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FEBRUARY 2012

the voice of the investor relations profession

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About NIRI
Founded in 1969, the National Investor Relations Institute (www.niri.org) is the professional association of corporate officers and investor relations consultants responsible for communication among corporate management, shareholders, securities analysts and other financial community constituents. NIRI is the largest professional investor relations association in the world, with more than 3,500 members representing 2,000 publicly held companies and $5.4 trillion in stock market capitalization.

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NIRI Strategy for the Future

In 2008, chapter leaders joined national board members to create a three-year strategic plan for NIRI. This plan drove changes throughout NIRI at all levels. NIRI launched a new website, added internal research capabilities, introduced *IR Weekly*, increased our advocacy efforts, expanded our professional development programming, created eGroups, redesigned *IR Update*, and expanded the Annual Conference, just to name a few changes.

In last month's "At the Bell" column, NIRI National Chair Derek Cole explained that we have gone through another strategic visioning process to plan for NIRI's evolution through 2015. More than 500 members participated in this project to ensure that all member voices were represented and produced a result that was driven by your needs. This new vision, termed "OneNIRI," is available on the NIRI website at www.niri.org – click on "About Us" at the top of the home page and see it listed under "Resources."

I'd like to make a few observations and offer several OneNIRI key deliverables that you can expect as members:

First, it is clear that the practice of IR is evolving at a rapid pace. While NIRI is now completing newly revised "Standards of Practice – Disclosure" guidelines, we are working to develop an open-source platform to enable ongoing practice standards development leveraging member input. I look forward to the day when we will publish new practice guidelines at least annually. NIRI is also evaluating how the organization can assist global IR practice development using the same process.

Second, the NIRI membership structure has been relatively unchanged for more than 40 years. Beginning this year, we will evaluate how best to structure dues for the benefit of all members and potential members at both national and chapter levels. In connection with this evaluation, we will also look to share chapter best practices, and work to provide a support infrastructure for all chapters to excel.

Third, just as many organizations' communications have grown to include all forms of media, NIRI must do the same. Expect more use of video at NIRI National; a continuous evaluation of association social media tools to ensure that NIRI eGroups (or its replacement) is the best solution for serving our IR community; and the use of video-based education to complement other forms of professional development at NIRI.

I am excited about IR and about NIRI serving the global IR community. Thank you for being a member, and I look forward to leading NIRI's evolution as your IR home and serving you even better in the coming months and years.

Jeffrey D. Morgan
President/CEO & Publisher
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Institutional Investor proudly announces the winners of **its 2nd Annual All-America Executive Team Leadership and Investor Relations Awards**, more than **100 U.S. companies** and **IR professionals** who ranked at the top of their industries for their investor relations expertise and corporate leadership as voted on by the buy- and sell-side analyst community.

Winners will be honored and awarded at our **dinner and ceremony** on **March 1** at the **Mandarin Oriental** in **New York City**. The dinner is preceded by **The IR Forum** - an afternoon of interaction, education and networking produced in cooperation with the **National Investor Relations Institute (NIRI)**. Top honorees and industry leaders are being assembled to discuss some of the most compelling trends and issues brought to light by ***Institutional Investor's*** highly regarded **U.S. Investor Relations Perception Study**, as well as issues that are top of mind for **U.S. analysts** and **IR professionals**.

We hope that you can join us for a unique and fun afternoon and evening of thought-leadership, networking and celebration!

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Please Visit allamericaIRawards.com for a complete list of this year's winners.

For information on sponsoring or attending the awards ceremony or The IR Forum, please contact:
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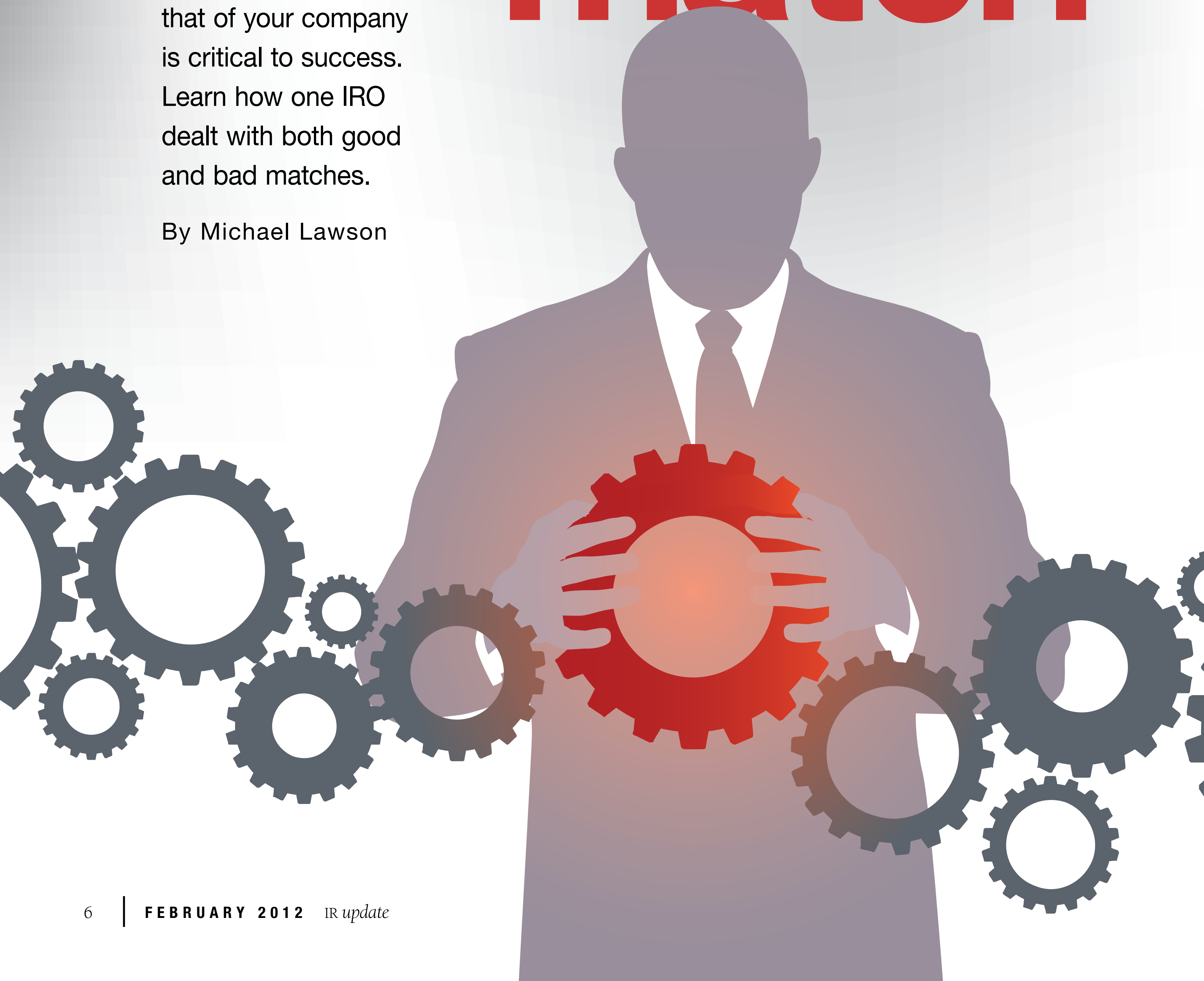
Finding Your Philosophical match

Ensuring your IR philosophy matches that of your company is critical to success. Learn how one IRO dealt with both good and bad matches.

By Michael Lawson



Think of a potential job search situation you might face.

You've nailed every interview so far. You like everyone you've met. The company is growing. The industry is exciting. There's so much value you can bring to the table. Just one more interview with the CEO and you're a sure bet to get that highly coveted offer to head up investor relations for one of the most exciting companies on the planet.

But before you start thinking about that huge new corner office and the gazillion stock options you are going to receive, think – I mean *really* think – about what you're going to need to know from that CEO before you tell your present employer adios and relocate your family clear across the country.

Regardless of how strong and well-positioned the company is, how nice and accommodating the people seem to be, and how smart and experienced you are as an IRO, your future success or failure at that or any other firm will largely depend on one critical component of an IR program that often gets overlooked – the investor relations philosophy.

Asking about a firm's IR philosophy should be the first question an IRO candidate should ask. You can show up with a great resume and a track record of success, but if there are vast philosophical differences between how you and the management team approach IR, you're probably doomed to failure. I know – I've been there. The results of not asking the tough questions can leave you and your career in the lurch.

A Tale of Two Companies

Let me share with you the tale of two companies, both of which I served as the head of investor relations, to compare and contrast two very different investor relations philosophies and their impact on the companies and their valuations. The success I had at Company A and the failure to achieve what I hoped was possible at Company B hinged largely on each company's investor relations philosophy.

Company A was in a mature industry and had a corporate culture that was by all means paternalistic. The company had been private for many years. It was not uncommon to have three generations of employees working for the company at the same time. The CEO was a consensus-builder, very affable, and personally involved in the performance of the investor relations function.

Company B, on the other hand, was in a relatively young industry. It, too, had been private for a number of years. Conversely, it had high employee turnover, which was the norm for the industry as it was growing quickly and subject to talent wars. The CEO who founded the company had an autocratic management style and was involved in the IR function, but to a lesser extent than the CEO of Company A.

Eye on the CEO

In my experience, IR philosophies cascade down from CEOs. For example, how do they view the investment community? Do they think of shareholders as owners who have entrusted their capital to the company and in turn are owed a fair return on their investment? Perhaps they also view them as partners, soliciting their input on a host of issues and events and sharing that information with the board.

Or, conversely, do they see investors as more of a nuisance and just a necessary evil that goes with being a publicly held concern? Perhaps they get annoyed with a particular sell-side analyst and berate him or her in front of others on an earnings call or insist on having conference calls with investors but refuse to take questions following the formal presentation?

Personally, I've always viewed shareholders as my external customers, just as employees and senior management are my internal customers. That was the view of Company A as well, where being informed and responsive to both groups was equally important. In that vein, the IRO needed to be an advocate for shareholders to ensure that communications were open, honest, and timely.

I remember one instance, early in my tenure with Company A, when I was agonizing over a disclosure that I knew would get very strong pushback from the CFO, to whom I directly reported, but I felt strongly that it was in the company's and the shareholders' best interest to do so. A colleague pulled me aside and said; "What does your paycheck say? Does it say (CFO's last name) or does it say (company's name)?" The point I want to make here is that this company allowed its employees to take risks and do what it thought was in the best interest of its stakeholders, regardless of egos or reporting relationships.

In another related instance with Company B, poor execution on a large project prompted the need to revise earnings guidance downward. I drafted what I thought was a very thorough explanation of how the problem occurred and what we were doing to fix it, along with laying out the revised numbers, the assumptions behind them, and a requisite quote from the CEO framing the issue.

The board met over the weekend to review the press release and decided that a conference call was also needed to further explain the miss and put more of a

Make sure you know exactly what the prospective company's investor relations philosophy is.

"human" face on the issue. Great, I thought, until the CEO decided not to allow any questions to be asked following the brief presentation.

I pleaded with the CEO to either take questions or can the call. I lost the argument, and the next day, following the announcement, the stock lost 52 percent of its value in one day. It most likely would have dipped even with a better approach, but not that severely. Moreover, we lost tremendous credibility as a management team that we never regained.

Evaluate Transparency, Communication Strategies

What else should you know about a company's investor relations philosophy? Well, do they understand the importance to both the company and Wall Street to be as transparent as possible and to communicate in a concise, consistent fashion? Or do they choose to disclose as little as possible, bury information in 8K forms released on a Friday afternoon, and hide behind Regulation FD for the rest of it? Do they take the time to think and talk about the salient issues likely to come up in the next earnings call and make sure that you, the IRO, has them adequately prepared or do they always choose to just "wing it?"

I remember the first earnings call I participated in with Company B. I had joined the firm near the end of the quarter. I had been brought in to "lead and take ownership of the function" and I was anxious to do just that. I soon learned that the firm had no formal process for preparing for a call, unlike what I had experienced at Company A. There, we took the time to talk about the numbers and their attributes as well as issues we thought investors would be interested in discussing. I also would always either write or edit the scripts and prepare a Q&A. We were always in the same conference room for the call and all participants (CEO, CFO, IR) would have kept their calendars clear to take additional questions after the call.

At Company B, I saw the CEO's script for the first time five minutes prior to the start of the earnings call. The CEO would often be in a remote location dialing in to our boardroom and was rarely available to take calls afterward. The calls were discordant, sometimes combative, and I distinctly remember after that first call the CEO saying, "All right, now we can get back to our real jobs!" Huh? Don't most CEOs see increasing shareholder value as one of their most important responsibilities? This one sure didn't. Again, it was a matter of perspective.

Check Out Investor Outreach

Company A and B also had different approaches to meeting with investors. Company A would actively participate in investment conferences, investor days, and non-deal road shows while the CEO and CFO would take calls in their offices whenever possible. I remember the CFO once complaining to me that he wasn't getting very many investor calls. I took that as a compliment that I must be knowledgeable and well informed to the point they were getting most of the information they needed directly from me.

On the other hand, Company B often declined conference invitations, asked me to return most if not all of the calls that came into the CEO and CFO, and banned both buy-side and sell-side analysts from visiting the corporate headquarters for fear an analyst sitting in the lobby waiting to meet with management might by chance hear employees discussing strategy or sensitive information.

Company A developed a reputation for honesty, kept its investors well-informed, established good relationships with the analysts, favored informal feedback it received from personal contact with the Street, and generated considerable investor interest in the company. As a result, its multiple nearly doubled during my employment.

Company B stayed mostly in the penalty box during my time there. One sell-side analyst actually told me at one point that he thought the company was "uninvestable," a term I had never heard before. The company's multiple was split in half, and it became increasingly difficult to market the company to institutional investors because of the reputation we had for surprises and being unfriendly to shareholders. Plus, at that point, the sell side viewed the company as radioactive.

I've experienced the good, the bad, and the ugly in my 20-plus years in the profession. But I know one thing for sure: An investor relations philosophy drives valuation, builds or impugns management (and the IRO's) credibility, and ultimately determines how successful you and the company will be.

So ask the tough questions next time you have an opportunity to make a career change. Make sure you know exactly what the prospective company's investor relations philosophy is. You might even reach out to the sell side as a sounding board to affirm the answers you get. Stay tough, be diligent, listen carefully, and you'll make the right decision. IRU

***Michael Lawson** is founder and CEO of empowered/ir; mlawson@empoweredir.com.*

SPECIAL REPORT

NIRI GLOBAL IR PRACTICES SEMINAR

BEST PRACTICES TO ENGAGE U.S. INVESTORS

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NIRI AND IPREO DELIVER GLOBAL INVESTOR RELATIONS BEST PRACTICES

Innovative new seminar draws global audience for in-depth look at engaging investors around the world.

"Just as capital markets have evolved from country-specific into global capital markets, IR must now also evolve into a global practice," said NIRI President/CEO Jeffrey D. Morgan as he kicked off the inaugural NIRI **Global IR Practices Seminar**.

Attendees from around the globe gathered at the Ipreo-sponsored event from November 16-18, 2011 in Miami, Florida, for a deep dive into the concepts necessary to develop effective global IR programs including in-depth coverage of practices to engage U.S. investors.

With a conviction that global IR practice standards will be a key to future success in the profession, NIRI is taking the lead in developing this global practice education. To quote former NIRI Chairman Mickey Foster, vice president, investor relations, of FedEx Corporation, "I truly feel NIRI has a body of knowledge that can be very helpful in IR practice around the globe."

Speed Learning

The diverse cast of experts took attendees quickly through a range of ways to target investors, from fundamentals to advanced global concepts.

What is investor targeting and why do it? Public companies want to meet with institutions that can buy a significant quantity of their stock, and that have the propensity to be long-term holders. Targeting such investors can, and probably will be, a multiyear proactive effort, but spending time qualifying institutions that meet these goals will be time well-spent. Successful targeting builds liquidity, market depth, and shareholder diversity. Having five holders that own 2 million shares is often better than one holder

Is meeting with IR in lieu of management sufficient for an initial meeting?

YES ▶ 53%

NO ▶ 47%

Source: Ipreo

Is meeting with IR in lieu of management sufficient once invested?

YES ▶ 73%

NO ▶ 27%

Source: Ipreo

IPREO Survey Tracks Buy-Side Perceptions, Expectations

As part of the inaugural NIRI Global IR Practices Seminar, Ipreo conducted a special perception study, surveying North America-based institutional investors to garner and gauge this constituency's feedback and expectations of global investor relations practices.

North American investors are excited about the investment opportunities available in China, Latin America, and emerging Europe, but stress the importance of global communication efforts catching up to the standards exhibited by U.S. companies. Investors rely on the investor relations officer for valuable information and insight into a company, and must trust that this information will be accurate and transparent in order to properly analyze their investment thesis.

Non-U.S. companies will greatly benefit from having a strong IR program that delivers knowledge about the business and industry, is accessible, provides visibility to management, and is able to articulate a balanced investment thesis.

that owns 10 million shares. The impact of one holder selling out in either scenario will likely have dramatically different effects on a stock.

Basics such as these will pay dividends in terms of efficient use of IR and management's time and ultimately on stock valuation and volatility.

Moreover, companies are realizing that they must take a much greater role in this process than ever before because of changes to the sell side. With their compensation now often driven by transaction volume, the sell side is more likely to arrange one-on-one meetings with fast-money hedge funds than with long-term, patient shareholders.

Global Considerations

The global buy-side perspective, central to the program, was delivered throughout by speakers specializing in a wide range of disciplines such as economics, finance, investor relations, and securities regulation.

Attendees learned to understand investor differences across regions, investor drivers by region, current buy-side perceptions and expectations, and best-in-class global IR practices.

IROs, consultants, and investors experienced in global targeting provided insightful anecdotes such as:

- "Investors in Europe and Asia are more prepared for visiting us (than U.S. investors). They will have typed out questions to ask and very rarely do we have to go through the presentation. They know the hot buttons to ask."
- "IROs are now required to be plugged into the macro level. They need to understand how the company is functioning on a global basis."
- "Absent of brand, for a company to come to the U.S. to take advantage of the U.S. market, it needs to be a commitment – not opportunistic."
- "Disclosure is a key component, and more is better. It is essential for a company to have a solid website with financials going back several years."

Going Forward

Seeking to further serve global IROs, NIRI will expand global IR practice offerings with additional events and content at seminars and the NIRI Annual Conference, including the Global IR Symposium on June 3, 2012, in Seattle, Washington.

Do you require a meeting with management before investing in a non-U.S. company?

YES	**57%**
NO	**43%**

Source: Ipreo

How often do you expect management to visit the U.S. every year?

ONCE	**37%**
TWICE	**43%**
MORE THAN TWICE	**17%**
NO REQUIREMENT	**3%**

Source: Ipreo

Key Findings:

- A majority of respondents (57 percent) require a face-to-face meeting with senior management before investing in a non-U.S. company.
- 53 percent of respondents consider it sufficient to meet with IR in lieu of senior management for an initial meeting, as long as the IRO is fluent in English, knowledgeable and informed on managerial decisions, and can offer a comprehensive introduction to the company.
- Once invested, nearly three-quarters of the investor population will accept a meeting with IR as a follow-up to an earnings call or conference, for a timely business update, or for commentary and thoughts from other investors.
- Most respondents understand the logistical difficulties of having non-U.S. domiciled management teams travel to meet investors, and thus, only require visits to North America once or twice a year.
- For an initial meeting with a non-U.S. company, investors expect to gain a deep and clear understanding of the strategic outline and company overview, meet management and gauge executives' credibility and transparency, and assess the company financials.
- Investors are hesitant to invest in a non-U.S. company if they encounter corporate governance issues, poor transparency, inconsistent communication, or uncertain political regulations.

Respondents suggest that the best ways to enhance corporate communications are to improve disclosure and transparency, increase the visibility and accessibility of management, and eliminate any language barriers by providing English information on the company website.

TECHNOLOGY VIRTUALLY TRANSFORMS SHAREHOLDER MEETINGS

Companies meeting in cyberspace often discover that their costs drop – but attendance doesn't.

By Margo Vanover Porter

At annual meetings, the days of coffee and doughnuts served in a ballroom are beginning to evaporate, replaced by shareholders connecting in cyberspace.

Two years ago, Orion Marine Group switched from a traditional to virtual meeting after soliciting feedback from fund managers, buy-side analysts, and sell-side analysts. "The problem was they didn't want to travel anywhere," explains Christopher DeAlmeida, director of investor relations and corporate communications. "They didn't want to leave their desks for a small-cap company. Our first virtual meeting was a great success because more people got involved. For us, it made a lot of sense. I don't see us ever going back."

While Orion's live meetings typically attracted up to 40 people, the virtual meetings more than doubled the audience, and that's not counting those who view the webcast of the annual meeting on the company's website. DeAlmeida points out the webcast, which is usually available for up to two months, gets several hundred hits.

An added bonus: The virtual meeting cost less than a face-to-face extravaganza. "From our standpoint, the virtual meeting was very effective in increasing attendance, reducing costs, and making the meeting more flexible," he says. "The directors actually liked it better because they didn't have to travel to the same spot. If you're not lucky enough to have your board meeting at the same time as your shareholder meeting, your board members don't have to be there. They can dial in from anywhere."

At Orion, the virtual meeting lasts about 45 minutes and follows the format of a traditional meeting. The chairman, who acts as the host, opens the meeting, presents items to be voted upon, and starts the polls. An "earnings call plus" is how DeAlmeida likes to describe the session.

"While our polls are open, our CEO presents an update and overview of the company and explains the future outlook and initiatives," he says. "That's usually the bulk of the meeting. After a Q&A, the chairman closes the polls and concludes the voting." DeAlmeida adds that although the majority of the voting takes place before the meeting by proxy, the company displays a vote count live on the screen.

Efficiency and Shareholder Choices

Centerline Capital Group is another company that has replaced its traditional shareholder meeting. "We switched to a virtual meeting a couple of years ago to improve efficiency and reduce costs," says Brent Feigenbaum, director of marketing and head of investor relations. "We wanted to use cutting-edge technology to reflect our modern, up-to-date firm. We are able to host and record the meeting so those who are not able to participate live can listen in after the fact. It's more inclusive."

Other companies, such as Best Buy and Intel Corporation, are giving shareholders a choice of meeting in person or in cyberspace.

"We've been public for 25 years and have approximately 150 people who show up every year for the actual meeting," says Mollie O'Brien, director of investor relations, Best Buy. "Some of these are original investors. We also have the option for shareholders to attend virtually, vote their shares virtually, and ask questions through our shareholder forum."

Best Buy began offering the virtual meeting in June 2010 as a natural extension of its Connected World corporate strategy, as well as a convenience for shareholders. "We are a large company with lots of shareholders who want to be able to participate in the shareholder meeting," she says. "If they can't come here in person, they have the option to be part of our meeting virtually. The world is digital now. It doesn't make sense not to include online aspects of the annual meeting process."

Intel has also provided a hybrid system for several years. "We considered 100 percent virtual but decided against it," says Natalia Kanevsky, investor relations manager, Intel Corporation. She explains that Intel acquiesced to shareholder concerns about the wide adoption of 100 percent virtual meetings at companies that might not have the same high level of corporate governance standards as Intel.

Intel also sets up a virtual stockholder forum for investors about a month before the meeting. "This year we had a video online from the director of investor relations, talking about the company and its strategy," she says. "People can log on ahead of time and vote, see the video, and read the annual report, proxy statement, and the corporate responsibility report."

Although it doesn't offer a virtual meeting, American Water is leveraging technology to offer a forum for two weeks before its traditional annual meeting so shareholders of record can interact online. "The people who are using the forum are not the same people who attend the live meeting," says Edward Vallejo, vice president, investor relations. "They are two different kinds of investors. We haven't seen as much traffic as we hoped but that may be because it's new technology or it may be our investors are not used to participating in that way."

Vallejo admits that American Water considered offering a virtual meeting but didn't think the concept could be easily adapted to his utility. "Apart from investors, we have people from the local regulatory utility commission come to our meeting," he explains. "It's a little more than a meeting. It's a chance for regulators and management to meet face to face."

In addition, he says, many in his shareholder base anticipate the annual event. "My shareholders are older citizens who are looking for dividends," he explains. "They may not be as Internet savvy. They may want to go to the meeting because they're retired and have the time. You have to know your shareholders before you modernize for the sake of modernizing."

Know Your Audience

Before altering your meetings, IROs all agree that you must first understand your shareholders' preferences.

"If a lot of people come to your stockholder meeting and they appreciate the executive business update, you should know that," Kanevsky says. "On the other hand, if you have three people showing up who don't care whether the meeting is live, that's a different story. Just as with any other meeting, you must know your audience."

According to DeAlmeida, your decision should be based on the mentality of your management and board, as well as the type of investors you already have and those you hope to attract. He cites the example of Apple, which turns its annual meeting into a major PR event where new products are announced.

"If a company uses the meeting as a PR event, it's probably not going to be as advantageous to go virtual," he says. "For companies that are strictly trying to reach their investors and future investors, it has a lot of advantages. All of a sudden, you can reach out to more people and make it easier for them to access your meeting. A lot of people won't travel to a shareholder meeting unless it's to see Warren Buffet at Berkshire Hathaway."

For those who are considering a virtual meeting, IROs share this advice:

- **Carefully evaluate outside providers.** Do your research, advises DeAlmeida. "I highly recommend picking an outside provider to help you out," he says, "but make sure the package really fits your needs."
- **Determine whether your virtual meeting will be open to the public.** Unlike many other companies, Orion welcomes everyone to cyberspace. "The only people who can vote, of course, are stockholders with proxy materials," he says. "I look at the annual shareholder meeting as an opportunity to highlight the company to potential investors. I want to get as many people involved with it as I can, not only those who now own the stock, but also those who might be voting next year."
- **Get a legal opinion.** "You need to make sure your legal team is in lockstep with you throughout the process," O'Brien urges. "They should be part of every step and know exactly what is going on."
- **Be realistic.** "Make sure your executive team understands that new media may not draw huge numbers right away," Vallejo says. "Don't expect to triple your attendance. Sorry, that doesn't happen."

DeAlmeida predicts that virtual meetings, while not perfect, are here to stay. "More and more companies will go that way," he says, "because unless you're Apple or Berkshire Hathaway, Wall Street will push it. Institutional investors don't want to lose their desks. They would rather be able to make trades while listening to your shareholder meeting." IRU

Margo Vanover Porter *is a freelance writer based in Locust Grove, Virginia; m.v.porter@comcast.net.*

GOT A QUESTION?

ONE OBVIOUS DIFFERENCE between a live and virtual stockholder meeting is how questions are handled.

"One of the advantages of a virtual meeting is you can control the questions and the length of the questions," says Christopher DeAlmeida, director of investor relations and corporate communications, Orion Marine Group. "I've been to proxy meetings where you end up with a person who just wants to rattle on past the time limit and debate a who-cares topic for hours. You don't have to worry about that because you control it. From our standpoint, we have the flexibility to control it, to bring the questions up using the chat function or the live-call function."

Best Buy's policy is to respond to all questions, depending on the number of questions generated from both the virtual shareholder meeting and the in-person meeting. "We do try to answer all questions, regardless of whether they are asked in the live meeting," says Mollie O'Brien, director of investor relations.

At American Water, answers to questions remain a priority. "We have always answered all of the questions, but we also say that if we don't answer during the annual shareholder meeting, investor relations will answer within 24 hours," says Edward Vallejo, vice president, investor relations.

Denise Bernstein, vice president, Centerline Capital Group, points out that questions that come in over the Internet can give investors anonymity, allowing them to ask questions they wouldn't ask in person. "Online, people are allowed to ask their questions anonymously, which gives them a certain freedom. They might be more hesitant if their identities were revealed."

Brent Feigenbaum, director of marketing and head of investor relations, adds that Centerline's culture emphasizes transparency. "We tend to be very clear about what's happening at the firm," he says. "We speak to our investors in an open and honest way and find we don't have a lot of questions. The few questions that do come in we address."

NIRI Fastrack Membership Package Brings New IROs Up to Speed

IS SOMEONE IN YOUR ORGANIZATION new to IR or in a rotational position? The IR Fastrack membership package combines membership and education for a comprehensive IR experience.

IR Fastrack includes NIRI's highly rated "Fundamentals of Investor Relations" seminar plus other critical seminars and webinars – and all the benefits of membership. With savings of more than $700, IR Fastrack provides IR knowledge and value:

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For more information contact Dave Meisner at dmeisner@niri.org or (703) 562-7671 or visit www.niri.org/join

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February 2012

7 Governance Part II: Dealing With Activist Shareholders webinar

March 2012

1 Institutional Investor Awards Summit, New York, NY

6 Institutional Investor Award Winners webinar

13 IROs, Transfer Agents, and The Depositary Trust Company webinar

19-20 Finance Essentials: Banking and Financial Services Industry seminar, New York, NY

21 The New Capital Markets seminar, New York, NY

27 IR Magazine Award Winners webinar

April 2012

10 Global Series Part I: Europe webinar

24 Global Series Part II: Asia & Australia webinar

May 2012

8 Global Series Part III: Latin America webinar

22 Global Series Part IV: The Middle East & Africa webinar

June 2012

2 Writing Workshop for IR seminar, Seattle, WA

3-6 NIRI Annual Conference, Seattle, WA

19 Healthcare Industry webinar

25 Crisis Communications and Media Management seminar, New York, NY

26 Finance 101 seminar, New York, NY

27-28 Finance Essentials for IR seminar, New York, NY

July 2012

10 Financial Services webinar

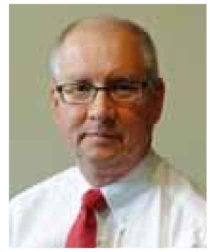
24 Road Shows Part I: Preparing to Go webinar

August 2012

7 Road Shows Part II: On the Road webinar

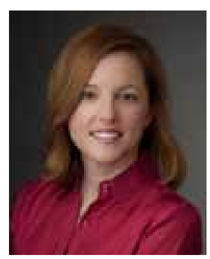
21 Media Part I: Targeting the Media and Pitching Your Story webinar

On the Move



Robert Burton joined Lambert Edwards & Associates as managing director and head of the firm's financial communications practice. He joined the company as Lambert Edwards acquired Atlanta-based IR Squared, an investor relations firm where Burton was a principal. Before founding IR Squared in 2003, he headed investor relations departments at five NYSE-listed companies with market capitalizations ranging from $500 million to more than $100 billion, including Home Depot, Kmart, U.S. Shoe, Penn Central, and Insilco Corporation.

Cynthia Clayton of Alnylam Pharmaceuticals has recently been promoted to vice president of investor relations and corporate communications. She was previously senior director, IR and corporate communications.



Kelly Pasterick was promoted to director, investor relations, at Alcoa. She succeeds Roy Harvey, who was named chief financial officer of Global Primary Products. Pasterick was previously manager, corporate treasury. She was instrumental in developing an extensive enterprise risk management program to identify, assess, and monitor enterprise risk.

Please send "On the Move" announcements to *IR Update* Editor-in-Chief Al Rickard at arickard@associationvision.com.

eGroups Buzz

NIRI eGroups continually discuss questions and comments about all aspects of investor relations. Excerpts of a recent eGroup discussion are featured here. Titles but not the names of participants are shown.

Subject: Forensic Research Group/Unsolicited Reports

Question: Curious if anyone has had any experiences with the Forensic Research Group (or similar) and how they deal with these types of research organizations that release unsolicited reports which are often biased and inaccurate? Also – any good tools to track these types of unsolicited research and reports on a company to know when one of these groups has released something?

— Investor Relations Consultant

I'M NOT FAMILIAR with this research group but I share your frustration that there are several "research" firms out there which put out erroneous information. I've found that setting up a simple Google alert on my company's name (all possible iterations) will capture most of these. — Director, Investor Relations

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I HAVE SEEN computer-generated reports since at least the late 1990s, usually based on Factset, Bloomberg, Reuters, etc., data dumped into a system. Other times I have seen short-seller newsletters. There is nothing you can do other than point out factual errors to them that fit within their parameters. If they use only GAAP (which they generally do), it's useless to point out non-GAAP figures. And often you need to correct the Thomson, Factset, whatever data feed, not the research firm. When it's a human-generated short-seller note or similar, again, you can change facts, probably not their opinions. But it does not hurt to at least try. — Head of Investor Relations

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THANKS FOR THE on-list and off-list comments on my questions of how to track and deal with these types of unsolicited reports. The ones I am talking about are the human-generated ones with "opinions" as opposed to the fact-only ones which are spit out by computers.

I am looking for any means of knowing when these reports are issued. Forensic Research Group, for example, appears to be short-seller oriented with the shorts or hedge funds as the customers. They fly below the radar screen of Google, Thomson, etc., which seems to make it very difficult to even know when the reports are being generated.

In another case I saw one with opinions that does not even have an organization's name on it. It clearly falls into the category of "short-seller newsletter."

I realize there is not much that can be done with opinions – biased or not – other than to have clear communications and transparency to the facts. The challenge is when these reports are manipulating the information to an end and it is difficult to know when they issue until you happenstance across the reports. — Investor Relations Consultant

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I THINK IT'S VERY worth a careful consideration of your resources, too. Depending on the size of your team and the issues facing your company, your time and energy may be put to much better use prioritizing significant buy siders and widely read sell siders than a minor publication read by 600 day-trading retail investors. It can, in fact, make a useful way of reaching out to the buy side: "Hey, have you ever heard of XXX? They've published some inaccurate info on us, but I don't know them. . ." You might also check with legal counsel. You don't want to create a precedent that you'll correct anything published about you that's not accurate. — Principal

Quick Takes

What's the best career advice you ever received?

David Olson
Senior Counselor, The Abernathy MacGregor Group

"You can never know too much about your own company or your industry."

John Kristoff
Vice President, Investor Relations, Diebold

"Don't kill yourself fretting over things you can't control. Be assertive in providing counsel to senior management, but at some point you have to let go."

Elizabeth Bauer
Vice President, Investor Relations, CSG Systems International

"When you see an opportunity to do more, raise your hand."

"Quick Takes" is a new column in *IR Update* that features brief comments from IR professionals in response to a question. If you would like to be featured in this column, contact *IR Update* Editor-in-Chief Al Rickard at arickard@associationvision.com.

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