theory at least, ads that fail to meet the standard can be legally contested and, perhaps, even attacked by relevant authorities. Ads can be truthful yet incomplete because the information provided omits some information that collides with practices already in

place by a vendor, manufacturer, sales organization or industry. Information can be erroneous through three mechanisms:

- Omission (intentionally and unintentionally limiting information);
- Commission (intentional but perhaps harmless action); and
- Negligence (intentional actions knowingly putting people, animals or living systems at risk).

According to sourcewatch.org, *greenwashing* is defined as the unjustified appropriation of environmental virtue by a company, an industry, a government, a politician or even a non-government organization to create a pro-environmental image, sell a product or a policy or to try and rehabilitate their standing with the public and decision makers after being embroiled in controversy.

Companies are eager to differentiate their product from the competition. An increasingly more common method is to claim the product as “green”, environmentally friendly, carbon neutral, sustainable or some other difficult to define status. Public relations professionals serving companies that may employ claims of this nature should clearly understand their responsibility to educate decision makers about the potential damage to the reputation of the company if these claims are shown to be false, misguided or misleading.

TerraChoice, an agency focusing on environmental marketing, conducted a recent study after purchasing a total of 2,219 products at big box stores throughout the United States and Canada that displayed environmental claims.

There were a total of 4,996 claims from this group of products. TerraChoice identified 98 percent of the green claims to be false, misleading or merely vague. (Study available at www.terrachoice.com.)

Types of green claims are varied but include such areas as:

- Sustainability
- Compliance
- Uniqueness
- Endorsements by environmental groups
- Apparent endorsements by government agencies or utilities
- Independent third-party verification/certification
- General “greenness”

RELEVANT SECTIONS OF THE PRSA CODE: At least four Code provisions and six professional values relate to this issue.

Code Provisions

- **Free Flow of Information:** Withholding, embellishing, distorting or outright lying; attempting to interfere with the free flow of information.
- **Competition:** In many areas of communication, related to environmental issues and concerns, organizations, institutions and individuals may attempt to claim superiority in their claims for environmental sensitivity and validity.
- **Disclosure of Information:** The area of greatest concern, because many claims, endorsements and purported validations are difficult to evaluate regarding their merit, truthfulness and/or accuracy.
- **Enhancing the Profession:** This area of practice presents an extraordinary vulnerability to the profession because environmental claims are often leveraged by public relations practitioners in supporting literature.
- **Professional Values**
- **Advocacy.** We serve the public interest by acting as responsible advocates for those we represent. We provide a voice in the marketplace of ideas, facts and viewpoints to aid informed public debate.
- **Honesty.** We adhere to the highest standards of accuracy and truth in advancing the interests of those we represent and in communicating with the public.

- **Expertise.** We acquire and responsibly use specialized knowledge and experience. We advance the profession through continued professional development, research, and education. We build mutual understanding, credibility, and relationships among a wide array of institutions and audiences.
- **Independence.** We provide objective counsel to those we represent. We are accountable for our actions.
- **Loyalty.** We are faithful to those we represent, while honoring our obligation to serve the public interest.
- **Fairness.** We deal fairly with clients, employers, competitors, peers, vendors, the media and the general public.

We respect all opinions and support the right of free expression.

EXAMPLES OF IMPROPER PRACTICES:

- **Unethical practices**
 - **Unsubstantiated claims.** Making green claims when you know the claims are unsubstantiated.
 - **True but deceptive claims.** Making green claims that are true but deceptive. For example, claiming a product is “CFC-free” when CFC is irrelevant and would have no reason to be an ingredient in the product.
- **Media coverage**
 - **Media Post** reports that FTC Slaps Kmart With 'Fake Green' Charges
 - www.mediapost.com/publications/?fa=Articles.showArticle&art_aid=107617
 - In its ongoing efforts to protect consumers from the increasingly sneaky "greenwashing" terms used by marketers, the U.S. Federal Trade Commission (FTC) has charged Kmart Corp. with making "false and unsubstantiated claims" that its private label paper products are biodegradable.
 - **The Sunday Herald** in the UK notes that Firms guilty of making fake green claims
 - http://www.sundayherald.com/news/heraldnews/display.var.1596692.0.firms_guilt_y_of_making_fake_green_claims.php
 - It reports that the independent Advertising Standards Authority (ASA) upheld complaints about environmental statements in the advertisements of nine companies, including Toyota, Volkswagen, easyJet and Ryanair.
 - Detecting the issue. TerraChoice (<http://sinsofgreenwashing.org/>) identifies seven types of dubious green claims:
 - **The hidden trade-off.** Suggesting a product is “green” based on an unreasonably narrow set of attributes without attention to other important environmental issues. Paper, for example, is not necessarily environmentally-preferable just because it comes from a sustainably-harvested forest. Other important environmental issues in the paper-making process, including energy, greenhouse gas emissions and water and air pollution, may be equally or more significant.
 - **No proof.** Committed by an environmental claim that cannot be substantiated by easily accessible supporting information or by a reliable third-party certification. Common examples are facial or toilet tissue products that claim various percentages of post-consumer recycled content without providing any evidence.
 - **Vagueness.** Committed by every claim that is so poorly defined or broad that its real meaning is likely to be misunderstood by the consumer. “All-natural” is an example. Arsenic, uranium, mercury and formaldehyde are all naturally occurring and poisonous. “All natural” isn’t necessarily “green”.
 - **Irrelevance.** Committed by making an environmental claim that may be truthful but is unimportant or unhelpful for consumers seeking environmentally preferable

products. “CFC-free” is a common example, since it is a frequent claim despite the fact that CFCs are banned by law.

- **Lesser of two evils.** Committed by claims that may be true within the product category, but that risk distracting the consumer from the greater environmental impacts of the category as a whole. Organic cigarettes are an example of this category, as are fuel-efficient sport utility vehicles.
- **Fibbing.** The least frequent sin is committed by making environmental claims that are simply false. The most common examples were products falsely claiming to be Energy Star certified or registered.
- **False labels.** Committed by a product that, through either words or images, gives the impression of third-party endorsement where no such endorsement actually exists.

RECOMMENDED BEST PRACTICES:

- Review product claims and make certain supporting marketing collateral and key messages accurately describe the product and avoid unsubstantiated claims.
- Avoid the problem
 - Product claims should be thoroughly vetted and defensible.
 - Developing environmental commitment, motivation and standards throughout your organization or your client’s first, and then enacting real change to meet those new standards is the only way to effectively manage true green marketing and the claims that are associated with them.
 - Language describing the products’ attributes should be clear and not intended to deceive or influence the consumer through false or misleading claims.
 - Ensure what you have to say about your product’s environmental claim is important for consumers to know.
- Be sure your green claims educate consumers rather than confuse them.
- Ensure that your green claim is completely substantiated and that you have the evidence to back up the claim.
- Make your claim specific. Eliminate potential for misinterpretation of the claim.
- Double check to make sure your claim is legal in every state where your product is to be marketed or where advertising and communications work is executed.
- It is advisable that your product claim be connected to your company’s or client’s overall environmental commitment and performance. For example, it won’t matter to consumers if your product is 100 percent sustainable if, in the process, you pollute your community’s ground water aquifer for the next thousand years in the manufacture of that product.

FOR FURTHER REFERENCE:

Visit the Greenwashing Index (<http://www.greenwashingindex.com>) from EnviroMedia and the University of Oregon where browsers can rate ads and determine if product claims should be considered “most authentic” or a “worst offender”.

Download the Seven Sins of Greenwashing report from TerraChoice at <http://sinsofgreenwashing.org/> Watson, Traci.

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APPENDIX THREE

PRSA Professional Standards Advisory PS-15 (August 2010)

TO: Members of the Public Relations Society of America

FROM: PRSA Board of Directors — PRSA Board of Ethics and Professional Standards

RE: Professional Standards Advisory PS-15 (August 2010) — Looking the Other Way

All PRSA members pledge adherence to the Society's Member Code of Ethics. As issues arise relating to the practice of public relations, the Board of Ethics and Professional Standards (BEPS) is charged with providing guidance on such issues within the framework of the Code provisions. The PRSA Board of Directors then announces these guidelines through this series of professional standards advisories. The PRSA Member Code of Ethics may be found online at www.prsa.org.

ISSUE: Among all of the staff functions in an organization, it is the communicator and communications department that seem to be in just about everyone's backyard, everyone's meetings or plans and everyone's strategic discussions, including those where ethical dilemmas arise. All too frequently, when questionable behaviors occur, the alarm fails to be sounded at an early stage for reasons ranging from fear to self-consciousness, to wanting to keep the boss happy, to "it's just not my concern." This behavior is looking the other way and it can be unethical.

Wikipedia describes three common idioms in Western culture to describe this behavior:

- The idiom "turning a blind eye" is used to describe the process of ignoring unpopular orders or inconvenient facts or activities.
 - The phrase "turn a blind eye" is attributed to an incident in the life of Admiral Horatio Nelson. Nelson was blinded in one eye early in his Royal Navy career. In 1801, during the Battle of Copenhagen, cautious Admiral Sir Hyde Parker, in overall command of the British forces, ordered Nelson's forces to withdraw. Naval orders were transmitted via a system of signal flags at that time. When this order was drawn to the more aggressive Nelson's attention, he lifted his telescope up to his blind eye, said he saw no signal, and ordered his forces to continue to press home the attack.
- The three wise monkeys (from a Japanese pictorial maxim): Together they embody the proverbial principle to "see no evil, hear no evil, speak no evil."
 - In the Western world, the phrase is often used to refer to those who deal with impropriety by looking the other way, refusing to acknowledge it or feigning ignorance.
- "Willful blindness" (sometimes called "willful ignorance" or "contrived ignorance") is a term used in law to describe a situation in which an individual seeks to avoid civil or criminal liability for a wrongful act by intentionally putting himself in a position where he will be unaware of facts which would render him liable.
 - A famous example of such a defense being denied occurred in the Aimster Copyright Litigation, 334 F.3d 643 (7 Cir. 2003), in which the defendants argued that their file-swapping technology was designed in such a way that they had no way of monitoring the content of swapped files and suggested that their inability to monitor the activities of users meant that they could not be contributing to copyright infringement by the users. The court held that this was willful blindness on the defendant's part and would not constitute a defense to a claim of contributory infringement.

- In some public relations firms and departments, certain practitioners are allowed to belong to professional organizations that have codes of conduct, some including penalties. These same firms and departments have other practitioners who intentionally do not belong to these professional associations. Work and assignments that may cross the line, in terms of conduct, can be conducted under the rubrics of “turning a blind eye,” “three monkeys” or “willful blindness.”

BACKGROUND: In many professions, “Codes of Silence” have developed. These are situations where— for reasons of custom, internal pressure, the threat of external punishment, or fear of being shunned from professional camaraderie — unethical behaviors, decisions, actions and consequences are intentionally ignored.

For communicators, as in many staff functions, it is easier to talk about those areas of organizational activities where we have expertise, standing and authorization to talk. When it comes to communicating about operations or operational decision making (or some other high-level staff function), we ask permission to speak, interpret or describe. We may be summarily shut out. Being shut out is a blatant indication that a Code of Silence is in place.

The Gray Wall

In public relations, “gray wall” involves intentionally ignoring actions, behaviors, decisions, strategies and advice that is inappropriate, unethical, unnecessary, potentially unlawful or just plain stupid. The primary purpose of staff functions is to help leaders and managers of organizations do a better job, stay on the correct pathways and, therefore, be better leaders and managers. There are as many walls as there are professions. Here are some examples of other walls that already exist and that affect communicators and communications:

The Blue Wall

Four New York City police officers fired 41 bullets at an unarmed and innocent black man in the Bronx. Weeks passed while the mayor steadfastly defended the police chief and the officers. The [blue wall](#) of police silence only crumbled after enormous public pressure and demonstrations. Wherever there are police, there is a blue wall.

The White Wall

When physicians and medical personnel make mistakes, the medical community often seems to rally around each other to protect themselves against mistaken patients, potential litigation and an [“uninformed public”](#) whipped up by a sensationalizing media. Medical professionals have enormous power to control information.

The Green Wall

This is the [code of silence](#) among military professionals whose chosen profession is, when necessary and without reservation, to lay down their lives for the protection of their country and the deterrence of hostile forces. The tendency when mistakes such as friendly fire or bad decisions occur appears to be to look at civilians as unworthy of judging these events and unwelcome intruders, since they have not submitted themselves to the “tests of war.” The U.S. military has its own rules, *the Uniform Code of Military Justice* (UCMJ), and its own court system.

The Stone Wall

This is the corporate communication practice of initially denying events to delay consequences, stalling when asked for information, delivering angry and emotion-driven counter attacks against those who criticize or who might criticize, or simply remaining silent. It is the tendency to minimize any serious situation, put a good face or no face on something and hold off until forced to do something.

The “J” Wall

This is the news media’s tendency to take offense and lash out at any criticism, suspicion or negative comments about reporters or the media. This is the practice of debating errors rather than correcting them, the overuse of anonymous sources, and hiding background information and details from story sources. The Code of Silence begins with the interview when the reporter deceives the source into thinking that the information provided will be treated fairly and objectively, when the reporter has completely different intentions from the start.

RELEVANT SECTIONS OF THE PRSA CODE: At least five Code provisions and six professional values relate to this issue.

Code Provisions

- **Conflicts of Interest:** Revealing real, potential or perceived conflicts of interest builds the trust of clients, employers and the public.
- **Disclosure of Information:** Failure to expose or challenge bad behaviors, decisions or actions leads to information being hidden when it should be exposed.
- **Enhancing the Profession:** Looking the other way presents an extraordinary vulnerability to the profession, because clients and the public look to the professional communicator for sensible, useful, creative help and disclosure in adverse situations.
- **Free Flow of Information:** Withholding, embellishing, distorting or outright lying; attempting to interfere with the free flow of information.
- **Safe Guarding Confidences:** Client trust requires appropriate protection of confidential and private information. The issue here is intentionally withholding counsel regarding information that should be exposed rather than remain confidential.
- **Professional Values**
- **Advocacy.** We serve the public interest by acting as responsible advocates for those we represent. We provide a voice in the marketplace of ideas, facts and viewpoints to aid informed public debate.
- **Honesty.** We adhere to the highest standards of accuracy and truth in advancing the interests of those we represent and in communicating with the public.
- **Independence.** We provide objective counsel to those we represent. We are accountable for our actions.
- **Fairness.** We deal fairly with clients, employers, competitors, peers, vendors, the media and the general public.

We respect all opinions and support the right of free expression.

EXAMPLES OF IMPROPER PRACTICES:

- It is unethical to look the other way or remain silent when you know that something illegal, unethical, improper or immoral is underway, being planned or about to happen.
- It is unprofessional to claim that stopping questionable operational behavior or bad decisions can only be done through operations. Intentional failure to see something inappropriate and challenge it is ethically questionable.
- Failure to promptly correct erroneous information delivered to news media by a CEO or senior management, even if that failure by the PR practitioner is to avoid embarrassing the executive, whose error may have been unintentional.

- Confronted by information that just doesn't add up but presenting it to the news media or the public without asking the hard questions that will ensure truthfulness and accuracy – or might stop the announcement altogether. (There are many examples of executives representing major companies and brands who knew suspicious activities were underway but did not or would not trust their instincts and ask tough questions of higher-ups).
- Releasing new product information as if the product was finished, but in reality the product is incomplete or non-existent. This is an all too common practice in the software business and in the broader technology sector as companies determine that it's more important to appear to be ahead of a competitor to avoid losing potential sales. The practice is rationalized this way: "Everybody else does it, so it's okay" and consumers seem to tolerate it." The practice of announcing products before they exist leads to the term "vaporware" to describe software that is only conceived and announced when a competitor makes its announcement.
- Failure by a practitioner who knows the PRSA Code of Ethics but does not counsel a client to change bad practices or behaviors that conflict with the Code.
- Failure of a practitioner who observes a peer using practices in conflict with the PRSA Code to counsel the peer first, then higher management.

RECOMMENDED BEST PRACTICES:

Look for behaviors that could get organizations into trouble; when you see something, say something.

- Examples of troubling behavior include:
 - Lax control: No tough, appropriate, centralized compliance and regulatory administrative oversight.
 - Under-report or fail to report infractions: "They really were quite minor . . . isolated incidents..."
 - Leaders who encourage supervisors to overlook bad behavior.
 - Permit individuals to experiment with or "test unapproved new methods."
 - Encourage a "do whatever it takes" mentality.
 - Minimize oversight and compliance processes.
 - Pretend that they are an ethically driven, principled organization.
 - Avoid confrontation with managers operating "on the edge."
 - Know but ignore signs of rogue behavior.
 - Tolerate the incorrect behavior of individuals "critical to the mission."
 - Dismiss individuals who report bad or outright criminal behaviors.
 - Demean the internal credibility of whistleblowers.
 - Ethical actions that can prevent, detect and deter unethical activity:
 - Establish compliance standards and procedures with which employees and other agents can reasonably comply.
 - Assign high-level personnel with the overall responsibility to oversee compliance standards and procedures.
 - Resist delegating substantial discretionary authority to individuals management knows are weak or have a propensity to engage in unethical activities.
 - Take aggressive steps to communicate the standards and procedures effectively to all employees by requiring participation in training programs and disseminating information that explains, in practical terms, what is required to be ethical.
 - Take reasonable steps to achieve compliance by monitoring, auditing and designing management systems and structures to detect inappropriate behaviors.
 - Encourage the reporting of unethical conduct by others within an organization without fear of retribution.
 - Consistently enforce standards and procedures, and apply appropriate disciplinary mechanisms.
 - Analyze unethical behaviors and activities to understand how to detect, prevent and deter future similar circumstances.

- Be prepared for ethical dilemmas that arise due to circumstances. For example, in a crisis, questions are always asked:
 - How rapidly do we respond?
 - How publicly do we respond?
 - What is our response priority?
 - Is there any good news potential?
 - Who is watching? Why?
 - What do we have to say?
 - Others are worse than we are. Why do we have to be so open?
 - Communicators have the affirmative obligation to look, listen and speak up.
 - Ask morally relevant questions when morally questionable behaviors occur:
 - What did they know and when did they know it?
 - What did they say and when did they say it?
 - What did they do and when did they do it?
 - Has all the information been presented honestly and correctly?
 - What are the relevant facts of the situation?
 - What decisions were made?
 - Who was involved/affected?
 - What was sacrificed to benefit the victims?
 - Was there a serious attempt to find out?
 - What alternative actions are available?
 - Is the action or situation truly reflective of a responsive community citizen?
 - Whom does our behavior bother? Whom does our behavior affect?
 - What ethical principles or standards of conduct are involved or at issue?
 - Is it really our problem?
 - How would these principles be advanced or violated by each alternative action?
 - What was the fundamental cause—omission, commission, negligence, neglect, accident, arrogance, other?
 - How could this have been avoided?
 - Have all of the critical ethical questions been asked and answered?
 - Are our actions open, honest and truthful?
 - What affirmative action is being taken now to remedy or remediate the situation?
 - Did this happen because there is an institutional "code of silence" when morally questionable decisions or actions come to light?
 - How will future unethical behavior be disclosed? To whom? How fast?
 - What lesson can the organization learn as this dilemma is resolved?
 - As an organization, are we prepared to combat behaviors that lead to ethical compromises?

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APPENDIX FOUR

PRSA Letter to the Editor of *The New York Times* re FTC proposed revisions to “Green Guides” for environmental marketing (Oct. 21, 2010)

PRSA Submits *New York Times* Letter to the Editor on Revisions to FTC 'Green Guides' for Environmental Marketing

PRSA submitted a letter to the editor of *The New York Times* in response to an Oct. 7, 2010, [article](#) concerning the Federal Trade Commission's planned revisions to its "Green Guides" for environmental marketing, emphasizing the need for honest and transparent messaging in marketing materials, per the [PRSA Code of Ethics](#).

To the Editor:

Re “[Agency Seeks to Tighten Rules for Green Labeling](#)” (Business Day, Oct. 7, 2010):

The Federal Trade Commission [seeking public comment](#) for the forthcoming revisions to its “Green Guides” for environmental marketing is a constructive initiative and puts marketers, communicators and advertisers on notice that the age of disingenuous or misleading advertising is officially over.

Digital communications and social media have given marketers increasing points of entry to influence consumers’ purchasing decisions. These very opportunities, however, place a greater and more immediate emphasis on the responsibility communicators and marketers must have to ensure their branding and marketing efforts engender trust with the public, rather than compel another era of consumer mistrust.

The FTC’s “Green Guides” call for transparency in all environmental marketing materials. That has been a hallmark of professional communicators who are members of the [Public Relations Society of America](#) (PRSA), who pledge to conduct themselves according to a Code of Ethics that calls, above all, for honesty and transparency in their messaging and branding.

As marketers, advertisers and communicators continue to develop new branding opportunities for emerging markets, we must keep to the high road. It’s a timeless concept that has thankfully found the backing of consumers and the FTC alike.

Gary D. McCormick, APR, Fellow PRSA

Gary D. McCormick, APR, Fellow PRSA, is chairman and CEO of the Public Relations Society of America, the largest public relations professional association in the U.S.

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APPENDIX FIVE

PRSA executive blog post re PRSA blog post: "FTC 'Green' Guidelines a Step Forward, but Code Calls for More" (Oct. 14, 2010)

FTC 'Green' Guidelines a Step Forward, but Code Calls for More | Oct. 14, 2010

PRSA.PRSA.org

How green is your green? Are you stretching the truth on your organization's commitment to environmental sustainability? If so, you may be in conflict with the [PRSA Code of Ethics](#). And very soon you also may be violating revised guidelines for environmental marketing [proposed](#) by the Federal Trade Commission (FTC).

Green claims are pervasive (and sometimes spurious), and it's become far too difficult to determine who is telling the whole truth and nothing but the truth. Misleading eco-statements are so common, in fact, that they have a name: "Greenwashing." They also became the focus of a [PRSA Professional Standards Advisory](#) (PSA) in 2009.

That Advisory noted that exaggerated claims of environmental responsibility go to the heart of the PRSA Code of Ethics, which takes a strong stand against misrepresentation of any kind, whether a claim falls into a gray area open to interpretation or has no substance whatsoever.

PRSA's Board of Ethics and Professional Standards (BEPS) noted that Greenwashing conflicts with the Code on several levels. It corrupts our professional obligation to a free flow of accurate information, contributes to unfair competitive claims, and violates our commitment to communications that can be evaluated accurately. Practitioners were reminded of their responsibility "to educate decision makers about the potential damage to the reputation of the company if these claims are shown to be false, misguided or misleading."

The FTC says its Consumer Perception Research indicates, not surprisingly, that claims using terms such as "renewable materials," "environmentally friendly" or "renewable energy" are interpreted by consumers to mean far more than they sometimes do. In addition, some "certifications" have little or no meaning. New guidelines would require disclosure of additional details about the relationship with the certifying entity.

The FTC has [opened its proposed new rules](#) for public discussion through Dec. 10, and it appears that some helpful guidance is on the way. If approved, communicators who have been frustrated by a competitor's dubious claims (or their own organization's push for stronger "green" statements) should see some improvement. In addition, claims that pass muster with the FTC should have more credibility and enhanced reputational value. And very important to the profession, the guidelines will encourage communications behavior more consistent with the PRSA Code of Ethics.

There's still a gray area that won't be addressed by these guidelines, however. Mitchell J. Katz of the FTC's Office of Public Affairs tells me that the guidelines apply only when communications are designed to sell something. Depending on the context, corporate image advertising and public relations could be fully protected speech if it's not directly tied to sales. Too, Katz describes much of the communication about sustainability as "soft claims." If the communication is "aspirational," meaning an organization's message is that it's committed to a goal of sustainability but isn't claiming certain results, it's not an FTC matter. If the messaging is used in a clear effort to sell products or services, it's under the FTC's purview. That's a big gray area.

Unfortunately, those “soft claims” leave the door open for continued ethical abuse. Our goal as PRSA members who abide by a Code of Ethics must be to demonstrate best behaviors as outlined very clearly in the PRSA Code and the PSA on “Greenwashing” — and to encourage others to do the same. We should abide by a higher standard than these new and much improved FTC guidelines.

[Thomas E. Eppes](#), APR, Fellow PRSA, is chair of PRSA’s Board of Ethics and Professional Standards (BEPS).

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