

Interview

How to Handle PR and the Press

An Interview with Jason Vines, Vice President, Communications,
Chrysler Group, DaimlerChrysler AG, Auburn Hills, Michigan



Jason Vines

EDITORS' NOTE Contending that "nothing speaks better than the facts," Jason Vines can confidently state that "Chrysler has really turned its ship around." After all, the Chrysler Group's vice president of communications continues, "DaimlerChrysler AG has to be globally competitive, and Mercedes-Benz competes primarily in one, albeit large market segment: the luxury segment," whereas "Chrysler sells cars to everyone, not just well-beeled customers." Additionally, it can "produce automobiles at a lower cost." As such, he reports that "the Chrysler Group is on strong financial footing again," with "a good business model," heightened "efficiencies in our plants," and "unnecessary costs" being excised "out of our systems." Concurrently, "we're introducing more and more products" – 25, in fact, over the next three years – "at higher and higher quality levels." It is no wonder, then, Vines concludes, that "our products and the reviews the media are giving them are about as positive as press gets."

Appointed to his present position in December 2003, Vines first joined Chrysler in 1983, and transferred to the company's public-relations staff in 1989. He then moved to Nissan North America, where he became vice president of public relations and then of external affairs; Ford, where he served as vice president of communications; and Strat@comm, a leading Wash-

ington, DC-based public-affairs firm, where he was a partner and managing director. Vines earned his B.A. in economics and communications/theater at Central University of Iowa, and his M.A. in labor and industrial relations at Michigan State University.

COMPANY BRIEF One of the world's three largest automakers, DaimlerChrysler AG was formed by the 1998 merger between America's Chrysler Corporation and Germany's Daimler-Benz. With its headquarters in Stuttgart, Germany, and the Chrysler Group based in metropolitan Detroit, the company produces about 4.3 million vehicles a year, under brands including Mercedes-Benz, smart, Chrysler, Dodge, Jeep, and Freightliner. The corporation is selling its stake in Hyundai Motor Company (10 percent), but it retains ownership in Mitsubishi Motors Corporation (37 percent), and EADS N.V. (European Aeronautic Defence and Space Company, 33 percent). With more than 362,000 employees worldwide, DaimlerChrysler (NYSE and Frankfurt: DCX) reported sales of \$171.5 billion and net income of \$562 million in 2003.

Many journalists have written less-than-flattering things about Chrysler. Yet the Chrysler Group has enjoyed three consecutive quarters of positive earnings, and sales are up for the fourth consecutive quarter. Doesn't the press print these things?

They're starting to now. We have to establish an honest rapport with the media. We have to prove to them that we're going to give it to them straight. That's what we've been doing over the last few months, and we're doing it better than a lot of people out there. In the end, we let the facts speak for themselves. Most media outlets want to be fair and objective. So, when they see the facts – that we're starting to turn a financial corner – they give us positive press. Our products and the reviews the media are giving them are about as positive as press gets. Nothing speaks better than the facts. So, we expose ourselves in a positive way, send our

spokespeople out to tell the press that we believe in our products, and we let them be the judge.

What's it like these days to work with the media?

In the old days – and the old days weren't that long ago – we knew that television news programs were on tight deadlines: They had to have their stories in by 4:00 PM for the 6:00 report. There wasn't that much depth to television news reporting; everyone just wanted to be first with the story. However, newspapers like the *New York Times*, *Washington Post*, *Detroit News*, and *Chicago Tribune* could be counted on to research stories fully because their deadlines were later in the day.

Today, the Web represents both the greatest and most horrific communications tool ever invented because all of the newspapers now behave like network news on their Web sites. They all want to get the story out first, so there's a greater chance for error and for innuendos to creep into reports. Obviously, this is not a good thing. A few years ago, Reuters ran with what proved to be a fake press release. The victim company's stock plummeted, all because a bogus press release was reported by the media. The firm and its shareholders were hurt horribly. The media are obligated to make accuracy – not speed – their number-one concern. Fast food isn't good for us, nor is fast news.

Can today's young, eager reporters be relied upon to conform?

I don't know. It's a very competitive business, and as have all businesses over the past 10 years, the media have cut heads. Fewer people are doing more work under tighter deadlines. As such, the chance for error has increased exponentially. Because the Web is global, lies and innuendos can travel around the world in seconds. As Mark Twain once said, "A lie gets halfway around the world before the truth has a chance to get its shoes on."

Is it true that marketing and public-relations departments seldom share good working relationships?

Very few marketing groups in any company work well with their PR col-

leagues. There's almost always petty friction between the two. When I took this position, I became very close with the marketing folks because I believe it's a colossal mistake not to encourage the two teams to work together, hand in glove. By working together closely, we can use our shareholders' money in the most advantageous way to communicate our messages. Yes, we work through the media, and they work through paid advertising, but we should work as teammates. So, we buried the hatchet with the marketing leaders at Chrysler, we're working together as well as – if not better than – any other company's comparable departments do right now, and we've seen a sizable payoff over the past few months.

It would seem that a PR department gets more value out of its spending.

The old joke is that marketing spills more money in a day than PR spends in a year. Advertising is expensive: not only producing the ads, but also placing them. PR isn't free, of course; we host events and lend fleets of cars to the media. But the result of our efforts is journalists – third parties – praising our products. Hopefully, advertising does its own praising. That said, we still have to work together to transmit the same message.

It seems that more attention is paid to Mercedes-Benz than to Chrysler. What's in Chrysler's future?

Chrysler has a rich heritage and a rich history in the United States – some of which, of course, has been troubled. Chrysler was all but bankrupt in the late '70s and early '80s, before Lee Iacocca came to the rescue. America's big-three automakers also faced hard times in the early '90s, but we all revived. When Chrysler has been strong, it has been very strong, for both the communities we serve and our shareholders.

Going forward, DaimlerChrysler AG has to be globally competitive, and Mercedes-Benz competes primarily in one, albeit large market segment: the luxury segment. To compete in other markets, DaimlerChrysler has expanded Chrysler's operations in the United States, where we enjoy a substantial presence and employ 100,000 people. Chrysler has really turned its ship around. In fact, the brightest corporate news during the first quarter of this year came from the Chrysler Group. The turnaround has been very strong, and it means growth for the whole corporation because Chrysler sells cars to everyone, not just well-heeled customers. As a global automaker, it's crucial that DaimlerChrysler do that. Finally, the Chrysler Group can use economies of scale to buy parts and share technology. That means we can produce automobiles at a lower cost, provide our customers with a better price, and thereby be more competitive.

As you're so frank with the press, perhaps you can answer this question:

Is this a good time to buy shares in DaimlerChrysler?

Obviously, my answer is yes. I truly believe that, and analysts are beginning to say the same thing. There's a positive trend going on in our company. Our parent, DaimlerChrysler AG, is still very profitable, with Mercedes-Benz as our ultimate global marquee. And now, the Chrysler Group is on strong financial footing again. We have a good business model, we're increasing efficiencies in our plants, and we're cutting



The 1955 Chrysler 300 Sport Coupe and the 2005 Chrysler 300C

unnecessary costs out of our systems. At the same time, we're introducing more and more products at higher and higher quality levels, which are starting to receive credit from JD Powers and *Consumer Reports*. Do we want to take over Toyota globally? No. We want to be very successful and to win over customers who will continue to buy Chrysler vehicles – Jeep, Dodge, or Chrysler – for years to come.

In Chrysler's earlier days, some of the brand's models, such as the Imperial, were at the top of the heap, alongside Cadillac. What happened?

As I said, Chrysler has a rich heritage, but it sometimes lost its way. The cars that Walter Chrysler created were known, first and foremost, for their engineering. He wanted to bring value, quality, innovation, and great engineering to the mass market – to those people who previously couldn't afford all that. He wanted to create great vehicles with a lot of features for a great price, and for lack of a better explanation, that's what we're doing now. The 300C, for example, is dynamic on the road, its engineering is phenomenal, and its value is truly phenomenal. It starts at only about \$33,000; other 300s start at only \$23,600. A broad cross section of Americans can afford these cars. They're powerful, and they ride wonderfully. This is what the Chrysler vision is all about.

It has been written that, over the next three years, Chrysler will introduce 25 new models. Is this true?

That's correct. This year is big for the Chrysler Group, but to be honest, among our three brands, we don't have brand equity. Jeep is one of the strongest brands in the world; it's recognized everywhere.

Dodge is very strong in the United States, with its masculine, muscle-car image. Chrysler itself, however, was allowed to falter over the years. People didn't really know what Chrysler was all about. But now we're coming back, and the 300 series, our flagship, says what Chrysler is all about: great engineering, elegant design, and many premium features – without costing an arm and a leg. Once we achieve equity among our three brands, I believe we'll be even more successful.

Sooner or later, Dieter Zetsche [president and chief executive officer of DaimlerChrysler's U.S. operations] might return to Germany, to assume even more responsibility at your world headquarters. He was instrumental in rebuilding the American operations. What will happen in the United States?

We're going to have one hell of a going-away party! The man is loved in Auburn Hills. He's absolutely adored for his intellect, his passion, and his lack of ego. Will he be missed when he goes? Absolutely! Fortunately, though, Dieter has built a very strong team of very good leaders here. To me, that's the key to great leadership: building a strong team.

In your opinion, what has been the automotive industry's greatest contribution to modern society?

There are lots of so-called "advocates" who'd like to see us revert to the Stone Age, live in huts, and eat grass. I believe the auto industry is fabulous and has made this country stronger. It has been the biggest catalyst for the growth of the middle class, which is the backbone of the United States. During the nineteenth century, the Colt .45 was often called the "great equalizer" because a poor man with one in his hand was just as powerful as a rich man. The great historian Daniel J. Boorstin called the automobile the "great equalizer" of the twentieth century. It enabled the poor man to travel where only rich men could go before. Our suburbs allow us to live in better homes with more freedom, and they were made possible by the automobile. So, I'm proud of what this industry has done and continues to do every day. ●