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The IR Mentor

A Guide to Best Practices

Integrated Communication

The IR Mentor

A Guide to Best Practices



Integrated Communication

Successful Practices

Introductory Note: The National Investor Relations Institute is pleased to present *The IR Mentor*, a periodic guide to best investor relations practices. Each issue will focus on a single topic of importance to the IR community; the first is on integrated communication. NIRI's objective in undertaking this project is to define best practices by drawing from the wealth of information presented at NIRI annual conferences, seminars, e-learning webcasts and other professional presentations as well as using real-world examples. It is our hope that this is the beginning of a long and productive series. These best practices, written by Carol Metzker and edited by Laura Bernstein, are NIRI's effort to take the discussion of best practice case examples and record them for future reference and use by investor relations professionals.

The sharing of "best" practices — stories of successful experiences — is recognized as a quick and effective way of transferring knowledge. While what's best for one company may not work for another because of a multitude of circumstances — different industry or market capitalization — the lessons learned by one IRO can often be adapted and applied to other situations with a little bit of creative thinking. We hope you will be able to adapt, customize and build upon these successful practices to take your IR program to a new level of excellence. Upcoming subjects of *The IR Mentor* will focus on measuring your IR program and targeting.

*Linda Y. Kelleher, Senior Vice President,
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INTRODUCTION

In the age of nearly instant information dissemination — reaching unprecedented numbers of people with unprecedented speed — the need for clear, consistent messages about your company is crucial.

As chief communicators for their companies, many CEOs and their senior management are realizing the importance of maintaining control over corporate communication and overall messaging, according to Paul Argenti, professor of management and corporate communication at Tuck School of Business, Dartmouth College. And they're relying on communication to implement their strategy.

The job of communicating to a host of audiences used to fall on various corporate entities. Public relations spoke to the general media to ensure a strong public image of the company. Investor relations talked to investors and the financial press. Marketing handled promotion of the brand to customers. And the HR department typically handled internal communication. Today, smart companies are finding ways for the various communication personnel to work hand in hand.

This convergence of internal and external corporate communication functions — investor and public relations as well as employee, marketing and corporate communications — is called integrated communication. While some companies have integrated their communication functions because of downsizing or the firm's relatively small size, the potential for a successful program is greater when it is integrated by design.

IROs are finding a variety of ways to integrate various disciplines. Don Eagon, vice president of global communication and investor relations at mid-cap Diebold, Inc., oversees three directors of communication, each with multiple managers. Mickey Foster, vice president of corporate and investor relations at small-cap Millennium Chemicals, integrates communication for corpo-

rate and investor relations. Regardless of the method of personnel organization, however, integrated communication can provide big benefits.

Martha Lindeman, senior vice president of corporate communications and investor relations at media and entertainment company Playboy Enterprises, noted the importance of an integrated approach to communication. "First, none of us is just a consumer, stockholder, employee or community member," she said. "We are in many cases three or four of those things. And we all get information from various sources." An integrated message ensures that information from one source doesn't contradict information from another.

Second, an integrated approach to communication offers the advantage of facilitating cross-marketing or using one audience to help reach another, continued Lindeman. For example, it can behoove you to refer a reporter to an analyst (or other third parties such as industry consultants) who knows the ins and outs of your company and industry. Although it may be possible to cross-market without integrating communication functions, it's much easier to do so when you have an eagle's-eye view of the people and the issues, she explained.

Finally, integrating corporate communication and investor and public relations has the benefit of helping to manage different stakeholders' expectations, Lindeman said. When the investment community, employees, the local community and media hold different perspectives — such as in the case of a company downsizing — it's important to understand the different views and to address each audience in a timely and appropriate way. Public relations can respond to public reaction at the same time IR can lay the groundwork for the impact of changes on the company's future financial picture. ♦

EXECUTIVE SUMMARY



Executive Summary



Integrating Investor Relations and Corporate Communication: The Value Proposition

To some turf-conscious corporate types, the very notion of integrating investor relations and corporate communication is about as appealing as a root canal.

But the more enlightened — from CEOs to IROs — are increasingly recognizing the bottom-line benefits of making sure their company speaks with one voice to investors, employees, customers and the general public.

In the face of heightened corporate governance demands, executives as well as communicators are viewing communication as a means of improving the real P/E ratio — not price-to-earnings, but *performance-to-expectations*. They understand that effective — and consistent — communication can help calibrate perceptions with reality and close the gap that could otherwise foment investor unrest.

The ultimate goal, of course, is to maximize a company's relative value. But that's hardly the sole responsibility of the investor relations officer. To put it simply, word gets around faster than ever these days — and what a company is saying to its employees ought to be consistent with what

investors are being told, and vice versa. None of this would be possible without the full support and trust of senior management.

There is growing recognition that nonfinancial measures may constitute more than half of a company's valuation. Yet the strategic, managerial and organizational messaging that supports a company's vision is not always communicated effectively through multiple corporate departments.

More and more, companies are finding the best way to assure consistency is to bring all communication functions under one roof — organizationally, if not literally — to manage the content and flow of information to financial and other constituencies. At the very least, it is essential that the various functions have a close working relationship and are in concert when it comes to communicating key messages.

Indeed, research — supported by the experiences our NIRI colleagues share on these pages — shows a clear trend toward increased linking of investor relations, marketing communication, employee communication and government affairs, often accompanied by a strengthened reporting relationship directly to the CEO and increased exposure to the board. Functional integration tends to be greater among small- and mid-caps than in larger organizations because they tend to more frequently coalesce multiple corporate functions under an executive with a generalist skill set.

Just as corporate cultures are different, however, so too are the resulting structures of their communication organization. To optimize the impact on communication and investor relations, solutions need to be customized and adapted to the culture and to the resident talent and expertise.

Despite the traditional tendency of top executives to view communicators as tactically focused mouthpieces of an organization, many are coming to better appreciate that our role is much more vital than that. We are rightfully being seen as the boundary riders who provide senior management and boards with meaningful feedback from the constituencies we deal with, as well as thoughtful counsel in support of the company's strategic vision, management's credibility and the corporate reputation.



But with that comes tremendous responsibility.

As NIRI President and CEO Lou Thompson puts it so accurately, “All roads of communication lead to corporate value — either creation of value if done well, or destruction of value if done poorly.”

It's up to us to decide which it will be. ♦

Keith V. Mabee
December 2003
Cleveland, OH

Keith V. Mabee, chair of the NIRI Senior Roundtable, is president and chief operating officer of Dix & Eaton Incorporated, an investor relations and public relations firm. Mabee has more than 25 years of investor relations and corporate communication experience and served as a senior corporate communication and investor relations officer of two public companies, managing investor relations, public relations, employee communications and government affairs. He serves on the steering committee for NIRI's Center for Strategic Communication and is a former NIRI national board member and president of the San Francisco chapter.

Executive Summary



CASE EXAMPLES



Case Examples



The following examples illustrate how integrated communication programs made an impact on two large companies' success.

Case in Point 1



Company: Diebold, Incorporated, global manufacturer of automated transaction machines and security products

Size: Mid-cap; \$3.85 billion (as of Oct. 21, 2003)

Sector/Industry: Technology/Office Equipment

IRO: Don Eagon, Vice President of Global Communication and Investor Relations

Diebold “astounded” Wall Street in 2001 when it announced the acquisition of a small Texas voting technology company called Global Election Systems, according to Don Eagon. The company had previously announced a strategic growth plan that included electronic election systems, but it already owned Procomp, a large South American ATM and computer operating company, which had a strong electronic election systems business in Brazil.



Don Eagon

Diebold had purchased Procomp to take advantage of the Brazilian company’s know-how in ensuring that enough voting machines were in place and operable in every area of the country. (Brazilian law requires every citizen to vote or be fined.)

But because of U.S. import laws, Diebold had been unable to migrate the technological processes necessary to have voting machines in place in time for the November 2000 presidential election.

After the voting fiasco in Florida during that election, demand for reliable voting processes was running high. The acquisition of Global Election Systems (now Diebold Election Systems) aided Diebold in winning bids to supply voting machines to Kansas, California, Georgia and Maryland for the 2002 elections. That meant placing tens of thousands of machines in different states in less than four months. It also meant preparing for an event that would be highly scrutinized by the public and the media.

“The event was critical to the future of this product line and to meeting the strategic goals we had committed to previously,” said Eagon. “Because all of our communication disciplines — media relations, IR, marketing communication, internal communication, design and documentation — are integrated, I was able to set up communication teams to go to each state.” Teams of two handled the media and worked with salespeople. The CEO also went to Georgia since it was the first state to have a fully integrated electronic voting system and because of the close presence of Atlanta-based CNN. From Diebold’s Ohio headquarters, Eagon handled “the flood of calls” from investors who wanted to know how well the product was selling and how it would impact revenue.

Election day “went off without a hitch,” Eagon continued. Even with a few minor glitches in Georgia, there was not a single negative news story in any state. Media coverage was extensive. “If we had to purchase television advertising to get the same PR results, it would have cost us \$6 million to \$8 million. If you add print, that dollar figure would probably be closer to \$10 million,” he said.

Eagon attributed Diebold's success to its integrated communication program. Each team was well-versed in dealing with the variety of audiences who represented different interests — trade, financial, local and national media. Yet each of their customized communications had an underlying consistent message about the product and the company.

As with any company, Diebold has faced challenges with the product, audience perception and a unified response to those issues. But persistent efforts to educate employees about the value of a consistent message and to integrate communication have prepared Diebold to meet the challenges of these issues, Eagon said.

Case in Point 2



Company: Cendant Corporation, global provider of consumer and business services, predominantly in hotels and real estate

Size: Large-cap; \$20.05 billion (as of Oct. 21, 2003)

Sector/Industry: Services/Hotels and Motels

IRO: Sam Levenson, CPA, Senior Vice President, Corporate & Investor Relations

After the Enron debacle, off-balance-sheet accounting quickly became unpopular with investors. Cendant's investor base was no exception, and there was a "eureka" moment when management realized the company had a handful of off-balance-sheet entities, according to Sam

Levenson. "Regardless of the number of detailed disclosures we had provided in SEC filings over the years, investors had not read the disclosures, and they were in a panic," he said.



Sam Levenson

In one day Levenson received dozens of telephone calls about the company's accounting practices. Investors were selling shares, and the stock price was falling. Within 24 hours, however, Cendant produced and posted on its Web site a six-page document detailing every off-balance-sheet entity. A press release notified investors and the public of the document. By putting all the information in one place, Cendant assured investors that the off-balance-sheet entities were not a risk, decreased the number of panicky calls to the IR department and helped management and the company maintain credibility. Because of its integrated communication program, Cendant was able to offer a consistent message to investors and other constituencies.

Although most public companies have a Web site, those driven by integrated communication efforts have the greatest opportunity for unified messaging to a full range of audiences.

Cendant's July 2003 announcement of a \$40 million real estate transaction is another example of best practices for integrated communication. The investor and media centers displayed the same press release. Information about the brokerages that participated in the transaction was posted on the page "About Cendant — Real Estate Services." The business unit's logo and an article about the skills required to sell multimillion-dollar properties were available from the media center. The home-page banner — which alternates among the introduction, hospitality services, vehicles, real estate, financial services and others — greets fre-

Case Examples



Case Examples



quent visitors to the real estate services portion of the site with the real estate banner. While the pages provide slightly different perspectives and details, they sport a consistent look, feel and overall message.

According to Levenson, finding opportunities to expand integrated communication begins with good communication within the company. He learns about material developments before they occur by involving managers from different company divisions in planning sessions. “We get people around the table and discuss material issues, what investors and employees will ask about them, how to proactively address questions in a press release and how to provide further details in conference calls and other Q&A,” he said. ♦



Another Angle

Not every company's communication personnel work under the same roof or report to the same manager. Different corporate cultures and organizational structures, or one's view of IR as a financial position with communication expertise (or vice versa), leads to separating the different communication functions. But that doesn't mean that messages coming from those companies can't give the impression that the departments are seamlessly integrated.

Jim Ryan, vice president of investor relations at Lockheed Martin Corp., reports to the CFO, whereas other corporate communication personnel report to the president. But they work together to ensure that messages from the company are unified. Formally, they are members of a disclosure controls committee (including the general counsel, controller, treasurer, investor relations and corporate communication) that reviews SEC disclosures, earnings releases and material press releases. Informally, they meet proactively to discuss the best way to handle issues, respond to the press and prepare for Q&A.

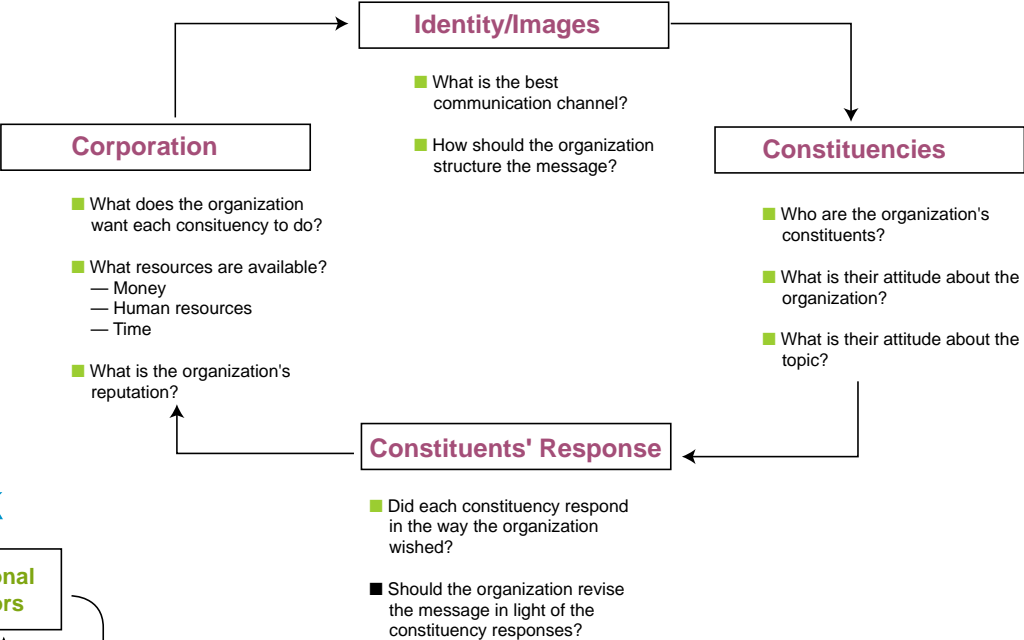
According to Ryan, behind their successful working relationship lies respect and the knowledge that they need to say the same thing — to speak with one voice.

Corporate Communication Strategy Framework

Communication in Context

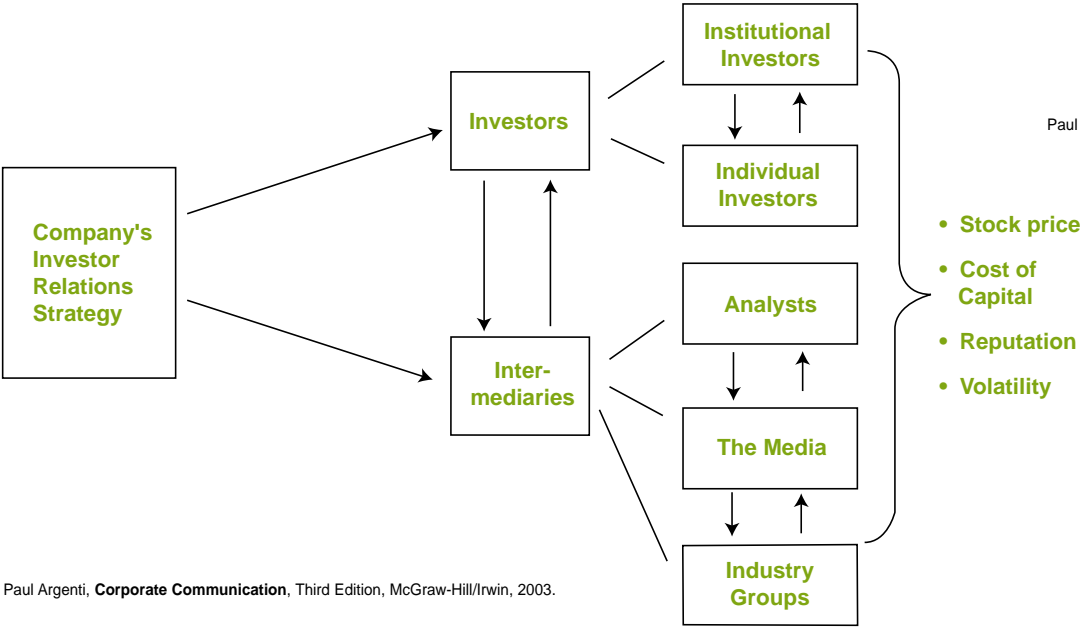
Paul Argenti of the Tuck School of Business provides the following framework for considering the multiple, and sometimes overlapping, stakeholders of a company, their objectives and what each must know.

Argenti's second chart, "Investor Relations Framework," shows the specific constituencies of the IR department.



Paul Argenti, *Corporate Communication*, Third Edition, McGraw-Hill/Irwin, 2003.

Investor Relations Framework



Paul Argenti, *Corporate Communication*, Third Edition, McGraw-Hill/Irwin, 2003.

Different constituencies have different objectives and perspectives, yet they often communicate with one another — as in the case of investors who talk to analysts and read the output of the media. "It's the job of the IRO and integrated communication team to figure out how to speak with one voice to all of them," said Argenti. ♦

ISSUES AND ANSWERS

Issues and Answers



Do investor relations and other corporate communication roles need to be positioned under the same roof and report to one senior executive to be successful?

IROs from companies across a wide spectrum of industries and cap sizes concur: An integrated program under one roof and one executive is the most successful because the various disciplines have easy access to one another's information, and team members are working at a similar pace. Being able to report directly to the person who ultimately sets strategy and messaging for the company — the CEO — is ideal.

But in many companies, structural integration is not possible. So forging a strong functional relationship among IR, PR and other functional areas is the key to effective communication. Establish a communication council composed of business unit leaders, geographic managers, IR and communication personnel; reach out to other communication managers, and include them in conversations. Build a relationship before a crisis or big event occurs.

(See [IR Models](#), p. 15 for charts showing four different organizational structures that integrate corporate communication.)

What is the potential risk of not integrating communication?

A non-integrated approach could leave a company at risk for sending out mixed messages, leading to confusion and panic among investors. That, in turn, can lead to reduced stock prices.

For Playboy Enterprises' Martha Lindeman, it's less about risk than simply missing a valuable opportunity. Communicating a message is most efficient if IR and corporate communication are on the same track, particularly when a brand and company share the same name, she said. "You can

better manage the story you're trying to tell. The reality is that there are thousands of public companies all looking to attract investors, and the better your communication is, the more likely you are to attract those dollars," she added.

What are some of the challenges and solutions of integrating your internal communication personnel?

Coordinating personnel and messages may not happen instantly or easily, especially if IR, PR and internal communication managers report to different executives. Attempts to bring them under one position may be seen as a power grab. Resistance to change — even for the better — can be stiff. Even in the best working relationships, people with different constituencies may not see eye-to-eye on issues.

To overcome these hurdles, begin to build relationships early in the game with other key company personnel who have communication agendas and responsibilities. As a first step, establish informal connections; don't wait until a major project is under way to reach out. If necessary, enlist the support of an outside consultant for a more "objective" perspective. Get the backing of the CEO, too.

Even if your company is not planning for multiple functions to report to one manager, there may be skepticism or fear that someone will assume "too much" responsibility. Or there may be a lack of understanding of why a partnership approach is needed.

To meet this challenge, be proactive and provide information to other communication people. Share advance copies of your press releases or presentations. Become a resource for information that could help others. Be open to dialogue. Explore the benefits of a partnership in a non-threatening way.

How can an integrated communication team minimize bad news?

In good times or bad, it's important for all communicators to know their audiences, the answers to questions and the underlying consistent message. Be honest about the news, and help audiences understand what has happened and is currently happening, how you are solving the challenge and what they can expect in the future. Above all, retain credibility in good and bad times by maintaining continual communication. You may take your lumps in the short term over the bad news, but down the road, investors, analysts and other audiences will remember your credibility. ♦



Issues and Answers



The Value of Integrated Communication

"The market's assessment of corporate decisions and performance, taken together with a lot of economic and nonfinancial factors, is what really drives shareholder value," said Valerie Haertel, vice president and director of investor relations at Alliance Capital Management LP, a large-cap investment services company. According to Haertel — who previously worked as chief communications officer responsible for an integrated message and now serves as investor relations officer who coordinates the message with other corporate executives — sending a clear, consistent picture of those decisions and results sets the stage for matching reality and market perception.

Critical links among employees, customers and shareholders drive profitability and share price, Haertel added. She pointed to correlations among employee satisfaction, customer satisfaction and investor satisfaction as shown in the American Customer Satisfaction Index™, an economic indicator with scores on the causes and consequences of customer satisfaction. (See www.theacsi.org.)

"It makes sense that happy employees are more productive employees. But employee satisfaction also leads to greater customer satisfaction," she said. "If customers are treated well, they're going to continue to do business with you. So, a satisfied customer means higher revenues over time." And ultimately, customer satisfaction leads to investor satisfaction. "Companies with the top 50 percent of ACSI scores generated nearly double the shareholder wealth than companies with the bottom 50 percent of scores did," Haertel added.

Other values of integrated communication:

- ♦ **Unified messages help increase investor confidence.**
- ♦ **Linked, consistent communication makes your message resonate.** Information about product launches and changes in pricing structure makes its way to customers, employees, the media and analysts. Make sure communication from marketing, advertising and IR is linked and everyone is on the same page to take maximum advantage of all the channels. ♦

BACK TO BASICS: Tactics for Everyday Success

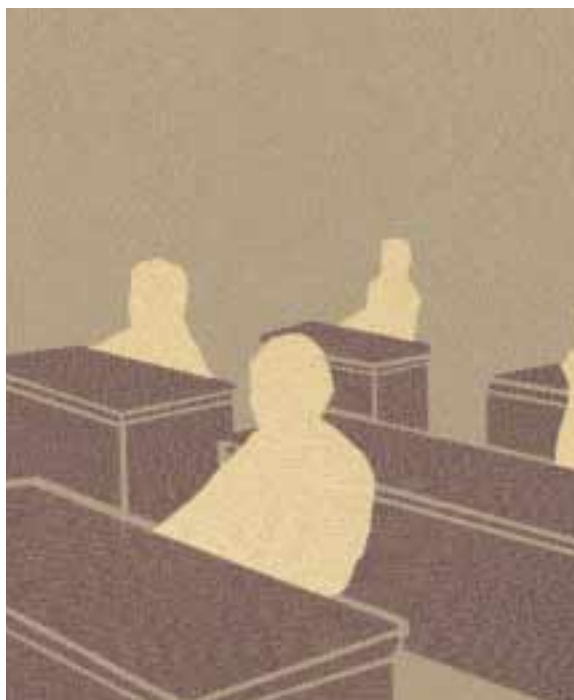
Back to Basics



Question: What is your process for review and approval of internal and external communication? With numerous press releases, Web pages, pieces of marketing collateral and layers of management, how do you keep the process from getting slow and cumbersome?

Answer: Mickey Foster, vice president of corporate and investor relations at small-cap Millennium Chemicals, outlined the one- to two-day process for writing, reviewing and approving a press release for a price increase:

- 1 The release is drafted using a standard template.
- 2 It is circulated to business leaders for their approval.
- 3 Once any necessary changes have been made, Foster approves the press release after ensuring correct facts and consistent message, and double-checking trademarks, company description and safe harbor language, if necessary.



Millennium's process for preparing the earnings release takes one or two weeks, according to Foster. Following are the typical steps:

- 1 Foster, who offers the perspective of both investor and public relations, writes the first draft. "The better the draft, the quicker the process," he said. Having full knowledge about the company and the industry, including analysts' current questions and "hot buttons," makes a difference in the quality of the document.
- 2 The CEO and CFO review the draft to provide additional strategy and input.
- 3 The press release is sent to every line of business head, outside auditors and the controller to give them the opportunity to make corrections. According to Foster, they usually have two or three days to review it.
- 4 When changes have been incorporated, the CEO, CFO and general counsel make changes as necessary.
- 5 Millennium's disclosure assessment team (DAT) reviews the earnings release along with the corresponding 10-Q, speech and slide presentation for the corresponding teleconference/webcast. The DAT ultimately ensures that documents are cohesive and consistent and that all numbers match. (For more information about Millennium's DAT, see "A Law in Motion," by Carol Metzker, *IR Update*, January 2003, p. 16.)
- 6 After DAT's "blessing," the earnings release and 10-Q go to the audit committee of the board of directors for final approval.
- 7 The earnings release is issued.





For Diebold, a mid-cap global ATM company, the procedure for preparing a news release about a product or contract win (in the example below, a software product introduction) is as follows:

- 1 After the communication team gets word that the product is ready, a member of the team writes a news release (or adds details to one that has already been started) by talking to software and marketing employees.
- 2 The release is circulated to other members of the team and sent back within a couple of hours. Their changes are incorporated into the document.
- 3 The draft is then e-mailed — with a deadline for feedback and approval — to the software designer or programmer who developed the product and to the heads of marketing and engineering research.
- 4 After the release has been approved, it is distributed to the media, as well as internally (to global salespeople, for example).

According to IRO Don Eagon, the process — which has been honed over a couple of years — is very smooth and quick. A release can be turned around in 24 hours because members of the global communication team rotate to different areas (IR, media relations, marketing communication, etc.) and know the perspective of each.

A Diebold financial news release takes longer, however, because of deeper scrutiny from additional personnel. The CEO helps write the release, and the disclosure committee — headed by the controller and including the CFO, legal counsel, internal and external auditors, and investor and public relations — is involved in the process, as well. ♦

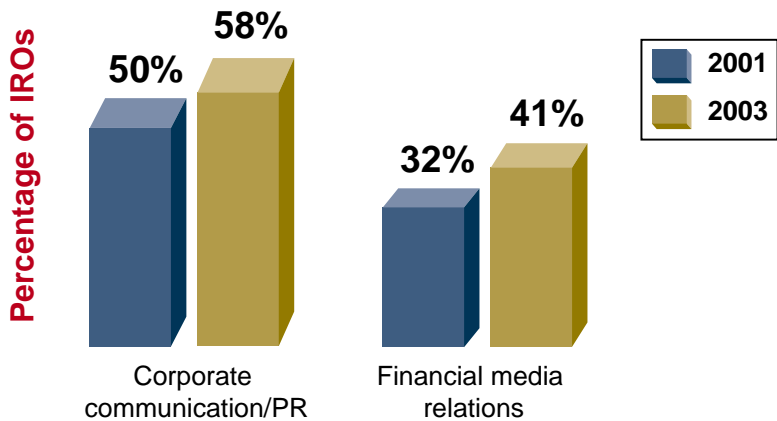
[Back to Basics](#)



By Design

According to the May 2003 NIRI survey, “Assessing the Responsibilities and Compensation of IR Practitioners — Fourth Measurement,” the percentage of IROs who indicated that they spend significant time on other communication functions is on the rise.

IR Responsibilities



Whether organizations are spending more time on other communication projects by partnering with other personnel, assuming responsibility within their own position or managing other roles, potential for success is greatest when communication is integrated by carefully considered design rather than happenstance. ♦

“Assessing the Responsibilities and Compensation of IR Practitioners - Fourth Measurement,” May 2003, NIRI.

Great Ideas



Implementing Integrated Communication

For the company in the initial stages of integrating communication departments or establishing partnerships with other communication personnel, Valerie Haertel, vice president and director of investor relations at Alliance Capital Management LP, suggests the following prerequisites to successful integration and cooperation:

- ❖ **Earn the commitment of the CEO and senior management team.** To set the stage, IROs must educate executives about the role and value of IR and other corporate communication functions.
- ❖ **Understand your corporate culture and structure.** Before embarking on an initiative to either integrate departments or simply form good working partnerships with other communication personnel, IROs need to understand how much change a company will accept, what organizational structure works best for them and how the mindset of the organization will affect paths of internal communication. There's more than one way to accomplish the goal of consistent messages, said Haertel. Knowing the way your company works best is important in how you achieve that goal.
- ❖ **Position yourself in a strategic role.** If the IRO is not viewed as a strategic partner or adviser, it will be difficult to catalyze change or lead the process of integrating departments.

Next-Level Excellence

Mickey Foster, vice president of corporate and investor relations at Millennium Chemicals, suggested the following tips for maximizing your integrated communication program's success:

- ❖ **Be a hub for knowledge about your company.** Learn what's happening within your organization by walking around and talking to the CFO, head of corporate development, in-house legal counsel, head of mergers and acquisitions, treasurer and others. "You can glean a lot by asking what's going on," said Foster.

At the same time, keep your team abreast of the latest company information. Millennium Chemicals maintains a virtual financial team room for internal use where historical and current financials, as well as company leaders' forecasts, are posted. Included on this intranet site are cash flow, profitability, budget and outlook for lines of business; balance sheet; and various weekly and monthly results.
- ❖ **To expand your role, expand your skills.** Have a working knowledge of finance — understand your profit and loss statement, income statement, cash flow and balance sheet. Become an excellent communicator — demonstrate credibility and knowledge with an executive presence. Develop the ability to work under pressure. "Executives should always be in a learning mode," said Foster. ❖

IR MODELS



“There isn’t a one-size-fits-all approach to creating partnerships,” said Valerie Haertel, vice president and director of investor relations at Alliance Capital Management LP. “There are many ways to coordinate efforts, depending upon your culture, structure and support of your management team.”

The following organization charts show the different ways four companies structure their personnel for successful functionally integrated communication.

Company: Diebold Incorporated

Sector/Industry: Technology/Office Equipment

Market Cap: \$3.85 billion (as of Oct. 21, 2003)

Employee Count: 13,000

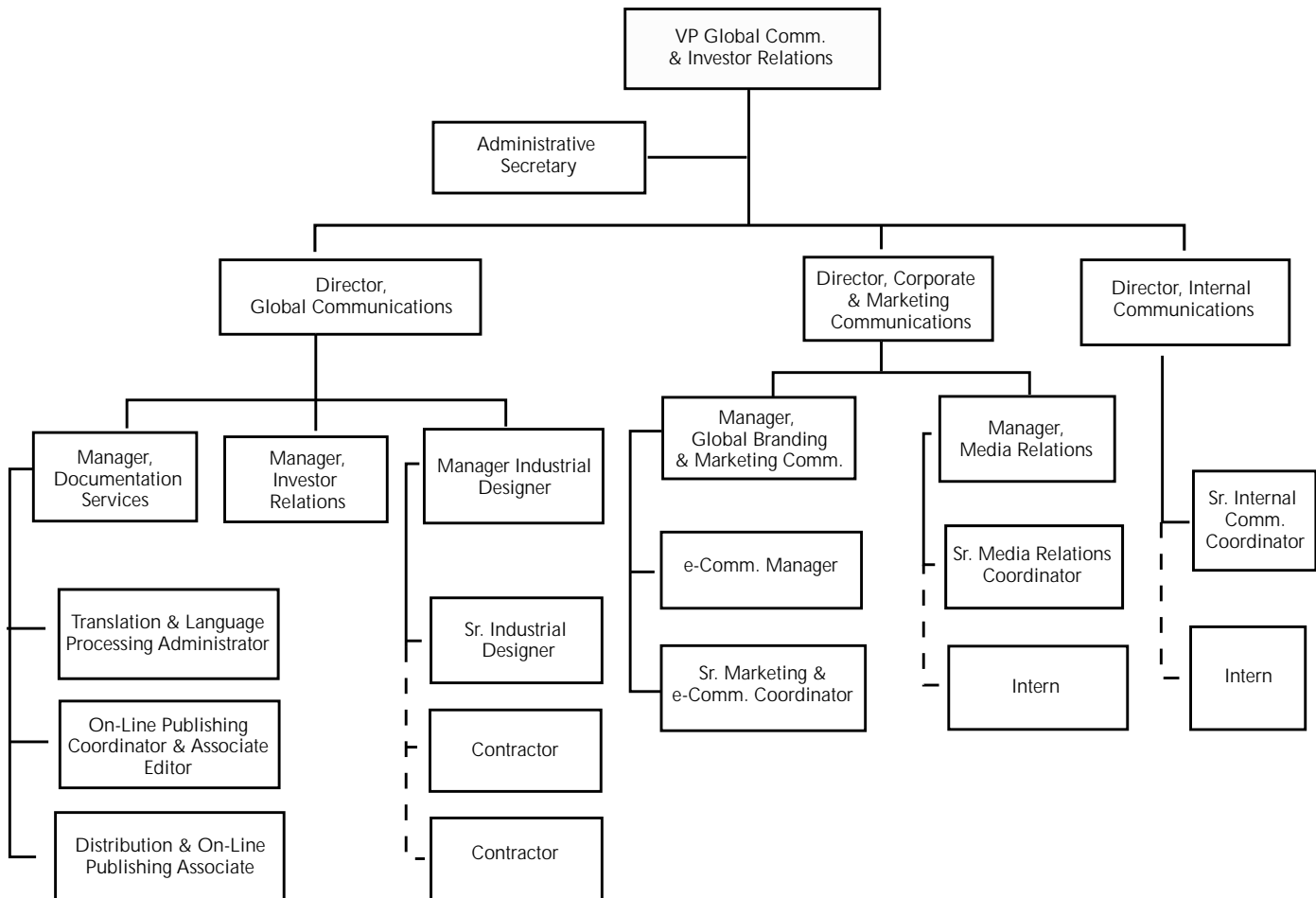
Administratively, the vice president of global communication and investor relations reports to the CFO but has a “dotted-line” working relationship up to the CEO.



IR Models

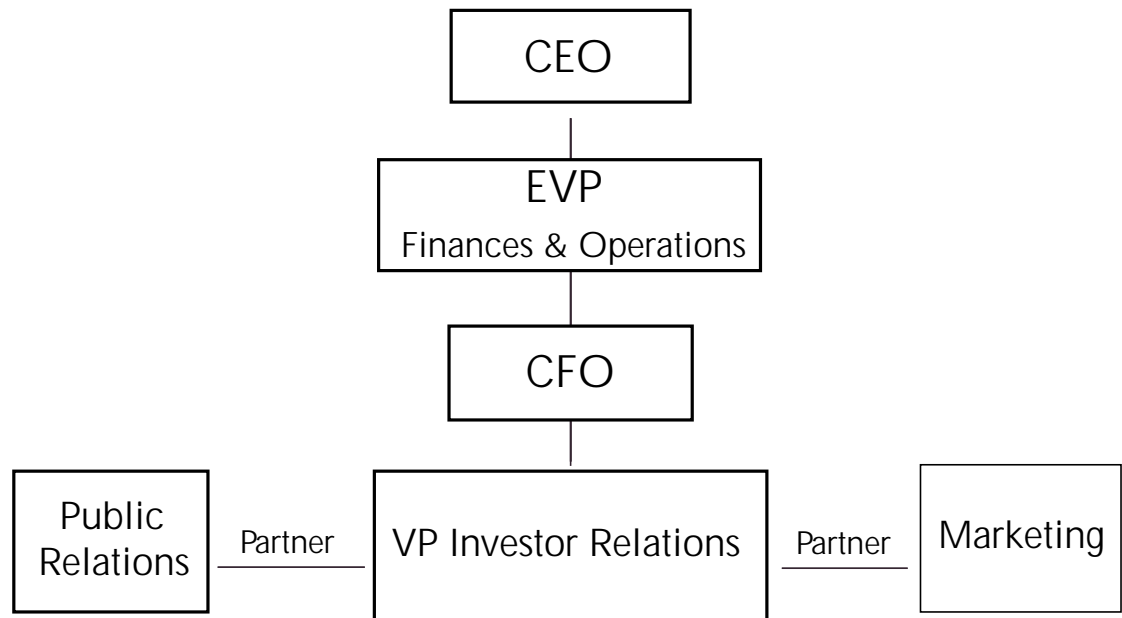


Diebold: Global Communications & Investor Relations





Alliance Responsibilities: A "Partnership" Approach



Company: Alliance Capital Management LP

Sector/Industry: Financial/Investment Services

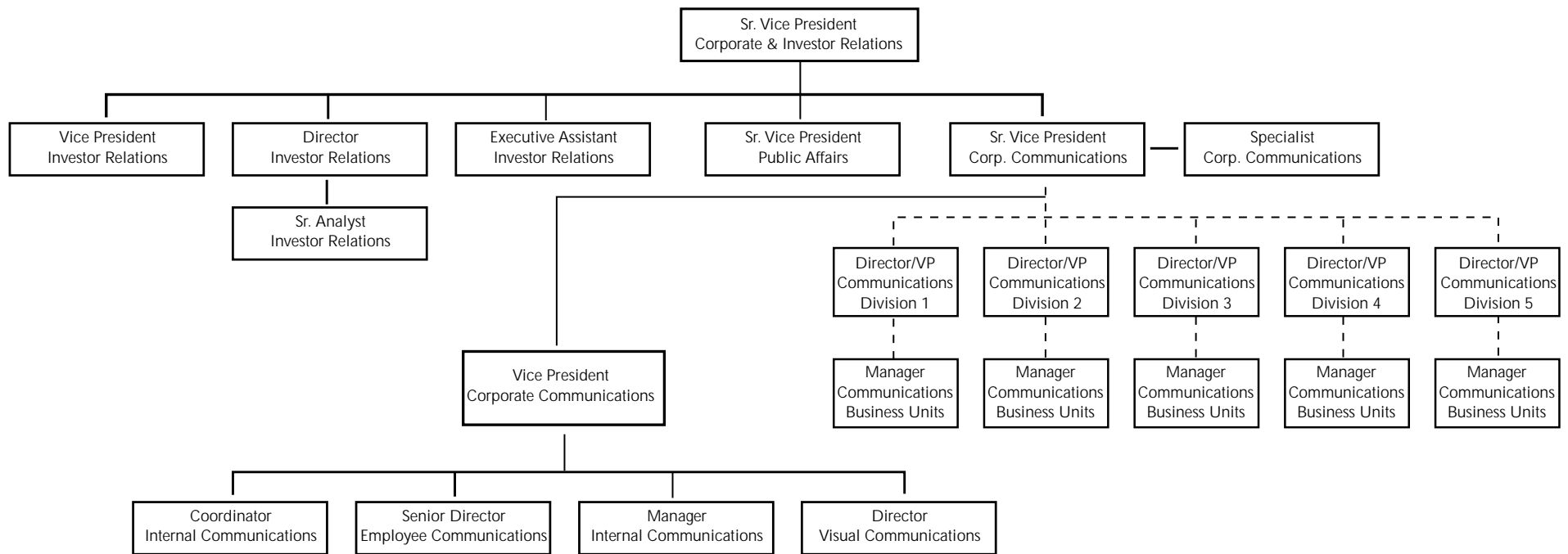
Market Cap: \$2.67 billion (as of Oct. 21, 2003)

Employee Count: 4,100

Although investor relations, public relations and marketing heads report to different senior management, Alliance takes a partnership approach to communication.



Cendant Corporation: Investor Relations & Corporate Communications



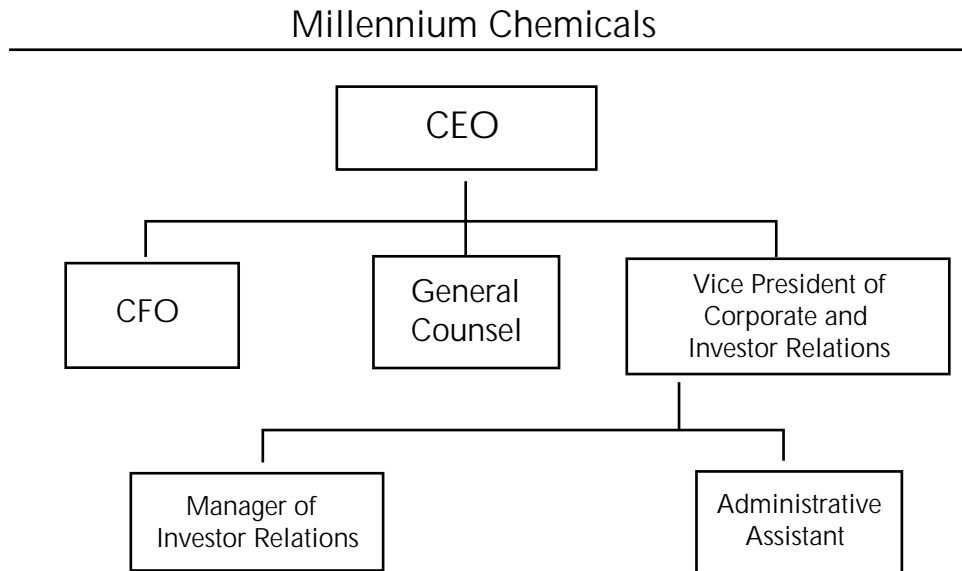
Company: Cendant Corporation

Sector/Industry: Services/Hotels and Motels

Market Cap: \$20.05 billion (as of Oct. 21, 2003)

Employee Count: 85,000





Company: Millennium Chemicals
Sector/Industry: Basic Materials/Chemicals — Plastics and Rubber
Market Cap: \$637.91 million (as of Oct. 21, 2003)
Employee Count: 3,700



In the Final Analysis

Integrating corporate communication disciplines doesn't happen overnight. The process can take a couple of years to transition from coordinating tasks into working with one mindset. There's more than one way to structure personnel and numerous ways to build relationships, but it's well worth the effort. Consistent messages protect and strengthen your brand, help maintain credibility in a market that needs restored confidence and, ultimately, create value for your company and its investors. ♦



NOTE: A review committee composed of NIRI Senior Roundtable members reviewed "The IR Mentor: Integrated Communications" and made these comments. December 2003

We commend the National Investor Relations Institute and our fellow IR practitioners for sharing their knowledge of investor relations and corporate communication. We believe that the information contained in this document constitutes good examples of investor relations best practices. We believe the information provided is consistent with NIRI's strategic direction and offers balance in the presentation of different ways corporations integrate the message.

The content of this IR Mentor piece is drawn from the comments of IROs at medium- to large-cap companies. We recognize that smaller-cap companies face different issues, and in the future we recommend including an example of that experience whenever appropriate.

A critical element of the integrated message is the commitment and support of senior management, particularly the chief executive officer. "Earning a seat at the table" is therefore important to the initial support and ongoing success of an integrated communication effort.

We are assuming that investor relations officers using this document have an awareness of relevant disclosure requirements.

We recommend that this IR Mentor document be reviewed when Professor Paul Argenti's research findings are published and annually thereafter, because the integration of corporate communication and investor relations is dynamic.

Respectfully submitted,

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Taking Stock



The IR Mentor

A Guide to Best Practices

Mentors



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RESOURCES

Audiotapes

Integrating Investor Relations and Corporate Communication

Speakers: Paul Argenti, Tuck School of Business; Valerie Haertel, Alliance Capital Management; Ruthellyn Musil, Tribune Co.; Keith Mabee, Dix & Eaton (moderator)

Publisher: NIRI

Annual Conference Session, 2003, audiocassette

Who Owns the Corporate Message? How to Speak with One Voice Coordinating IR, Marketing and Corporate Communication

Speakers: Donald Eagon, Jr., Diebold Inc.; Carol Makovich, IBM; Rob Osler, Leonhardt, Fitch; Donald Allen, The Allen Group (moderator)

Publisher: NIRI

Annual Conference Session, 2002, audiocassette

Why Integrate IR & Corporate Communications?

Speakers: Paul Gifford, Goodrich Corp.; Ruthellyn Musil, Tribune Company; Roger Pondel, Pondel/Wilkinson MS&L; Catherine Mathis, The New York Times Company (moderator)

Publisher: NIRI

Annual Conference Session, 2002, audiocassette

IRQ Articles

Communication Convergence, *IRQ*, Vol. 5, No. 1 (entire issue).

IRQ Roundtable — Asset Management: IR and the Corporate Brand, *IRQ*, Vol. 4, No. 2.

IR Update Articles

“The Case for Integrated Communication,” by Bryan Glaza, November 2002, p. 1

“Heeding the Call, Center for Integrated Communication,” by Laura Bernstein, November 2002, p. 7

“Integrating Employee Communications and Investor Relations,” by Nicole Noutsios & Greta Gahl, February 2002, p. 18

“IR and PR in Concert,” parts 1 and 2, by Carol Metzker, August 2002, p. 1 and p. 10

“Strategic Communication: Defining a Concept,” by Laura Bernstein, January 2003, p. 1

Books

The Handbook of Strategic Public Relations & Integrated Communications

Author: Clarke L. Caywood, Editor

Publisher: McGraw-Hill, New York
1997, Hardcover, 574 pages

The Power of Corporate Communication

Authors: Paul A. Argenti and Janis Forman

Publisher: McGraw-Hill
2002, Hardcover, 297 pages

Corporate Communication, Third Edition

Author: Paul A. Argenti

Publisher: McGraw-Hill Irwin, 2003

Webcast

OpenChannel Webcast: *The IR/PR Convergence: Tearing Down the Silos*, Nov. 6, 2002.

Panelists: Dianne Douglas, Mattel; Don Eagon, Diebold; Peter Hall, BP; Joann E. Killeen, PRSA

Moderator: Carol Metzker

www.openchannel.info/events/calendar/detail.cfm?EventID=9877

Resources

