

SMITH, JOEL C., American Crystal Sugar Company, 101 North Third Street, Moorhead, MN 56560. **Communicating with the public on environmental issues.**

### Introduction

Maintaining the public's trust is an important aspect of everyday business operations, especially when environmental issues are of a concern. Our society now expects that we will not be a threat or nuisance to the lifestyle of the community as well as being in compliance with the law. New federal regulations have given more power to the public to voice their concerns, seek enforcement of environmental laws, file complaints, comment on permits, take legal action and obtain detailed information about the environmental record of a business. Businesses are expected to perform in accordance with the so-called "Social Contract" that includes a good environmental program. Companies can no longer operate without being noticed by the community. The press enjoys a good story on the environment. With all of this we must communicate with the public. People are willing to get involved in environmental issues and take direct action. New federal laws allow citizens to file suit against companies that they believe are not in compliance with the laws. Good public communications can greatly reduce the risk of lawsuits, bad press and the organization of citizen groups that will challenge company actions.

### Background

American Crystal Sugar Company owns five processing factories, three in Minnesota and two in North Dakota. When our factories were first built we had few neighbors, campaigns were over by March 1<sup>st</sup> which allowed wastewater to be treated and discharged before odors were a problem. Very few complaints were made regarding pond odors. The communities saw the factories as an economic benefit and provider of jobs.

With longer campaigns there is not the opportunity to treat and discharge wastewater before warm weather starts. The higher temperatures increase the activity in the ponds and generate more odors. Also, people are outside expecting to enjoy the spring weather and the smells of spring.

Over the years the demographics have dramatically changed, especially in the two largest communities. Homes and golf courses have been built near the factories. People have been moving in from larger metropolitan areas and have less tolerance for odors and environmental problems. More expensive homes and higher income neighborhoods have been built down wind from the factories in Moorhead and East Grand Forks. These people frequently have the resources and political influence to try to force changes to improve the environment.

All of this has heightened the awareness of the press, community leaders and state regulatory agencies. We simply had to find solutions for odor problems and develop good relationships with our neighbors and community leaders.

### Suggestions for Communicating with the Public

First of all you have to be committed to making improvements to reduce all environmental impacts. American Crystal Sugar Company has spent tens of millions of dollars on equipment to reduce air emissions, treat wastewater, eliminate ponds, and try innovative ways to reduce odors. Without such a commitment the public simply will not believe you are trying.

Second, you have to communicate openly and honestly with the public. This is especially true in situations where you do have a noticeable problem. You have to be the first to deliver the bad news before others that might want to punish you, make change your operations, or simply close down your facilities.

Third, you can not ignore anyone who wishes to talk to you about your facility. Ignoring people easily turns them into activists. Once this begins to happen you will often see them going to the news, state agencies, local government and forming neighborhood groups. When they start hiring attorneys the situation has become critical.

Fourth, a means to communicate frequently with the public needs to be established. This can be through mailings; newspaper, television, and radio ads; and a website on the Internet. It is also helpful to include a toll free number for people to call and get answers. Using the telephone in this way will reduce the number of calls to the local or state government.

#### Our Experience

In the last two years, American Crystal Sugar Company faced three major issues that attracted public and press attention. The first issue was the requirement in the Clean Air Act Amendments of 1990 to develop and publicize risks posed by the storage of hazardous chemicals. The regulations also required that public meetings be held to inform citizens of those risks. Notice of meetings was made in all the local newspapers and meetings were scheduled in the evenings so they would be convenient for the public to attend. Very few citizens came to the meetings and there was no negative press.

In 1998 we had a dike failure that caused some bad press, but it did not last. Then in 1999 we had a poor year for beet storage resulting in high odors from beet piles, waste water ponds and beet disposal areas that resulted in a large number of complaints to local and state governments. Starting in the spring of 1998 we issued public notices, had a toll free number to call. We also had had meetings with the local elected officials to explain what we expected that spring and summer. These efforts seemed to help our credibility and reduce the bad press we may have had with the dike failure and any odor problems.

During 1999 we decided not go forward with any public notice nor did we have the toll free number. This was the worst year for us to take such an approach. One of our wastewater treatment plants was damaged and repairs were not completed until late summer, it was an unusually warm spring that resulted in a lot of spoiled beets and wastewater. Since the public had nowhere else to turn, there were many complaints lodged with local and state officials. A local judge became very outspoken in the newspaper and on the radio. Our trust declined.

Therefore, in 2000 we worked with a communications consultant to develop and implement a strategy to deal with these issues and keep the public and local governments informed. The strategy started with the use of focus groups to determine what level of trust and support we had in the community and among our stockholders and employees. Direct mailings were made to employees of our company, growers, public officials and neighbors informing them of the problems we were experiencing and what actions we were taking. We provided a toll free number for the general public and a web page on our Internet site with updated information. All of these efforts paid off with increased trust and fewer complaints to government agencies.

#### Conclusion

Here are some examples where better public communications could have helped prevent a loss of credibility and trust:

1. This quote is from the Grand Forks Herald, February 22, 2001 and has to do with a request by a contractor to spread beet pulp and tailings on farmland. A previous hearing was held and the request denied due to public opposition. Cattle farmers then came forward and wanted the commission to reconsider the request. This was not well advertised. The citizen response was published in the paper. A special meeting with the citizens and the county commission has been scheduled. A citizen who lives about a half

mile from the proposed site is quoted as saying, "We are going to discuss two things. One, why the agenda didn't state the reconsideration of the permit, and two, I am supposed to be notified 30 days prior to the permit because I live less than half a mile from the dump site." Another citizen angered about not being informed of the hearing stated, "its such an injustice Mr. Brule blackmailed the county commissioners.

"Why should Mr. Brule have that power over them (the commissioners)... We had no idea that it was on the agenda or we would have been at the meeting."

2. This from an advertisement in a professional journal. "When a computer-manufacturing firm located a half mile from...a sugar-beet processing facility threatened to file a lawsuit against the company if it did not reduce odors...(the company) made odor control a top priority."

From these experiences and our own, it is evident that we can improve our relationships and credibility with our neighbors and community leaders by having a policy and plan of open communications. It needs to address concerns that our neighbors and community leaders have expressed. Knowing that we are willing to communicate honestly does a lot to develop trust as long as we are making sincere efforts to correct problems and protect our communities.