

February 2002

Outside counsel often needed for M&A communications

By Terry Beeler

Petro-Canada announces it will pay \$3.2 billion for the international oil and gas operations of Germany's Veba Oil & Gas. Alberta Energy and PanCanadian Energy announce plans to merge, forming a multi-billion dollar entity to be known as EnCana. Anderson Exploration heads south as Devon Energy Corporation of the U.S. acquires its outstanding shares. A number of companies in the oil patch have pursued high-profile mergers and acquisitions recently.

Communication plays a crucial role in energy-sector mergers but because of the sensitive nature of the negotiations leading up to a deal, inside public relations staff often cannot be involved, notes Beth Diamond, Managing Partner of National Diamond. "You have some restrictions: between the time it's announced and the time the shareholders vote on it, people are working together but it's not official, and that can be difficult for companies."

Typically, Beth says, when National Diamond is brought in, the client's board strikes a special committee to represent shareholders' interests. This committee hires Beth's team to determine the audiences to reach and the messages to communicate.

Every transaction has its challenges—such as cross-border issues or merging two employee cultures, for example. A hostile takeover attempt where a bidding war ensues has its own issues. In such a case there are strict regulatory guidelines about what the public relations practitioner can and can't say. Even in friendly mergers, there is a period where the companies involved have to sell the deal to all audiences. Communications professionals are needed to explain the value of the merger to capital markets, shareholders, employees, and the media.

Beth says the time between the merger announcement and shareholder approval is risky. Employees can feel a lot of

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CPRS • Member Profile

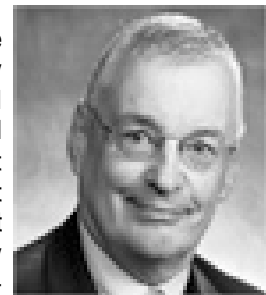
David Annesley, APR

by Bonnie Elgie, APR

It could be said that public relations is in David Annesley's blood. His father built a long and successful career in PR. David has been in the business for almost 40 years and his daughter Janet has also chosen a career in the industry. A long-time member and past-president of CPRS Calgary, David is currently the longest-standing member of the advisory committee to the Mount Royal College Public Relations program. In 1991, he received three major public relations honours: the first-ever Mount Royal College PR Society Practitioner Appreciation Award, CPRS Calgary's Master Communicator Award and the Philip A. Novikoff Memorial Award at the CPRS

national conference.

As the saying goes, the more things change the more they stay the same, and the lessons David learned throughout his career still apply today. *Maxim* recently sat down with David to talk about PR, oil and gas, and mergers. It was a particularly timely conversation, given the high-profile changes taking place in the oil and gas industry.



David Annesley, APR

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counsel...


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anxiety, and if that anxiety goes unchecked companies risk losing good staff or the creation of an "us and them" employee culture. Beth recommends an internal communications program to get accurate information to employees and begin a regular pattern of communication even if there are no new facts to tell. If employees see that management is being as open as possible it often helps reduce fear, anxiety, and rumours. Staff want to know about things like change in strategic direction, staff roles or the operating structure.

"We always ask people to set up a special part of their Intranet for employees, related specifically to the transaction. We like to see two-way communications immediately, in a Q&A format, to gather concerns and deal with them in a very timely way."

Beth says her team always works with the special board committee's financial advisors and lawyers. A presentation is prepared for the data room if it's an auction or bid, or for a road show if that's what's needed to sell the deal. Once the

merger announcement is made, National Diamond will use news conferences and conference calls with simultaneous Web casting to create as much opportunity for two-way dialogue as possible. The Web sites of both parties will have a special site dedicated to the transaction set up before the official announcement. That lets the media, employees, and others have access to the latest information and log their own questions and comments.

Beth says her team does a lot of media, chat room, and bulletin board monitoring so that they can judge reaction to the announcement and prepare appropriate responses. After approval, the task then becomes communicating on behalf of the newly merged firm. "And often that's kind of a repositioning, because each company will bring to the table a different culture, point of view, and different operating practices. The real challenge in a merger is to have a consistent, united message by the time the shareholders vote yes." 

CPRS • Online PR Resources

Useful nuggets can be found on dated web site

By Sean French


As I set out to explore www.prplace.com, the cheesy dartboard graphic was an early warning signal that this might not be the best resource for public relations professionals. The posted accolades for First Place 1997 ACE Award for Communications Excellence from International Association of Business Communicators (IABC), New York, was a further indication that the site may be a little outdated.

Maintained by Media Distribution Service (MDS), the self-proclaimed "nation's largest PR media, printing, mailing, fax and e-mail service", this Web site is essentially a free sample that seeks to generate database and media distribution business for the company. Despite the claim that "annually, MDS spends over \$1 million updating its records with 6,000-7,000 monthly phone calls, 20,000 monthly mail requests, and in-depth reviews of thousands of journals, newsletters, directories, and trade publications that cover the print and broadcast press," much of the information is obsolete.

Having said that, there are some useful elements on this site. It can be helpful for professionals who are interested in MDS circulation figures for major publications. This section contains a list of magazines and their circulation

numbers broken down by market segment. If you need to research the reach of a particular serial publication, you can find it here. For instance, you may be interested in the fact that *Chocolatier* magazine outsells *Fit* magazine by the narrowest of margins - 150,000 to 149,162.

Other items on the PR Place Web site that might be of interest include links to journalism organizations and newswire services, a listing of international, national (Canada and US) and regional public relations organizations, a listing of media contact directories, and links to industry journals, newsletters, and magazines.

Overall, the PR Place Web site may be handy as a clearinghouse for links to resources for public relations professionals. As with any site that maintains an enormous database of links and contacts, however, one should be careful to check that any information gleaned from here is current and accurate. 



Who's who? keeping track of the energy mergers

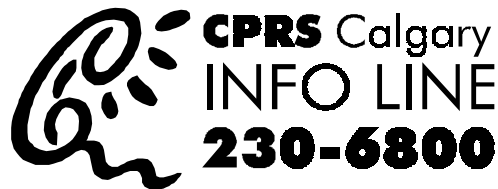
by Wanda Catchpaugh

Company Name	Merged/amalgamated into	Date
Hunt Oil	Newport Petroleum	Jun. 01/00
Pacific Cassiar Limited	NCE Petrofund Corp.	Dec. 01/00
Cometra Energy (Canada) Ltd.	Vintage Energy (Canada) Ltd.	Jan. 01/01
Anderson Exploration	Numac Energy	Jan. 01/01
Crestar Energy Inc.	Gulf Canada Resources Limited	Jan. 01/01
Renaissance Energy Ltd.	Husky Oil Operations Limited	Jan. 01/01
Torrington Resources Ltd.	Magin Energy Inc.	Jan. 01/01
Startech Energy Inc.	ARC Resources Ltd.	Jan. 31/01
Encal Energy	Calpinefor	Feb. 01/01
Tosco Corporation	Phillips Petroleum	Feb. 05/01
Berkley Petroleum Corp.	Anadarko Canada Energy Ltd.	Mar. 16/01
Cabos Resources Inc.	Acclaim Energy Inc.	Apr. 20/01
Danoil Energy Ltd.	Acclaim Energy Inc.	Apr. 20/01
Gulf Canada Resources	Conoco	May 01/01
Canadian Midstream Services Ltd.	Duke Energy Field Services Canada	May 02/01
Barrett Resources	Williams Cos.	May 07/01
Ultramar Diamond Shamrock Corp.	Valero Energy Corp.	May 7/01
Avalanche Energy Limited	Centrica Canada Limited	May 16/01
Maxx Petroleum Ltd.	Provident Energy Ltd.	May 25/01
Cheiftain International	Hunt Oil	Jun. 01/01
Alliance Energy Inc.	APF Energy Inc.	Jun. 01/01
BXL Energy Ltd.	Viking Energy Ltd.	Jun. 30/01
Cabre Exploration Ltd.	EnerMark Inc.	Jul. 01/01
Nevis Ltd.	Acclaim Energy Inc.	Jul. 01/01
Mitchell Energy and Development Corp.	Devon Energy Corporation	Aug. 14/01
Louis Dreyfus Natural Gas	Dominion Energy	Sep. 10/01
Canadian Hunter Exploration	Burlington Resources	Oct. 01/01
Chevron	Texaco	Oct. 16/01
Anderson Exploration Ltd.	Devon Canada Corporation	Oct. 25/01
Tikal Resources Corp.	BelAir Energy Corp.	Oct. 25/01
Phillips Petroleum	Conoco Inc.	Nov. 19/01
Anadime Processing & Disposal	Newalta Corporation	Jan. 01/02
Fletcher Challenge Oil & Gas	Apache Canada Ltd.	Jan. 01/02
Triumph Energy Corporation	Baytex Energy Partnership	Jan. 01/02
PanCanadian Energy	Alberta Energy	Jan. 01/02

Upcoming events

Contact the CPRS Info Line for all the details on upcoming events

Or visit the CPRS Calgary Web Site at
www.cprscalgary.org



annesley...

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M: Mergers and acquisitions are a very real part of the oil and gas industry. What did you learn as manager of public affairs at Dome during its merger with Amoco?

DA: In a merger, the most important thing to employees is how the changes will impact them. Given the uncertainty that accompanies a merger or acquisition, it's essential to tell employees what you know, what questions you can't answer, and when you will have answers. And don't wait until all the 'i's' are dotted and the 't's' crossed. In a merger, there is no such thing as over-communicating.

M: You used the same technique in a major downsizing at Amoco. How did employees respond?

We knew that approximately one-third of the workforce was going to be laid-off but we kept people informed. There was never an instance of anything reaching the media in a 'plain brown envelope'. Another thing that the communication did was to build confidence that people were going to be treated fairly.

Lots of mergers and acquisitions just don't work. The integration of two cultures and two workforces is difficult at the best of times. In a non-communicative environment, it is darned near impossible. Communication in times of massive changes is a lot of hard work but good communications really can make a difference.

M: As you look back over your career, what stands out as the greatest challenge?

DA: Certainly seeing Dome through the merger with Amoco was very exciting. There was a highly public, 14-month courtship between the two companies while the legal process unfolded. Fortunately I was blessed with a management group that believed in open, honest communications and we were able to address all the employee information needs.

M: Do you agree with the notion that PR professionals have a hard time getting to the board room table?

DA: No, I do not. We can get our views known in a variety of ways. I did it repeatedly throughout my career. It's a matter of proving what you can contribute, and building and maintaining that trust. For example, I had a 15 - 20 minute chat with the Chairman of the Board and CEO at Dome every day.

In 1987 I was in Switzerland on Dome business, just getting ready to meet my wife and kids for a family vacation in Florida. I got a message to call my boss in New York City, who told me to

CORPORATE CHRONOLOGY

D.W. Annesley & Associates
President
1998 - Present

TransCanada PipeLines Ltd.
Director, Government and Public Affairs
1993 - 1998

D.W. Annesley & Associates
Principal
1992-1993

Amoco Canada Petroleum Company Ltd.
Manager, Public Affairs
1988 - 1992

Dome Petroleum Ltd.
Manager, Public Affairs
1983 - 1988

Government of Alberta
Director, Resource Information Services
Alberta Energy and Natural Resources
1978 - 1983

Government of Alberta
Communications Director
Alberta Business Development and Tourism
1975 - 1978

Molson's Western Breweries Ltd.
Public Relations Manager (1973 - 1975)
Advertising and Packaging Manager (1972 - 1973)

Starcom West Ltd.
President
1969 - 1972

James Lovick Limited
Account Manager
1968 - 1969

Canadian Western Natural Gas Company
Supervisor of Advertising
1963 - 1968

get on a plane and get there as fast as I could; they were selling Dome and there were three bids on the table. They wanted me to be part of the team to evaluate the bids and learn everything I could about the companies that were bidding. I was in Chicago at the signing of the deal between Dome and Amoco, and very much involved in the whole process.

M: Much of your work has involved media relations in the oil and gas industry. What tips would you pass on to other PR professionals?

DA: Be available to the media, be open and honest (which can be challenging if your company does not want to share information), and get back to the media when they call.

These are really simple but it's important to build a relationship with the media so that they come to you—not to other sources—when they want the news. The truth is, they need PR people to do their job and we need them to do ours.

A Passport to Legacy

By Gord Mounce

Students in Mount Royal College's Public Relations program are busy putting the finishing touches on the 2002 Legacy Gala, an annual social event created to raise money for the Legacy Scholarship Fund.

Passport to PR is the name of this year's event, which features an international theme. Discussions with potential guest speakers who have interesting or unusual global experience in public relations are currently underway. Food, music and decorations will also feature an international flair. It's all part of bringing a unique event to Calgary's communications professionals.


"Last year, the organizing committee did an excellent job of celebrating the gala as an intimate cocktail reception," says Jill Peacock, chairperson, Legacy Gala Committee. "By hosting the 2002 event as a dinner reception at the Glencoe Club, we're returning the gala to its formal roots, while also giving our class a chance to display their unique talents for event presentation."

The annual Legacy Gala is a student-driven event created in 1996 to raise funds for the Legacy Scholarship program. The Legacy Scholarship is awarded each year to a public relations student at Mount Royal College. The second-year class has traditionally assumed responsibility for hosting the event.

M: What role has CPRS played in your career? How have you seen it change over the years?

DA: I have seen many changes in CPRS over the years. When I first joined CPRS, it was a place where I could learn from role models like John Francis, David Wood, Brock Hammond and the late Jack Fleming. You can learn a lot from conversations with your peers. Obviously, CPRS has grown and become much bigger. I am very impressed with the quality and caliber of people who are involved today.

M: Any final advice?


DA: Always, always use mentors. Find someone that you can learn from. And when it's time to move on, find someone else you can learn from. I believe PR people are curious by nature. Ask lots of questions of those around you. It is a great way to learn throughout your entire career. 

Jill notes that the international theme was chosen through brainstorming sessions designed to bring out common themes and interests among the students, which could then be applied to the event.

"As we talked about our own life experiences, we found that nearly everyone in our class had amazing travel stories," says Jill. "We realized that if we could take that adventurous spirit and curiosity for understanding other cultures, and combine it with a public relations perspective for excellence in communications, we would have a very special event."

Guests at this year's gala will have an opportunity to win door prizes and bid on a host of items through a silent auction.

"We'll be providing plenty of things to keep everyone entertained," promises Jill. "In addition, communications professionals will have the chance to share a relaxing evening with peers, educators and students. The students themselves will have a chance to meet and learn from key industry people who will have a very direct influence on their future employment and development."

The 2002 Legacy Gala will be held March 14 at the Glencoe Club. Tickets are \$75 plus GST. For more information or to purchase tickets, email legacygala@hotmail.com. 


Town crier awards under review

The Town Crier Award Program is under review due to the shrinking number of entries in the last two years. With the Board's approval, the Awards and Recognition Committee has taken on the task of determining if the program still meets the needs of Calgary members.

"Last year's committee put a tremendous amount of effort into the program. It was well organized and promoted, yet the number of submissions was very disappointing," said Elizabeth McLennan, APR, Committee Chair. "This seems to be an ongoing trend. This year, we felt we needed to take a step back and ask a couple of basic questions: Are these awards still relevant to our membership? Is the entry process too onerous?"

The committee is considering research options to help answer those questions. "We'll look at what the research uncovers and will consider all options," says Elizabeth. "In the end, we may need only slight adjustments to the existing program or we may need to consider new ways of recognizing our members and their work."

"This year we encourage members to submit their programs and campaigns to the national CPRS awards program," says Elizabeth. "We still feel that it's important that excellent work receive appropriate recognition."

The Awards and Recognition Committee would like to host a Winner's Workshop in early to mid March, to which members can bring their submissions or ideas for review by national winners from previous years. The committee is currently tracking down these winners to act as coaches. Queries to the national office have produced only two names. If you are or know of a national winner located in Calgary, please call Elizabeth McLennan at 249-6821. 

Winner's Workshop

Planning to submit your work to the national Awards of Excellence? Want a leg-up on your peers? Attend the Winner's Workshop and find out how previous award recipients were able to turn stellar communications work into award-winning entries. The workshop is for any member - whether you have drafted your entry or are just getting started.

The informal workshop will include:

- * Facilitation by previous Award of Excellence recipients
- * Tips on what programs and projects make for winning entries
- * Review of your draft award submission
- * Critique of each of your submission elements - from work plan to work samples
- * Suggestions for packaging that will help you organize your entry and set it apart from the others

If you're planning to prepare an entry but haven't started yet, it's not too late! Workshop facilitators will give you advice on selecting the right program or project and will get you started on your submission.

Monday, March 18 at 5pm (latecomers welcome)
3rd Floor, 1207 11 Avenue SW (Connaught Centre)
\$5 fee
Refreshments provided

Please RSVP to Elizabeth McLennan at 297-4520 by Friday, March 15

Members on the move

New Members

Nicky Terrell - Communications Coordinator, Crown Energy Technologies.

Members on the Move

Tabitha Beaton has accepted the Communications Strategist with the Calgary Fire Department

Eileen Dooley has moved to the Law Society of Alberta as their Communications Director

Jamie McNaul is now with Bell Intrigna as the Communications Manager, SuperNet Project

Do you know someone who isn't a member of CPRS, but should be? This is your chance to help us inform and recruit potential new members.

E-mail potential members to
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sweets@bethanycare.com

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Note from the maxim chair


I hope everyone has enjoyed reading Maxim in 2001, we have tried to provide you with articles of interest on the PR scene in Calgary and across Canada, as well as keep you up to date on all the CPRS news.

In 2002 you will see many exciting changes to Maxim that we hope you will find add value to your monthly read. Some of these changes will include adding Calgary business profiles, CPRS membership trivia, 'Ask your Peers' and 'What's on your Mind' sections to your monthly Maxim newsletter.

Starting in February you will be able to ask local Public Relations "experts" questions on their experiences in the PR world. E-mail us a question on Public Relations and we will publish his answer in the next issue of Maxim.

Do you have an opinion on an article you read in Maxim? Beginning in February you will now have a chance to share it in the new "What's on your Mind" feature. Send us an e-mail with your opinion on a hot PR topic or recent issue— positive or negative— and we will share your viewpoint with other members in the next newsletter.

As well, in the coming months we will begin Maxim themed issues on topics including Energy PR, PR as a profession, community investment and sponsorship and PR and Branding.

With all of these changes and new features, your Maxim Committee is hoping to provide CPRS Calgary members with an even more informative and interactive newsletter. Look for the new Maxim coming to your inbox soon. 

Simon Whitfield – Maxim Chair

If you have a question to 'Ask your Peers', would like to share 'What's on your Mind' or have any other suggestions for Maxim content send us an e-mail at simon.whitfield@shaw.ca

Attention all members!

Do you have new contact information? Have you changed your job, location or your name? Please send us a note and we'll update our records so that you'll receive timely notices of our upcoming events and all issues of *maxim*.

Contact Sandra Sweet
Membership Chair
sweets@bethanycare.com
or by fax at 284-1992. 

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