

Big sales, close shave for firm

Client: Louisiana-Pacific
(Portland, OR)

PR Team: Sloane & Co. (New York)

Campaign: "Public Shearing"

Time Frame: January 2000

Budget: N/A

After some rough years in the mid-1990s – including a series of product liability suits settled for almost half-a-billion dollars – Louisiana-Pacific brought in a new management team that included chairman and CEO Mark Suwyn.

The company invested millions in revamping its corporate culture and finally found itself

back in the black. But when Suwyn promised employees he'd shave his head if fourth-quarter earnings doubled, he was certain his sandy-brown locks were safe. Sure, with housing starts up and interest rates down, just about every company in building and lumber products like Louisiana-Pacific was expected to turn a profit.

But double fourth-quarter earnings?

Yet, when the number crunchers were done, the company had delivered net earnings of \$35 million – better than double the \$16 million earned in last year's fourth quarter.

Strategy

After mulling it over for some time, Louisiana-Pacific decided that publicizing the hair-shave event was an ideal way



Suwyn... lost a bet – and his hair

to draw attention to a very positive earnings story, according to Ward Hubbell, director of corporate affairs.

"It's not like we told him,

'Hey, shave your head and we'll get you on the front page of the *Journal*,'" says Darren Brandt, executive vice president at Sloane, which the company hired last March and which was enthusiastic about the idea. "This is a traditional company that thought long and hard on how this would play."

Tactics

Louisiana-Pacific was forced to walk a fine line promoting the "Public Shearing," as it was dubbed.

As the act itself hinged on unreleased earning results, any specific announcement would incur the wrath of the SEC. "So, starting about two weeks before the earnings were due out, we started sending teasers to journalists" saying that if

earnings doubled, Suwyn would shave his head, Hubbell says.

In an act of solidarity, the morning the company released its results, January 26, its entire 10-member senior management team also went under the scissors at the press conference – in front of 200 cheering employees and numerous media reps.

Results

The following morning, the story appeared on all of the major wires and was picked up by broadcast outlets from New York to Los Angeles. Several high-profile print publications covered the story, including *The Washington Post* and *The Wall Street Journal* (on the front page of its Marketplace section). A freshly shaven Su-

wyn made the rounds that evening, appearing on several telecasts, including *The Cavuto Business Report* on Fox.

There was, however, one unforeseen negative result: when Hubbell's four-year-old daughter saw her bald-headed father, she burst into tears.

Nonetheless, CEO Suwyn says, "This event and the publicity that resulted from it helped us get more than our fair share of recognition for a very good year."

Future

Hubbell says that in addition to its continued financial media relations efforts, Louisiana-Pacific senior management is currently developing a corporate re-branding program.

Craig McGuire