

Debra Hall  
PTC 642  
Government Relations Podcast Script

**Intro:**

Welcome to the Corporate Communication Podcast series on Government Relations. My name is Debra Hall. I am a graduate student in the Master of Science Program in Professional and Technical Communications at New Jersey Institute of Technology. The title of this podcast is Dealing with Government Relations: The McDonalds Case.

This specific podcast will discuss McDonald's Fast Food Chain and how it deals with government relations. Specifically, the podcast examines the controversy surrounding the beef flavoring found in its French fries. I begin with an overview of government relations. I then turn to the strategies that may be used to improve government relations. I then turn to the application of these strategies in a case study involving The McDonalds corporation, and I conclude with an analysis of the McDonalds approach.

**Body:**

In the United States, government is involved in just about every stage of business development. Many businesses cannot begin operations until they receive a license from a regulatory agency. But this role goes far beyond safety standards. As stated by Paul Argenti, author of Corporate Communication (four can protect their interests with well crafted lobbying and negotiations when they are facing substantial opposition from consumer and consumer politicians are eager to appease" (186).



The government regulates industries to prevent crucial national services from being disrupted, to ensure consumer safety, and for various other reasons.

To maximize the potentials of the business-government relationship there are several key tactics the business should follow.

Number one: The business should research best practices for handling government relations in their industry.

Number two: Implement a strategic development plan that supports the business objectives.

Number three: Develop a specific overall government relations strategy.

Number four: Monitor new media and opportunities that affect the businesses government relations strategy.

One of the largest corporations that is able to create impressive political and social power is none other than McDonald's.

In May of 2001, a class action lawsuit was filed against McDonalds in Seattle, Washington. The lawsuit claimed that the company had deceived vegetarian customers into eating French fries that contained beef extracts. The company issued a conditional apology and admitted to using beef flavoring in the French fries. This was only after the company had published several advertisements that implied that the French fries served at McDonalds were 100% vegetarian.

The French fry controversy began in 2000 when a vegetarian in the US read a news article that mentioned that the French fries at



beef. The reader questioned the customer service department at McDonalds. He received a reply that stated the following: “McDonalds French fry suppliers use a minuscule amount of beef flavoring as an ingredient in the raw product. The reason beef is not listed as an ingredient is because McDonalds voluntarily follows the code of federal regulations for labeling its products.”

The beefy fry’s controversy attained greater attention in India as 85% of the country’s population is vegetarian. The case was settled in 2002. McDonalds agreed to pay a large sum of money to vegetarian and religious groups. The company also issued an apology that could be found in several April 2002 newspaper inserts and on the company’s corporate website. Each individual involved in the settlement received a more detailed apology.

According to James Pizzirusso, the founder of the vegetarian legal action network at George Washington University, “corporates need to pay attention to consumers who avoid certain food products for religious or health reasons, or because they have allergies. Corporates say they are complying with the law in terms of disclosing their ingredients, but they should go beyond the law.

While it is true that McDonalds complied with FDA guidelines, the FDA is partly to blame. Critics argue that as long as the FDA does not have more specific guidelines, companies could legally get away with labeling products containing animal-based products when they are labeled safe for consumption.



