

MEENA VAIDYANATHAN'S VIEWS ON CHALLENGES FROM THE OPERATING ENVIRONMENT

Monsanto has traditionally been and continues to be in technologies that perhaps are not viewed as being glamorous or things that interest the lay person, although it affects them in everyday life. We deal in herbicides, seeds, breeding programmes and genetic improvement of seeds, and technologies that improve agriculture.

Chronology of events ...

Monsanto established its business in 1949 and it was primarily non-agriculture indenting business. We also had a lot of other businesses other than agriculture. We launched our first brands in India in 1973 and some of these brands, *Machete and Lasso* still continue to be the top selling herbicides in the rural sector. The world's largest selling herbicide, *Roundup*, which is Monsanto's brand, was launched in 1991. *Bollgard*, which is the first genetically improved cottonseed was launched in the US in 1995. The deal with Maharashtra Hybrid Seed Company (Mahyco) was signed in 1994 and this is a similarity with Enron in that our actual process of bringing new technology into India began in 1994. We have a plant for the manufacture of herbicides in Lonavla and started another plant at Silvassa. The business really began to expand in 1996 when over 120 new people were recruited. We now have close to 400 employees – one of the largest field forces in the agriculture industry. In 1998 Monsanto began to have business with other seed partners because we did not inherently have a seed business. We were a technology strong company.

Chronology of the public affairs challenge...

The surprising thing about the whole challenge was that it reached a peak with something that Monsanto wasn't even associated with – the **Terminator Gene** – a term coined by one of Monsanto's ideological opponents. This referred to a particular technology that was being researched and developed by a company called Delta & Pineland, USA. This was a seed company that Monsanto had made a bid to buy in 1995. Negotiations were on and ideological and traditional opponents who were against private seed companies and genetic improvements in seeds used the media to their advantage. The first stories in the print media started appearing in July 1998 though they were all over the Net before that.

Emergence of biotechnology in India....

It was the same time that biotechnology in India was emerging as a commercial business and a number of government and private organisations were trying to do field trials or research in these areas. There was a whole lot

Mustard oil and the dropsy crisis...

of confusion at this stage about the **terminator gene** and it got directly associated with biotechnology. Because of this, stories that were published in the media alleged that Monsanto had brought in the terminator gene. While these stories were circulating, the mustard oil crisis occurred in which 40 people died of dropsy. Stray reports began to appear stating that Monsanto was responsible for this crisis because we were trying to create a market for soya seed to be imported into the country. This was despite the fact that Monsanto wasn't even a grain or commodity trader at that time.

Field trials for Bollgard...

Around the same time, Monsanto was conducting the first round of open field trials for Bollgard. Mahyco got permission to conduct these open field trials after a series of testings in India. In 1998 the trials were on and certain groups in parts of the country started spreading stories in the media that these trials were for the terminator gene. This became a politically sensitive issue especially with the governments of Karnataka and Andhra Pradesh taking a stand. Questions were asked in Parliament and in the Legislative Assembly and it became a major issue.

Monsanto's aim...

Monsanto's primary aim at this stage was to ensure that the company's business plans were not hindered in any way. The idea was to get permission for the trails to take place on time and to get the stakeholders to understand what the company was trying to do and get things moving on the business front.

Whom to talk to?

During all this time, Monsanto was talking to all its stakeholders and not just the media. At this time, the Government of India completed its 100-day tenure and they launched a series of advertisements in newspapers where they said what kind of technologies or futures they were going to associate themselves with. Amongst these were information technology and biotechnology. This set the momentum on the government front and people began to take the benefits of this technology more seriously.

The strategy....

There was also an awareness campaign by the Department of Biotechnology through the International Science Congress in which Monsanto participated behind the scenes. This strategy was crucial because we interacted with all the stakeholders. As a result of the awareness campaigns and our interaction with the public in general, influential publics started to understand the technology. Now the ideological opponents shifted tack and started opposing the existence of Monsanto from the MNC angle. Through all this time there was a campaign where "Roundup" our herbicide was being publicised as being 'Agent Orange' which was a defoliant used in the Vietnam War. Some of our opponents

started a campaign called *Beej Satyagraha*, which was a campaign against all private seed companies.

Impediments in the path of success...

There were several impediments in the path of public affairs success. Firstly, awareness of Monsanto activities was very low amongst the national media. Secondly, third party support was not very vocal or forthcoming. This is an impediment to any company or organisation where you are the market leader both in terms of technology as well as in commercial size. Although players such as Novartis and Dupont empathised with us and understood the need to educate and create awareness, it was non-existent at least till 1996.

Conflict between the US and EU...

The agriculture industry itself in India is quite disorganised. Most of the seed companies in and around the country are scattered and are not a single force. Around the same time there was a constant debate between the US and Europe which set the background for the campaign by the EU against US foods in particular. The US had adopted biotechnology and this had brought down the production costs for seeds and agricultural goods. Due to this, they were able to export many agricultural goods to a larger extent. One of the chief importers of US foodgrains is Europe, and the UK in particular. There was a lot of pressure on the UK government to restrict the import of US foodgrains.

Many of the pressure groups latched on to the point that the soya, which was being imported into Europe at that time was genetically modified. They took this as an example to put an end to US imports especially in agricultural foodgrains.

Understanding the problem...

We tried to understand the crux of the matter – it was a technology-high problem where basically there was a lack of understanding in the media. Even among scientists, the technology that was emerging was very new. There were 183 laboratories, public, private and government who were working in the area of biotechnology. Apart from these, the rest of the scientific clan was far removed from what was happening in the global scenario in the area of biotechnology.

Steps Monsanto took...

What we did was have an information blitz for many of the stakeholders. We also began an information tracking system where we monitored daily print, electronic and wire services. We realised that there was a lack of awareness of biotechnology in general among the media and hence started an extensive media liaison network programme by initiating regular media briefing sessions with the view to build awareness of biotechnology issues and on Monsanto in particular. As a result, we established a strong rapport with print and electronic media. It was also important for us to ensure that all the stakeholders and the publics at large were getting information from us rather than through a third party - print or electronic media. To ensure this, we started daily mailers and newsletters and as a result established a very strong database segmented by stakeholders. Today, we have a stakeholder database of 1000 people and a monthly newsletter goes out to them.

Cultivating a relationship with stakeholders...

It was very important to cultivate relationships with all the stakeholders. In this case these stakeholders were NGOs, scientific institutions, media, consumer bodies, shareholders, farmer bodies and the government. We recognised the fact that if the stakeholders were convinced of our technology, we would receive positive articles in the media. It did happen and the same papers that had given us negative publicity came back and said that they had made a mistake and would issue a correction, not just as a letter to the editor but as headlines.

The key learnings...

Monsanto was totally unprepared when 'terminator' hit us. It is very important for organisations to anticipate a crisis upfront. Internally we were very poorly coordinated against a very well connected global anti-network. Monsanto exists in over 70 different countries and we have a very strong network in terms of internet, intranets, etc. However, our coordination was poor, because the anti's were getting their stories across globally, while we were sending out different messages from offices worldwide as well as within India.

Importance of being well connected globally...

It is also important for any business, especially with new product launches, to ensure that your third party support is in place. It is not enough to have your customer in agreement - it is important for the

general public to understand too. Community outreach programmes are important also. We did not have the luxury of managing just one particular area as we had the national farmers, public at large and consumers groups all over the country to contend with. However, these programmes gave us a base where we had the opportunity to say that although profits matter, what is more important is the commitment.

QUESTION AND ANSWER

More specific information in terms of the difference between internal & external communication and the kind of budgets involved

Meena added that communications - both internal and external - are dynamic and they keep changing. You need to keep track of what works best. For example, when Monsanto started out, we had a monthly house magazine that went out to all employees. However considering the fact that ours is a field-strong organisation with 250 out of the 400 travelling most of the time, we did a quick internal poll, which showed that most people were not spending much time reading it. So if the notion is to ensure that your ideas get communicated, then the best way to do so was to post a quick update on the company by email. For those who did not have this facility, we sent out the information by letter through our customer service centres. Employees at Monsanto also have communication folders that are updated at regular intervals - these may have a videocassette on a major event that happened in the past week, CDs, etc. Recently we also started 'Taaza Kabbar' - which is a weekly mailer sent out to all employees. These contain current news, not necessarily about Monsanto, but also industry news. This makes people aware of industry trends and happenings. In external communications, we had a monthly newsletter on general issues that was going out to our database - the issue was that awareness on biotech was low and hence we now have a Global Biotech Update.

(Excerpted from the presentation made by Meena Vaidyanathan, Communications Manager, Monsanto Enterprises, at PR Pundit's workshop - Pillars of Corporate Reputation, held in Mumbai on March 29, 2000)