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American Peanut Council Case Study

Daniel Tisch*, Alison George

Argyle Communications, Toronto (Canada)

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ABSTRACT

This case study documents the work of Argyle Communications for the American Peanut Council to maintain confidence in the safety of US-grown peanuts in face of a devastating salmonella outbreak resulting in record-breaking product recalls. The strategy aligned the industry with the public interest by building communications capacity, providing accurate information, engaging leading food safety expertise and developing an industry consensus on a long-term food safety and public communications plan. Program measurement showed rapid recovery in consumer opinion, sales and consumption. The program demonstrates the achievement of the Council's most fundamental goal: protecting public confidence in the safety of its products.

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ear Readers,
This section introduces a new category of article into the Journal of Professional Communication - the short case study. In this category, we will publish quickly read, informative case studies that are examples of best practice in the professional communications industry from the private, public and not-for-profit sectors. The purpose of this work is to capture the best, award-winning cases from across Canada to build a knowledge base for practitioners in the industry and the academics who teach in colleges and universities programs.

We will publish two or three cases per issue. We expect he competition to be stiff. For this first issue we received many submissions from which we published two, after subjecting them to strict anonymous peer review by two reviewers. Dave Scholz, our case studies editor, then worked with the authors to prepare the texts for publication. We hope that you enjoy reading these cases and find them useful and edifying.

- The JPC Editorial Team

-177- jpc.mcmaster.ca

Email: DTisch@argylecommunications.com, Twitter: @DanTisch

[★]*Corresponding author (Daniel Tisch)*

Statement of Problem

The APC's challenge was to maintain confidence in the safety of US-grown peanuts in face of a devastating salmonella outbreak (Layton & Miroff, 2009) resulting in record-breaking product recalls.

Context of Problem

On January 9, 2009, the State of Minnesota warned of the possible salmonella contamination of a relatively small brand of peanut butter (Center for Disease Control, 2009). It was the first news of an outbreak that would be linked to nine deaths and 691 reported illnesses in the U.S. and Canada—requiring a recall of more than 3,900 products at a cost in the hundreds of millions of dollars (U.S. Food and Drug Administration, 2009).

Research and Analysis

Goals / objectives

- Preserve consumer confidence in the U.S. peanut industry's products and practices. (Measure: survey research measuring resumption of consumption and sales).
- Reduce inaccurate and alarmist reporting by the news media. (Measure: media coverage of proactive APC messaging).
- Be a principal online resource for the consumer, where they could find accurate information.

(Measure: unique web visitors, Google analytics).

• **Develop a consensus among APC members** for a post-crisis recovery strategy, overcoming divisions noted above. (Measure: industry buy-in to a long-term communications and food safety plan).

Research

The first phase involved establishing the facts, and building infrastructure for crisis management. This involved:

- Working with U.S. and Canadian regulators to establish the facts: Initially, there was hope that the outbreak was confined to certain brands of peanut butter distributed to institutions and some foodservice industry customers from a plant in Blakely, GA. On January 17, however, the U.S. Food and Drug Administration (FDA) (2010) urged consumers to postpone eating products that contain peanut butter as an ingredient (e.g., cookies, crackers, candy, ice cream), due to concern that some of the peanut butter or paste from the plant was used as an ingredient in those products. In subsequent days, the FDA began to post a list of affected products.
- Identifying the target consumer: Consumption is highest in the 40-54 demographic (Leger Marketing, 2009). The most influential consumers were mothers who were the primary shoppers. Research suggested that they were going online for food/health information.
- Evaluating media: This story instantly attracted media attention across the continent and beyond (CNN, 2009) Reinberg, 2009; Reuters, 2009) The team put into place a daily system to track both mainstream and social media in multiple markets, along with a regular call with international partners.
- Researching and identifying a Washington-based public relations partner. The APC required a local partner in Washington, DC, and worked quickly to qualify a firm based on three criteria: strength in issues management on food and health issues, national media relations capabilities and knowledge of U.S. regulatory processes. They also had to be independent from other industry sources. The APC, in collaboration with its Canadian PR agency selected Ogilvy PR's Washington office for the assignment.
- Understanding APC member perspectives: The Canadian agency participated in crisis briefings conducted by the APC's president with his board, staff and other industry figures. This helped develop a sense of the "on the ground" communications environment for growers, shellers and manufacturers across America.

Analysis

The team noted several issues:

- **1.** Coverage was being driven by regulatory action. The APC had to be completely aware of and aligned with regulators.
- **2. Much of the reporting missed a critical point:** That jars of peanut butter sold in retail stores were considered safe and not affected by the recall. This would be a critical message.
- 3. Broadcast media were more likely to report in inaccurate and alarming ways. They needed credible spokespeople.
- **4.** The public was looking for information online. This was a massive topic of interest in social media, with a general climate of confusion and a public anxious for information. Internet communication would be critical.
- 5. There was an undercurrent of critical commentary about the industry's manufacturing and agricultural practices. It would be essential to differentiate the manufacturer in question from the responsible practices of the industry at large.
- **6. One industry, many perspectives.** Some large manufacturers were reluctant for the APC to communicate proactively, as products or confections containing peanuts/peanut butter were sometimes a small part of much larger product lines; other members saw it as one manufacturer's problem, resenting that the whole industry should feel pressure to review its practices.

Communications

Strategy	Supporting Tactics
Build the APC's internal & external communications capacity.	 Argyle's president flew to Washington on short notice to provide a day of intense on-camera spokesperson training to the president of the American Peanut Council. The agency also took over some internal communications responsibilities, preparing a daily crisis and media update for the president to circulate to his members.

Strategy	Supporting Tactics
Proactive public communication: pro-safety, pro-regulation, pro-consumer.	 APC statements and outreach on Jan. 14, 17, 20 and 22 were driven by the following key messages: Food safety is our #1 priority: we're a responsible industry working hard to protect public health; We're working with the FDA to inform consumers about products that are and are not affected; Jars of retail peanut butter are not affected by – you can still enjoy PB&J We have stringent food safety and quality control practices — among the highest standards in the world. But even with the strongest code, the manufacturer has to follow them; and Even one isolated incident at one small plant is one too many.
Be the consumer's source for accurate information — on the Net.	 The FDA website had a long list of products (FDA, 2009) that were affected by the recall. On January 22, the PR team launched an online resource on the American Peanut Council's website highlighting products unaffected by the recall: "a way to see if consumers' favourite brands were safe." The PR team purchased a sponsored link on Google, so that the APC site would come up whenever a Google search featured the words "peanut" and "salmonella."
Engage a food safety expert.	 The APC engaged microbiologist Dr. Michael Doyle, Director of the University of Georgia's Center for Food Safety, to advise the industry in a review of its manufacturing and agricultural practices. This news was not released proactively, but rather used as part of a response highlighting the industry's stringent existing standards and its commitment to continuous improvement.
Isolate the rogue manufacturer.	• When news emerged on January 27th that the Peanut Corporation of America, owner of the Georgia plant, had ignored prior warnings of possible contamination, the APC condemned the "clear and unconscionable action of one irresponsible manufacturer who stands alone in an industry that strives to follow the most stringent food safety standards" (American Peanut Council, 2009). This statement received extensive media pick-up (example of coverage: Reinberg, 2009).
Provide a national broadcast interview source.	The team engaged one of the peanut industry's best-known dietitians, Patricia Kearney, to do a satellite television and radio tour on January 28th. This provided stations across the U.S. with up-to-date information on affected and unaffected products, and reinforced the APC's safety messages. A similar approach was ready-to-go but not executed in Canada, given the lower level of public concern and attention in this market.

Strategy	Supporting Tactics
Associate the APC with a "case for change."	• After long discussions with APC members, the team emerged with a five-point "case for change" that supported increased funding and inspection powers for the FDA, enhanced food safety risk analysis by manufacturers, mandatory FDA recall powers, and new ways to share best practices and expertise.
Engage the industry in a post-crisis strategy session.	On March 12, the Canadian agency facilitated a one-day meeting of all major players in the U.S. peanut industry in Washington, D.C. The morning featured a "lessons learned" panel of food safety experts from various industries. This helped industry members to understand best practices in recovering from a crisis. The afternoon engaged delegates in roundtable discussions on the opportunities and threats facing the industry; changes required to the food safety system; what the industry and its segments should do differently; and what actions could enhance public confidence in the health and safety of peanuts.

Audiences

- Consumers of peanut butter: Consumption is highest in the 40-54 demographic. The most influential consumers were mothers who were the primary shoppers. (Leger Marketing, 2009). Research suggested that they were going online for information about food health and safety. (Bantam, 2009).
- American Peanut Council members: This was a diverse group—from growers and shellers to both large and small manufacturers. As noted above, they held widely different perspectives on how the APC should respond, and also had a high expectation of involvement in communications decisions.
- **Regulators:** The APC needed strong relationships with the FDA, the Centers for Disease Control and Prevention (CDC) and other key regulatory bodies.
- **Media:** Broadcast, print and online media were the key conduits to all audiences.

Evaluation

Objective	Result
Preserve consumer confidence in the industry's products and practices.	 • Within three months of the crisis, 71% of Canadians and 60% of Americans reported that they had resumed purchasing peanut products. Within six months, the numbers climbed to 81% of Canadians and 80% of Americans (Leger Marketing, 2009). • Nielsen data showed a rapid recovery in peanut butter sales from a low of \$88M in February to \$96M in March (similar to 2008 levels), with growth in every subsequent month in 2009 (Nielsen, 2009).
Reduce inaccurate/ alarmist reporting in the media.	• Thanks to proactive statements and media relations, there was a rapid decline in inaccurate stories and a rapid growth in stories featuring APC messages. Tracking of social media/blog coverage on peanuts/peanut butter showed a coverage balance of 18% positive, 33% neutral, 49% negative in the first 30 days, far exceeding client and team expectations (Radian6, 2009).
Be a principal online consumer resource.	• The Google sponsored link was very successful, generating 70,251 clicks and 1,440,770 impressions in the first seven days alone (an excellent click-through rate of 4.88%) (Radian6, 2009).
Develop a consensus among APC members for a post-crisis recovery strategy.	• A Washington-held Peanut Industry Strategic Planning Workshop generated an industry-wide consensus to review its agricultural and manufacturing practices, enhance collaboration with the FDA, improve training and education at all levels within the industry, and reaffirm the APC's role in leading food safety initiatives. • Post-meeting participant evaluations¹ led the APC president to report this was the highest-rated meeting in his 22 years he had been with the organization. Many participants commented on the transformational impact of having been given such an active role in the deliberations.

Conclusions

The strategy aligned the industry with the public interest by building communications capacity, providing accurate information, engaging leading food safety expertise and developing an industry consensus on a long-term food safety and public communications plan.

^{1.} Proprietary compilation of post-meeting evaluations.

Program measurement showed rapid recovery in consumer opinion, sales and consumption. The program demonstrates the achievement of the Council's most fundamental goal: protecting public confidence in the safety of its products.

Key Learnings

- 1. Make sure you understand the organization's business, the policy and regulatory environment surrounding it, and the drivers of consumer attitudes and behaviour.
- 2. Know and anticipate the triggers of controversy.
- 3. Understand the decision-making process—both within the organization and within government and other stakeholders that could affect the outcome.
- 4. Build relationships with stakeholders early not just when you need them.
- 5. Accept that you can't control everything. Control what you say, and try to influence others with timely, accurate information proactively and responsively.
- 6. Be web-savvy and web-ready.
- 7. If change is going to be thrust upon you, try to lead that change.

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