CHAPTER THREE: ETHICS AND LEGAL ASPECTS OF PUBLIC RELATIONS

Learning Objectives
- Define ethics and core ethical areas of public relations.
- Explain the key ethical challenges facing public relations professionals.
- Define the legal implications of public relations.
- Outline the areas of law that public relations professionals need to know.

Overview
Before we begin to practice public relations, implement strategies, or even discuss ideas for how to create effective messages, as public relations professionals we must first identify a solid ethical and legal framework for how to conduct ourselves professionally.

To be successful, we must each have a sound foundation for handling difficult situations should they arise. Changes including addressing the challenges of handling fake news, cyberbullying situations, new ethical dilemmas, privacy concerns, and much more happening on a global scale, can impact many different areas in the PR industry. In addition, while new technologies have brought forth improvements, they’ve also brought plenty of new challenges—in the areas of influencer relations (including those who amplify their presence based on fake followers and likes), fake news (presenting information that is false to the public, but looks like it is real news), transparency and privacy considerations, and much more. As public relations professionals we have to be aware of and ready to manage such problems.

To prepare yourself to make the most ethical choices as a PR professional, ask yourself these questions:
- Am I really being transparent to my audiences through my messages and actions?
- Am I doing all that is necessary to protect the privacy of my audiences through my information and actions?
- Am I successful and powerful enough that I can assume I’ll “survive” an ethical crisis?
- Am I being fair to all parties involved?
- What challenges could arise through this campaign or other activity?
• Will what I am doing will violate the trust or fail to meet the expectations of my audiences?
• Am I being truthful about my actions and intentions?

Many professionals have faced these questions in a variety of different situations in their professional and personal circles. Further, these are questions you may be asked by others at any time, so you want to make sure you are prepared and know how you will answer.

In the classic movie, *Liar Liar*, Jim Carrey plays a lawyer who always tells the truth. In one classic moment, the Carrey tells a character who has done wrong: “You got to stop breaking the law!” (He adds in a few colorful words that I won’t include here, so your homework assignment is to see this movie!) Another way of saying this is: You’ve got to be your best self. In public relations, our ethical and moral behaviors should reflect the best of who we are—and model for others what we expect from our clients and business partners. Too many times we have seen PR professionals get into hot water or damage control over even the simplest of ethical mishaps. Such behavior is not only detrimental to our individual careers and our clients; it’s detrimental to our profession as a whole. When a public relations professional states, “We are transparent, we are following ethical guidelines and have a strong code of ethics that we follow as a profession,” and then does not adhere to this on the job, that person violates a basic trust. Such violations of confidence and expectations hurt everyone.

Ethics, for the most part, is a topic that is frequently missing from public relations curricula (more on this on p. 000). Unless we address this omission, it will likely become a problem for our field and for future professionals. So, as practitioners, educators, and students, we need to emphasize that—at the core of who we are as a profession—is a strong ethical foundation.

With such a foundation we can address ethical crises such as those of recent years. Some examples include the crisis of Facebook’s use of customer data and its dishonesty about privacy practices; the crisis of Wells Fargo opening banking accounts without customer permission; the crisis at Michigan State regarding Larry Nassar. We can do better, going forward, by adhering to ethical behaviors and practices.
In order to fully practice what it is to be an ethical and responsible public relations professional, it’s crucial to identify, implement, and sustain ethical principles on a regular basis. Ethical behavior is not adequate if it is just a slogan or “mission” or “vision statement” that professionals adds to their keynote presentations or Twitter bios. It is an ongoing and sustainable practice that needs to be embraced both in the professional circles of public relations, as well as when the cameras and spotlight are not there.

What Are Ethics?

The real question is exactly what is ethics? Based on the current research in public relations, this is one of the growing areas within the profession. Yet, there seems to still be a disagreement amongst scholars on what ethics really is (S. A. Bowen, 2016).

Ethics in many ways is simply defined as the conducted which one should behave based on values and determining what is right or wrong. Calculations professionals have to make sure they have a core fundamental ethical code of conduct themselves before they practice and implement these behaviors with their clients. A public relations professional cannot practice if they do not have their own personal ethical code of conduct. In addition to beware of the professional expectations and what their standards are as well as what are the clients and employers code of conduct. As University of South Carolina professor Shannon Bowen states, ethics for public relations focuses on the “values such as honesty, openness, loyalty, fair-mindedness, respect, integrity, and forthright communication. This definition of public relations goes far beyond the olden days of “flacking for space” or spinning some persuasive message, but this view is not shared by everyone,” (S. Bowen, 2007).

One of the biggest responsibilities in many cases for public relations professionals to follow and adhere to is the fact they are viewed as the “consciousness” of a brand and company, meaning, they have to have strong ethical practices themselves. In this same light, public relations professionals are often tasked to provide ethical counsel for their clients and senior management (Neill, 2016).
The biggest issue when it comes to public relations when there is a violation of expectations involved. If someone has a perception of what you should be doing or acting, and the behavior is the complete opposite, there is a conflict in what is real and what is not, resulting in a violation of expectations. This has happened in some of the biggest profile crisis case studies in ethical misconduct.

Wells Fargo has been around for years, yet their ethical code was tested when they opened new banking accounts without telling their customers. Not being honest and trustworthy about this resulted in a huge public relations scandal, which the company is still reaping today. Even with their latest public relations rebranding campaign. These ethical situations could be prevented if professionals understood and were aware of how their actions would be perceived and interpreted by their key audiences. In this case, actions speak louder than the messages shared in their brand message.

One incident can change someone’s opinion of who you are as a person, which at times may be a hard lesson to follow. Ethics and professionalism have been at the forefront in focus within both the profession as well as in the curriculum across various disciplines, but we are still facing an uphill challenge when it comes to teaching how to be a proactive member of society.

Ethical Code of Conduct

According to the Arthur W. Page Center, there are certain pillars of truths public relations professionals need to be able to follow and adhere to, such as veracity (to tell the truth), non-maleficence (to do no harm), beneficence (to do good), confidentiality (to respect privacy), and fairness (to be fair and socially responsible). (“The Pillars of Public Relations Ethics,” n.d.)

(“Ethics & the Public Relations Models,” n.d.)

Ethics in the Realm of Public Relations

What are ethics in the realm of public relations? And what exactly do ethics stand for? Is being ethical simply knowing what is right or wrong? Are ethics based on what your employer or client says is
right or wrong? What are the key components that are necessary to have ethical codes of conduct?

These are areas in which PR practitioners struggle each day in their personal lives and as a public relations professional. Some of these incidents come forward in a variety of different ways such as accepting gifts from clients or trying to frame research to present one angle to the story versus reporting the facts of what is happening. Ethical behavior is not that a set of guidelines that have to be posted and shared in business and office quarters – it is a mindset and framework that has to be implemented in every action, decision, and process a public relations professional faces.

<B-head> Challenges to Ethical Practices in Public Relations

As mentioned in the introduction to this chapter, ethics is one of the most important courses for public relations students to take, but it is usually the one class that is not offered in most public relations curricula (“Commission on Public Relations Education,” n.d.). In addition, research of undergraduate students shows that most are not aware of the growing emphasis of the ethical training, management focus, and strategic planning that is involved in public relations practices (S. A. Bowen, 2003). This is also an issue in professional settings. Neill and Weaver (2017), in their study of more than 200 young professionals, found that there were differences between their readiness to offer ethics counsel and the availability of ethics training at work. They were willing to give advice on ethics, but lacked the educational background needed to do so responsibly. There are some ways in which we can address these challenges such as taking advantage of ethics focused webinars and training sessions offered by professional organizations such as PRSA or attend workshops and presentations for local chapters.

Furthering education can be done at all locations. In addition, finding and working with professionals who are practicing ethically and asking them to be a mentor is another solution young professionals have at their disposal. There are always options here to explore on this topic.
Challenges Identified by the Commission of Public Relations Education

The Commission of Public Relations Education has been the report that has been conducted over the past few years to determine what is the current state of public relations education, but also identifies changes that need to be made in the curriculum for universities. Public relations professionals face several challenges that we need to address, such as the following.

• **Even when ethics courses are taught in college, public relations departments and firms consider the graduates to be unprepared.** In the 2018 Commission of Public Relations Education (“Commission on Public Relations Education,” n.d.) report, researchers found that while educators felt that they were teaching students to be ready to use ethical practices and to handle situations, the industry disagreed (p.66).

• **A lack of legal knowledge places both the PR practitioner and organization or client at risk of increased legal liability.** This has been raised as a “must-need” in the latest report from the Commission of Public Relations Education (“Commission on Public Relations Education,” n.d.). In fact, the 2018 report discussed how other courses, including law, needed to be added to the public relations curriculum as required courses (“Commission on Public Relations Education,” p. 8), especially because of the rise of fake news, disinformation, and false rumors and information circulating in the media. Having a course that covers the tie of legal decisions that have ethical implications was not only the recommendation made by the CPRE, but also how ethics needed to be incorporated into every course and area covered within the curriculum.

• **There are high expectations for public relations professionals to be sensible, resourceful, accountable, and principled.** Along with the findings in the report, PR professionals entering the workplace are expected to have certain “desirable skills,” most of which are related to integrity and ethical behaviors (“Commission on Public Relations Education,” n.d.) Yet, if public relations
professionals and students have these expectations already laid out and incorporated into their curriculum, why are ethical crises still emerging in the field?

- **The field is under scrutiny by the general public, by non-profit organizations, and by the government.** Public relations professionals do not always have the best reputation from their fellow colleagues and associates. Many people think public relations professionals are “spin doctors,” or even “flaks” due to the negative experiences and perceptions others may have had with other professionals. We have to be aware of these perceptions, but also embrace this as something we will try to address and reverse. We can only control our own actions, so the best step forward is to lead with ethical and sound practices, and hope these practices will help others see how these negative stereotypes of the field do not apply to all public relations professionals. We cannot let these unethical professionals control the narrative and influence the perception of our field – they are not the ones who should be shaping the reputation of our field.

- **People want to do business with companies and professionals who are socially responsible and practice ethical behavior.** This has become a standard practice and approach for many professionals in the industry. Case in point - if you had to choose between doing business with USAA and Wells Fargo – who would you choose? Wells Fargo was responsible for creating fake accounts for their customers without their knowledge, while USAA has not done this. Instead, USAA has done more to make sure they are transparent with their actions as a bank, invest in their customer services for their clients, and go the extra effort in making sure they are honest about their role and what they do for their customers in their banking services. The choice is pretty easy in this case.

**<A-head> What Codes of Ethics Do PR Professionals Follow?**

As they say in Pirates of the Caribbean – stick to the code!
Well, this does not mean public relations professionals all need to band together, jump on a ship, and follow Captain Jack Sparrow around the Caribbean on the Black Pearl. But, the code of conduct that pirates follow is somewhat aligned with what public relations professionals are trying to set forth: A list of behaviors and expectations for everyone to follow based on shared values.

Pirates are not the only ones who have their own code of ethics. Many professions and organizations set forth a list of principles and values that are at the core of what they are, what they do, and how they do it. Further, a code of ethics is not just for brands and organizations to have as part of their community and overall culture; individual professionals may have their own ethical codes that they follow. Like pirates, we’ve got to stick to the code. More on that in the next section.

**The Code of the Public Relations Society of America (PRSA)**

What exactly is a **code of ethics**? And, why should you want to have one? Simply put, a code of ethics is a list of values and principles that you believe in and that will help you to respond and react to specific situations. These values and principles set forth expectations on what specific actions to take (or not take).

For public relations professionals, the Public Relations Society of America (PRSA) has its own Code of Ethics that they share with the professional PR community. PRSA is the largest governing body for public relations professionals and has set forth certain guidelines for ethical conduct in practice. The PRSA Code of Ethics (found at [https://www.prsa.org/ethics/](https://www.prsa.org/ethics/)) focuses on six areas, which include:

1. **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.

2. **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.
3. **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.

4. **Independence**: We provide objective counsel to those we represent. We are accountable for our actions.

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

6. **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.

These are the guiding principles that are used to foster a strong sense of understanding of ethical practices in public relations. Each of these areas are covered in most public relations courses and are encouraged in practice.

**<B-head> The Codes of other Professional Public Relations Organizations**

There are, in fact, organizations besides the PRSA that not only provide ethical resources, but also opportunities for researchers to explore and obtain funding to conduct ethical research. One such organization is the Arthur Page Center for Integrity in Public Communication at Penn State.

**<C-head> The Code of the Arthur Page Center for Integrity in Public Communication: The Page Principles.** As explained on their website ([https://page.org/site/the-page-principles](https://page.org/site/the-page-principles)), the Arthur Page Center is a research hub at the Donald P. Bellisario College of Communications at Penn State dedicated to the study and advancement of ethics and responsibility in corporate communication and other forms of public communication (“About the Center / Arthur W. Page Center,” n.d.). Their code of ethics states is
similar to what PRSA focuses on for their code of ethics, but the Page Center identifies and focuses on these efforts as they pertain to corporate and leadership practices in the public relations field.

\begin{c-head}
The Codes of the IABC, CIPR, and Global Alliance.\end{c-head} Of course, there are other organizations that have their own code of ethics for public relations, which is important to note. Listed below in Table 1 are the lists of professional organizations and links to their code of ethics:

Table 1: Codes of Ethics for IABC, CIPR, and Global Alliance

<table>
<thead>
<tr>
<th>Name</th>
<th>Link</th>
<th>Key Concepts in Code of Ethics</th>
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</thead>
<tbody>
<tr>
<td>Chartered Institute of Public Relations</td>
<td><a href="https://www.cipr.co.uk/content/members/public-relations-register-overview/cipr-code-conduct">https://www.cipr.co.uk/content/members/public-relations-register-overview/cipr-code-conduct</a></td>
<td>Public relations practices on a global scale</td>
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<tr>
<td>Global Alliance</td>
<td><a href="https://www.globalalliancepr.org/code-of-ethics/">https://www.globalalliancepr.org/code-of-ethics/</a></td>
<td>Public relations practices on a global scale</td>
</tr>
</tbody>
</table>

One thing to keep in mind when it comes to code of ethics: they are only broad statements, and do not explain how to handle every situation. You must develop a strong personal and professional sense of right and wrong. This will take time and experience to determine what you believe is right or wrong and what are the core values you feel are non-negotiable. This is important not only for your role as a public relations professional, but for determining where you want to work (for example, a department, an agency, a boutique firm, a major organization) and who you want as colleagues and team members.

Understanding the ethical culture of a brand or organization, and the attitudes of team members will tell you a lot about how they practice public relations. If there is ever a time where you feel you are not in a culture that promotes ethical behavior – run! Even if you have strong ethical practices, if you are working for a brand, agency, or organization that does not practice ethically, this could impact your own reputation and future in the profession.
As a Public Relations Professional, What Ethical Challenges Will You Face?

As public relations professionals, we need to be alert to the types of ethical and challenging situations we face when working for a brand or other client. While most professions can identify and somewhat predict various scenarios they can be faced with, there are always some surprises that are thrown into the mix for public relations professionals. With the changes seen in the media and technology spaces, there will always be new learning experiences on how ethical practices can be applied.

Potential Situations

You may be asking yourself: What are the chances that I’ll find myself facing an ethical dilemma? The answer is simple: Ethical challenges do not discriminate. They will find you. There will be times when you face situations that cause you to pause, evaluate, and respond. Some situations will be very clear in nature for how to respond, whereas others will not be so clear. In particular, social media has brought forth new challenges for us to follow, address, and prepare for. Remember, too, that you can have the best code of ethics for your brand, but if you do not follow those principles, if you don’t “walk the walk,” your code is meaningless. For example, TikTok has promoted their platform as one that is to be for entertainment and creative purposes, but they have been reported to censor stories and content on a variety of topics including political speech, LGBTQ issues, and coverage of the Hong Kong protests (The Guardian, 2019).

Public relations professionals, as discussed earlier, have many resources for ethical practices, including specific guidance on what we should and should not do. However, tough situations still arise, whether they are our official responsibilities or not, that we need to address on behalf of our clients.

When it comes to public relations ethics, there’s a time to say you are practicing ethically, but it is completely different if you are actually practicing ethically. Meaning, if a professional organization that is promoting women empowerment in the industry, it may not be necessarily be wise to have a closing
reception promoting the opposite of this. This is what happened at the 2019 Advertising Week industry event, where there were many panels and sessions promoting equal pay and diversity issues to support women in the industry. Yet, the closing of the event featured the rapper Pitbull and his female dancers. It is one thing to say you are promoting ethics and professional standards, but actions in many cases speak louder than words.

Here are some situations you may find yourself in as a public relations professional, along with advice on what to do:

*Bulleted list led with bolded terms*

- **Making comments to the media.** When a journalist, reporter, or media professional says, “This is off the record,” consider that as a giant red flag. Nothing is ever “off the record.” It’s important to remember that, like PR professionals, journalists have a job to do, and that job is writing a story for their publication or other media outlet.

- **Disclosing your associations.** When doing business or working with clients for public relations accounts or presenting yourself to the media, make sure to fully represent yourself in a transparent manner. This means in all situations, whether online and offline, on the phone or in person. This means you must identify yourself, your role, the sources of the information you’ve gotten from your client, and the research you’ve gathered for your campaign.

- **Disclosing your partnership, relationship and affiliation during news programs or at events.** This is a big one and it is somewhat tied to influencer relations. If you represent a celebrity who appears on a newscast or talk show, and who discusses a product but does not disclose they are getting paid by the company for promoting it, that’s a violation of trust. It is key to be clear and upfront with the media and your audiences on what you
are doing and who you represent. When you mislead your audiences, you begin to travel down the path toward a damaged reputation.

- **Giving or receiving gifts.** We all love gifts, but public relations professionals should not give gifts or try in any way to materially reward journalists, bloggers, or influencers. Even offering modest “swag” or other potential incentives to persuade them to create a positive buzz, press, or acknowledgement of your client or product are off limits.

- **Being honest about influencer relations.** Influencer relations, mentioned earlier in this chapter on p. 000 and discussed in detail in Chapter 00, has brought forth new challenges and obstacles for public relations professionals. From the ethical standpoint, if you represent someone who gets paid to create content about a specific product, the big challenge is making sure to disclose that a payment has been made— and that the content, (whether a blog post, social media post or update, video, story, etc.) is paid for. Many influencers like DJ Khaled and Kim Kardashian have gotten into trouble with the Federal Trade Commission (FTC) for not disclosing that they received payment for their product- or event-related posts.

- **Being aware of the trademark, copyright, and ownership of creative works.** You must be aware of the copyright laws and regulations for any content or other material that you want to use. Some of it is okay; most is not unless you work out an agreement or licensing deal. For example, most brands have strict guidelines on what logos and colors can and can’t be used for marketing and promotional items, and being aware of the risks associated with using photos or videos without permission is crucial.

- **Being careful of what you say and do online.** Social media allows us to communicate online in real time, but, as we know, its platforms are not a private. Think critically and make thoughtful decisions about what you do, say, and share online. For someone who makes
an error or crosses a line of appropriateness, the Internet does not forget. Keep in mind
the power of the screen shot. Once someone makes a copy of what you tweeted, shared,
snapped, or posted online, even if you’ve deleted your post – it is still there, forever.

There are many different situations that public relations professionals may face that are not always
covered in class or in a textbook. Yet, with the changes happening in the industry, we have to be able to
identify them and know where they come from. There are going to be some cases where they happen
across all fields, but there are some that are more specific related to a particular area within the public
relations industry.

Table 1: Types of ethical situations that could arise for public relations professionals

<table>
<thead>
<tr>
<th>Ethical Situation</th>
<th>Areas of Focus</th>
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<tbody>
<tr>
<td>• Gifts or bribery</td>
<td>• Journalists, news media, influencers</td>
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<tr>
<td>• Spam and cookies</td>
<td>• Social + Digital Companies (such as TikTok, Facebook, etc)</td>
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<tr>
<td>• Attacking competitors with false info</td>
<td>• Consumer brands</td>
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<tr>
<td>• Setting up “front groups” &amp; stealth</td>
<td>• Government / Public Affairs</td>
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<tr>
<td>• Fake data from influencers</td>
<td>• Online Reviews (Yelp, Trip Advisor, Google, Apple, etc.)</td>
</tr>
<tr>
<td>• Not representing true self (ex. Fake</td>
<td>• PR firms and agencies</td>
</tr>
<tr>
<td>reviews)</td>
<td></td>
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<tr>
<td>• Issue of over-charging clients</td>
<td></td>
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<td>• Conflict of Interest</td>
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<B-head> Current Ethical Case Studies

One of the things that is not lacking in the field of public relations are cases in which
professionals, brands, and even PR firms do things that they should not be doing. Even with today’s
emphasis on ethics, there are still individuals who feel they are “above everyone else and the law” and
believe they can get away with dishonest behavior. The case studies that follow are fairly current and
show how we, as a profession, still have much to do in order to practice and act in ways that are right,
fair, and equitable.
Nissan: A Case Study in Greedy Leadership. Sometimes when there is an ethical crisis, it is blamed on the public relations professional even though they are not the ones involved. This is what happened in the case of Nissan. One of the largest global brands in the automotive industry has been in an ethical battle for their reputation based on the actions of one of their senior executives. Auto executive Carlos Ghosn, the former chairman of Nissan and Mitsubishi Motors, improperly received an estimated $9 million in compensation and other payments from the joint brands without the other board members’ awareness or approval (“Carlos Ghosn accused of receiving unauthorized payments from Nissan-Mitsubishi venture - CNN,” n.d.). In the same case, Nissan was also indicted for the same violation of the Japan Financial Instruments and Exchange Act, which focuses on making sure there are no false disclosures in annual security reports (“Regarding violation of Japan Financial Instruments and Exchange Act involving Nissan,” n.d.). Nissan released a statement about the misdeed that follows:

Nissan takes this situation extremely seriously. Making false disclosures in annual Securities reports greatly harms the integrity of Nissan’s public disclosures in the securities markets, and the company expresses its deepest regret. Nissan will continue its efforts to strengthen its governance and compliance, including making accurate disclosures of corporate information. (“Regarding violation of Japan Financial Instruments and Exchange Act involving Nissan,” n.d.)

Figure 2: Nissan Statement on Indictment (retrieved from https://newsroom.nissan-global.com/releases/release-b80d5f605e170e28db6d451af70ecda1-181210-04-e?lang=en-US)
As presented within the investigation, there were some direct comments made about how the ethical leadership (or lack thereof) from Nissan is what got them into trouble in the first place. The investigation quoted committee co-chair Seiichiro Nishioka as follows: “Having read the report on the internal investigation, my initial impression was that the head of the company may have had questionable ethical standards” ("Ghosn may have had questionable ethics, co-chair of external Nissan probe says | Reuters," n.d.). Ghosn had been credited with bringing forth new financial gains and support for Nissan, however, he clearly did so at a significant cost (Leggett & Palumbo, 2018). Ghosn, who also doing the same leadership practices with the European brand Renault, was ruthless in closing Nissan factories, cutting jobs, and creating new initiatives in order to make the brand gain a profit (Leggett & Palumbo, 2018). This is a case in which leadership – for the sake of gaining a short-term profit for a brand – caused an ethics scandal at the sake of a brand’s global reputation.

*C-head* Facebook: A Case Study in Audience Deception. The largest social media company in the world has had more ethical challenges than any other of today’s social platforms. Most of these issues have to do with privacy and data collection. When it comes to the terms of service agreements, most platforms state your data and privacy is protected. Yet, this issue was brought up front and center during the 2016 Presidential Election in the United States. The company has not chosen the best communication tactics when it comes to the public’s rising concerns over the past few years. In a *New York Times* article,
Facebook is portrayed as using the denial, delay, and deflection strategy for all of their communication efforts, and feel they have been portrayed “unfairly” in the news ("Delay, Deny and Deflect: How Facebook’s Leaders Fought Through Crisis - The New York Times,” n.d.). Facebook has struggled with handling the revelation of its actions in regard to Cambridge Analytica; Facebook collected data from users without their permission, and conducted an “experiment” to see how people would respond when presented with have positive or negative content on their timelines (“Facebook reveals news feed experiment to control emotions | Technology | The Guardian,” n.d.). These factors have led people to lose trust the company. Facebook users are looking to the organization to take responsibility and to change their actions and behaviors. The only way that Facebook can achieve this is if the company puts ethics at the top of their list of priorities ("If Facebook is really at war, the only way to win is to put ethics first - The Washington Post,” n.d.).

Mark Zuckerberg, CEO and Founder of Facebook, has made several trips to Congress and Washington D.C. to address rising concerns involving fake news, data collection, and privacy. The public relations team could only do so much in this case, but there are some things they could have encouraged and promoted in response to what happened in this case. Integrating more transparency in their messaging, as well as discussing the steps they will take to make sure this does not happen again. Since this case happened, Facebook is doing more to address these concerns. Yet, these are some new ethics violations that public relations professionals need to be aware of and ready to address. Will Facebook change their behaviors and actions to embrace a more ethical and legal stance for their business practices? Time will tell.

*C-head* Papa John’s: A Case Study in Racism and Brand Rehabilitation. “Better Ingredients. Better Pizza.” How about “Better Ethics”? Perhaps not, Papa John’s. The face of the brand, founder John Schnatter, had been a staple of the marketing and promotions efforts for the global pizza franchise for years. Papa John’s had been a staple presence in many places, most notably being the official pizza
sponsor for the National Football League (NFL). However, this all changed over the past few years because of the actions of the brand’s leadership. In November 2017, Papa John’s made the call to withdraw as an NFL sponsor because of the CEO’s objection to the national anthem protests in which some NFL players, instead of standing, took a knee during the anthem to protest police brutality being carried out in the U.S. against African Americans and other people of color. Schnatter said that the protests that were happening during the NFL games was impacting their overall sales, since they were one of the major sponsors for the NFL, which was one of the other factors to the decision to pull out (Moore, n.d.).

Yet, this was just the beginning of the pizza brand’s troubles and 2018 would mark the year that Schnatter took things to another level. Papa John’s ended their NFL sponsorship in February 2018, and on July 11, 2018, Forbes reported that Schnatter used the N-word on a conference call with his creative agency, Laundry Service (Moore, n.d.). Ultimately, Schnatter resigned as chairman and the PR professionals at Papa John’s made efforts to rebrand the company, creating new marketing efforts to separate the brand from its founder (Moore, n.d.).

Instead of focusing on using leadership as the brand voice of a company, Papa John’s created a new campaign titled “Voices” which showcased actual employees who are behind the brand, including franchise owners, pizza makers, and drivers (“Inside Papa John’s Transformation: How Diversity and Marketing Leaders Are Changing the Brand – Adweek,” n.d.). Since then, Papa John’s has engaged in more proactive and sustainable efforts both in their leadership practices as well as the brand presence as a whole. Their latest spokesperson, Shaq, has been successful in reaching new audiences as well as tapping into new sports fans, including basketball, for the pizza brand.

This case is still ongoing with Schnatter and the Papa John’s brand. Both parties are still in legal discussions over the control over the name and access to communication materials while Schnatter was still in the company.
Figure 1: Papa John’s Voices Campaign (retrieved from https://www.youtube.com/watch?v=NsUOWFvk0dw)

Bell Pottinger: A Case Study in Inciting Social Unrest

One of the biggest recent scandals in the world of public relations happened in 2017 when Bell Pottinger, a London PR firm, was banned from the United Kingdom’s Public Relations and Communications Association (PRCA). This happened as a result of PRCA’s investigation into Bell Pottinger during which they discovered Bell Pottinger’s “secret campaign to stir up racial tension in South Africa on behalf of Oakbay Capital” (Conner, n.d.).

This was not even the firm’s first crisis. In fact, Bell Pottinger was also the agency responsible for representing some controversial figures and political leaders (Segal, 2018). One of the more recent clients they represented was Oscar Pistorius, the Olympian from South Africa who gained worldwide fame in the 2012 London Olympics – and who was later convicted for the murder of his girlfriend (Segal, 2018). But the situation that
ultimately brought down Bell Pottinger was when the firm chose to represent the Guptas, a powerful and influential family in Africa who had a multi-billion dollar empire in South Africa (Segal, 2018). When the media began to focus on some of the company’s activities, Bell Pottinger was brought in to build a public relations campaign to create “a distraction that would draw attention away from them and onto their many enemies” (Segal, 2018, para. 3).

Bell Pottinger’s work for the Guptas began with a 2016 PR campaign to help them gain influence in the country. The firm’s strategies included creating fake Twitter accounts, building an attack website, and inviting influential to give speeches arguing against the wealthy white leaders in South Africa (Segal, 2018). Bell Pottinger’s actions were coordinated with proper media training, funds, and support from Oakbay Capital, which was owned by the Gupta brothers (Segal 2018). Once these unethical practices were discovered and revealed by PRCA, the Bell Pottinger’s actions caused outrage both in and outside of South Africa. This sparked an outcry in the public relations industry as how this was occurring for such a long time and how these practices go against the ethical principles public relations professional adhere to. As a result, Bell was forced to declare bankruptcy (Segal, 2018). The courts in South Africa found Bell Pottinger had “exploited racial divisions on behalf of the Gupta family” (“Bell Pottinger case study | PRCA,” n.d.). As a result of this case, the PRCA terminated Bell Pottinger’s membership to the professional organization because they failed to protect their reputation and the standing of the public relations profession (“Bell Pottinger case study | PRCA,” n.d.).

As a PR Professional, What Legal Matters Do You Need to Know About?

Public relations professionals deal with many different legal matters, including libel, slander, and defamation to name a few. Like ethics, law is an area that needs more emphasis within public relations curricula. While the purpose of this textbook is to introduce you to the field of public relations, part of your introduction needs to include a few of the major aspects of the law that PR professionals deal with.
**Libel**

One of the most common elements that comes into play is the difference between libel and slander. They are essentially the same, but one is printed falsehoods, and the other is spoken. **Libel** is printed falsehood, and in order to prove libel, you have to show that: Harm was caused by a published story or broadcast (such as in a news article or advertisement) in which a person or company is named; that the media was at fault or made an error; and that the “facts” presented by the media were false.

**Slander**

**Slander** is a false oral statement, one that may come up at a press conference, a public event, or even during an interview. However, defamation is considered to be any false statement about a person or organization that creates public hatred, contempt, or ridicule, or that inflicts injury on a reputation. For example, celebrities are known to sue media outlets (most of the time tabloids) for defamation. Most recently, actress Rebel Wilson won a $3.66 million defamation suit against Bauer Media after they wrote damaging stories about her saying she was a “serial liar who had fabricated almost every aspect of her life” (https://www.facebook.com/elahei, n.d.). This case gained a lot of attention in the media since it was picked up by many other media outlets, and it did occur during a prime time in Rebel’s career, which was impacted by these stories.

**Deception**

Another legal matter that PR professionals need to understand is the difference between puffery and deception. These are two similar, yet different, concepts that you should keep in mind when creating a message strategy. **Deception**, the more serious legal violation, occurs when someone makes a false or misleading statement in order to persuade audiences. For example, the Lucky Strikes campaign of 1929
focused on tying women’s liberation with smoking during the Women’s Suffrage movement. While this campaign was successful for the tobacco company in getting women to view smoking differently, its messaging was deceptive in nature. Persuasive, yes. Ethical, no. Another area that public relations professionals need to be aware of involves food labeling. Most brands, especially consumer products, have to list all of the ingredients that go into their products in order to meet the requirements of the Food and Drug Administration (FDA). However, there have been cases—such as one involving Tyson Foods and another involving Vitamin Water—in which companies have not done this. In these situations, both companies had to address the deception their products were not what they appeared or presented to be, which provided their public relations team a challenge in addressing these concerns amongst their key publics.

In these deception cases, the common theme is that brand strategists have made statements that are not true, as in the case of the Lucky Strikes campaign, or they have left out significant information, as in the case of Tyson and Vitamin Water. Tyson Foods got into further trouble when they did a promotion campaign focused on their products being “raised without antibiotic.” When it was discovered that this was not true, the company had to settle a $5 million suit (“Seeking the Truth in Food Labels,” 2012). Vitamin Water, a brand that promotes itself as a healthy drink, actually contains more sugar than Coke (“Coca Cola’s Vitamin Water Labels Have to Change, Court Rules | Fortune,” n.d.). On the other hand, a different brand that promoted itself as a healthy product won a battle with the FDA. In 2015, the FDA sent a note to Kind Snack Bars telling them that they couldn’t use the word “healthy” on their packaging (“Kind Bar Can Keep ‘Healthy’ Label, Says FDA | Fortune,” n.d.). To respond to this request, Kind Snacks actually created a Citizen Petition campaign regarding the situation. As a result, they were able to keep their branding of being a healthy snack product.

Figure 3: Kind Snacks Citizen Petition Note (retrieved from https://s3.amazonaws.com/kind-docs/citizen-petition.pdf)
When compared to deception, puffery is more of an exaggerated statement in which a firm may say something like “This is the best brand ever,” or the “This is the greatest and best event you could ever go to.” Can a public relations professional prove this? No. Does it make it right to still do? No. The best course of action is to be honest and truthful on what your brand, campaign, and organization represents. Never mislead your audiences to take action based on what you think they will want; rather, provide all of
the facts and information and let them make the decision for themselves. Being honest and transparent will always win in the long run.

What Best Practices Help PR Professionals to Function Ethically and Legally?

As a PRWeek article (Raab & PR, n.d.) discussed, there are certain things that public relations practitioners need to do, from a professional standing:

- Be aware that, when you take on controversial clients, organizations, or brands, public perception and your reputation will be affected. Association – whether it is intentional or not – can be the deciding factor between a strong reputation, and one that is not as strong or positive. Clients come in all shapes, sizes, and backgrounds, and as public relations professionals we need to know our core values, professional practices, and non-negotiables when it comes to working within certain industries and situations. For example, taking on a client such as OJ Simpson may be quite the challenge in light to the crises he has been in over the years and how his reputation is not pristine in the eyes of the general public.

- Know that ethical practices are be different from country to country. This is a key element to remember as the world becomes more globalized. Each country has its own ethical and legal practices, and it is important to be aware of the similarities and differences of these practices. For example, paying journalists for media coverage or accepting gifts from clients may be acceptable in some parts of the world, or even expected. It’s important to know the ethical practices of the different countries you do business with. For example, paying reporters or media professionals for stories is not acceptable here as a practice, but in other countries (ex. Russia) it may be.

- Set clear expectations and take specific actions when responding to an ethical challenge or crisis. The risks associated with ethical challenges increase exponentially when PR professionals do not
take direct and immediate action. We need to move quickly and be very clear in both our communications and actions when an ethical challenge or crisis arises. We need to state what next steps to take in order manage relationships. Whether you are fixing a relationship or ending one, there should be no gray area in your communications.

- **Act in the public interest by setting a strong ethical example.** Be aware of what is good for the majority of the people while making sure you are honest with your audiences, truthful in your information and your standing or role, and be fair to all of your audiences (both internally and externally).

**SUMMARY**

As the famous saying goes, it is not only who you know, but who knows you. In the present public relations field, it’s who knows you and what you stand for that counts. Being an ethical PR professional is not about memorizing a code of ethics or sharing them on social media. It is about embracing these values wholeheartedly and truthfully. In other words, don’t tell me you are an ethical public relations professional, show me. Actions, especially when dealing with ethical and legal situations, mean more than words and prepared statements. Public relations professionals need to take action to address ethical and legal concerns. Doing so will positively impact not only the current perception of our profession, but our future as well.

In order to have a strong reputation and presence in the industry, public relations professionals need to study ethics and be able to show others that we have what it takes to do things professionally and ethically on a consistent and sustainable basis. As PR professionals, we need to tap core principles and values, including honesty and integrity, as a guide for our actions, especially in challenging situations.
Rome was not built in a day, and the same can be said for having a consistent and universal approach for ethical and legal behavior for public relations professionals. Yet, we can all get there one step at a time by doing our part every day.

**Game Changer Feature: Jason Falls, PR Professional**

**How did you get your start in public relations?**

My high school days were mostly spent on the radio calling play-by-play for my high school football and basketball teams. When I got to college, I wrote for the campus newspaper until one day the sports information director said, "How would you like to do that but get paid for it?" I was scraping by, so I said, "Hell yeah!" And the next semester I was a student assistant in the sports information department, which is the PR department for athletics. Because I had a lot of experience covering games as a broadcaster, I immediately took over running the stat crews, computer systems, etc., and was pretty senior despite being a student. After grad school and a two-year jaunt back into broadcasting, I walked right back into sports information as a full-time assistant, then director and did that job for eight more years. When my son was born, I transitioned out to an agency where I was hired primarily to do PR for Louisville Slugger based on my sports background, but quickly was assigned and learned public affairs, consumer goods and other areas. The skills are the same. It’s just having the ability to adapt to the different types of audiences and environments to connect your messages.

**What is your favorite part of working in public relations?**

Having an inside look at how the media is made has always been my fascination. Whether it's being a hands-on part of it, coordinating the announcement of the Silver Slugger Award winners live on ESPN News or just being the liaison between a beat writer and a player or coach whose story gets told because I helped amplify it the right way behind the scenes, seeing and being a part of the mechanism that gets the paper to press, the TV show to air, the talk show on live or the website content pushed has always been fun for me. I think it's why I became so quick to adapt to social media -- I love being able to hit "Publish" or "Submit" and see my words and pictures live for the world to see. It's probably some weird psychological ego trip thing, but it works, so I just roll with it.

**What is the most challenging part of working in public relations?**

By far the most difficult part for me has been fighting the stigma left behind by the hacks and the wannabes who aren’t in it genuinely. When you have to fight a reporter's preconceived notion that PR flacks are just in it for a story and don’t care about them or their audience, plus you have to convince them the story is good enough to cover, that just makes it twice as hard. I've always had a genuine interest in knowing the reporters and -- I guess it's fair to use this now -- influencers I've worked with over the years,
and well beyond any story or pitch I’ve thrown at them. My intent as a PR pro was to always be useful to
the media I worked with, no matter what, when or where. That’s my mentality for audience members of
my client’s and brands I work with in social media, too. But too many self-absorbed or task-focused media
relations hacks over the years have used media members too flippantly, tossing them aside or ignoring
them when they’ve gotten what they wanted out of them, so for guys like me, the road was harder to
navigate along the way.

Who do you think are the biggest game changers for the public relations industry?
Social media has completely flipped the lid on PR. Everyone is now a publisher. We’re no longer in the
business of media relations. We’re now in the business of influencer relations. And many influencers are
individual Instagram users, not multi-million-dollar broadcast entities. It’s sick when you think about it.
And the fact that single individuals are trumping big companies for eyeballs and attention means PR folks
are having to deal with egos they never imagined were possible. It’s one thing to have to navigate
prepping a client to be interviewed for Crossfire. It’s a completely different animal to have to convince a
22-year-old selfie-addicted gum-popper she has to report back analytics if your client is going to cut her a
$15,000 check. PR has changed. Trained journalists were a pain in the ass sometimes, but they weren’t
DFNRs. (Divas for No Reason)

What are some things you wish you knew when you were starting out in PR?
Well, I certainly wish I knew that individuals would one day rule the day. I could have carved out my own
mint far before others did. Ha! But the one thing I really wish I had known in the late 1980s when I got
into the professional world was that the world of public relations was so vast and variable. I lived for 15
years in the niche world of sports PR. And that is a hard-working, long-hours, no-pay, grind of a world. If I
had known then that I could work at an agency and make twice the money for half the hours, my 20s and
30s would have been a bit saner and I might not be in nearly as much debt. But I did get paid to watch
ballgames for a living for 15 years, so there’s a Yin and a Yang to it all.

Case Study: The Fyre Festival: How NOT to Plan an Event

Fyre Festival (image retrieved from https://www.thewrap.com/netflix-vs-hulu-competing-fyre-festival-
documentaries-sets-off-war-of-words-between-two-filmmakers/)
If there was a cautionary tale for public relations professionals, especially those who want to go into event planning, the Fyre Festival case study will be the poster child case for what not to in the event. In 2017, Fyre Media founder Billy McFarland and rapper Ja Rule decided to create a music festival on Exuma island in the Bahamas. The festival was going to be one for the books, but unfortunately, it will go down as one of the worst festivals that happened due to greed, fraud, misleading information, and unethical lack of transparency with marketing and influencer relations efforts.

Why did this campaign generate buzz?

- This campaign generated a lot of buzz for the event, especially on social media. The festival did a great job in tapping into influencers (nearly 400 of them) to help market the event.
- The event showcased beautiful pictures on Instagram and became one of the events “not to miss” in 2017 (Lee, 2017). Influencers and celebrities like Bella Hadid, Kendall Jenner, and Hailey Baldwin Bieber were just some of the people promoting the event on Instagram.
- The promoters, Ja Rule and Billy McFarland, were the ones who created and launched The Fyre Festival.
What were the ethical and legal issues?

- While social media was their best friend in marketing, it was also its worst enemy for ethics since it emphasized the festival to being transparent not just by the organizers, but those who had decided to come to the event.
- When festival attendees came to the event, they came to the immediate realization that what was promoted on social media was not what was happening in real life. Homemade tents, no accommodations or gourmet food (as was promoted and showcased) was served, and the big promise of glamour was instead looking more like a disaster relief situation.
- There are currently eight lawsuits going on for damages, including one for $100 million. (“Fyre Festival Hit With $100 Million Lawsuit,” n.d.)
- McFarland is currently serving a six year prison sentence for fraud, and Ja Rule is still out and states that the festival was not a “scam” (“This Is What The Fyre Founder’s Future Looks Like,” n.d.)
- There were two documentaries based on this crisis that were produced by Hulu and Netflix. However, Netflix has had to deal with their own ethical challenges since they worked with Jerry Media, a social media agency that did the marketing for the Fyre Festival (“Netflix vs Hulu,” 2019)
- Everyone associated with the festival was not honest or transparent about the situation or what to expect. Yet, with social media, many of the attendees went to their accounts and shared their experiences, frustrations, and experiences for the world to see. As a result, the news media around the world picked up on this and ran with it. Many of these photos, like this one below, went viral.

Figure 4: Viral cheese sandwich picture from Fyre Festival (retrieved from https://twitter.com/trev4president/status/857787891573022720).
What are some major takeaways from this case?

- Honesty, transparency, and fairness for all parties was seriously lacking. No ethics were shown or considered in this campaign whatsoever. This case showed how greed influenced the leadership and direction of the festival, and as a result, caused a lot of people frustration, anxiety, and ultimately made The Fyre Festival a case study that will be one for the books for years to come.

- Influencer marketing is very effective – as shown in this case. People were able to listen and take action based on the word of mouth marketing efforts by individuals associated with the festival.
Yet, while this festival had a major crisis, the influencers who had promoted it had to do damage control as well since they were also linked and associated with the event.

- Apologies in some cases are not enough. Significant damage in trust, natural resources, and influencer marketing was done through this case. Even though Billy made this statement from prison, there will not be any changes in public perception of him and what he did with Fyre Festival:

> I am incredibly sorry for my collective actions and will right the wrongs I have delivered to my family, friends, partners, associates and, you, the general public. I’ve always sought — and dreamed — to accomplish incredible things by pushing the envelope to deliver for a common good, but I made many wrong and immature decisions along the way and I caused agony. As a result, I’ve lived every day in prison with pain, and I will continue to do so until I am able to make up for some of this harm through work and actions that society finds respectable. (“Fyre Festival Founder Apologizes from Prison: ‘I’ve Made Many Wrong and Immature Decisions’ | PEOPLE.com,” n.d.)

**APR Exam**

- Ethics is critical to the field of public relations.
- Values, that are listed in the PRSA Code of Ethics, need to be considered and applied in various situations facing public relations professionals.
- Situations will arise, and you have to be able to apply which ethical principles will help your decision-making process.

**Key Terms**

- Ethics
- Code of Ethics
- Libel
- Slander
- Defamation
- Deception
- Puffery
Discussion Questions

1. How would you define ethics? What are three values you would consider to be the most important ones for your future in public relations?
2. Review the PRSA Code of Ethics. What are the core principles you feel most strongly about? List a case study you have seen that addresses each of these components.
3. What are the biggest ethical and legal issues you see presently happening in society? Explain your answer.
4. What are three steps you will want to take to make sure you are practicing ethical and legal public relations?

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