

## THE WALL STREET JOURNAL



WSJ... account is worth \$500k

## Shandwick fights F-H in Journal bid

By Craig McGuire

**NEW YORK:** Finalists Shandwick and Fleishman-Hillard squared off in New York last Thursday for the coveted \$500,000 *Wall Street Journal* account, which encompasses both the newspaper and its online arm, WSJ.com.

Miller/Shandwick is currently agency of record for WSJ.com, and the newly combined account would result in its ouster if Fleishman prevails. Dow Jones director of corporate communications Vickee Adams said that the relationship between M/S and WSJ.com had no influence on the pitch process.

The *Journal* has previously been reluctant to commit marketing spend to a PR agency. But according to Dick Tofel, VP of corporate communications at Dow Jones, the increasingly complicated nature of the publishing industry – especially in the Internet space – has moved the company to seek outside PR counsel.

“There’s a greater awareness that there may be opportunities in this area we just don’t have the internal resources to fully exploit,” he explained.

Added Adams, “We want to make sure our message gets out there. We are not abandoning our internal PR programs, just reaching out to the experts.”

Dow Jones initiated its agency search only weeks after the *Financial Times* tapped Porter Novelli to provide the PR component of a \$15 million integrated campaign for its Internet unit, FT.com. Tofel, however, denied that the hiring of an agency by the *Financial Times* – a direct WSJ competitor particularly in Europe – influenced the company’s thinking.



Unger... marketing director

## TVN ups Hispanic Web, TV services

By Craig McGuire

**NEW YORK:** Looking to further penetrate Hispanic markets in the US and abroad, Target Video News has expanded its package of broadcast and Webcast video news services.

TVN’s upgraded service will enable clients to adapt English-language scripts, voice-overs and other broadcast components for the Hispanic market. Other available capabilities include VNR and b-roll production, scripting and translation services for Spanish- and Portuguese-speaking markets, targeted media distribution and multimedia Webcasting.

“Basically, we formalized and brought in-house a translation service and the voice-over process,” said TVN marketing director Brian Unger. “Remember, we already had the ability to reach these markets.”

With more than 30 million Spanish speakers, the US is the fifth largest Spanish-speaking population in the world. TVN will continue to distribute its broadcast packages directly to major Hispanic TV outlets, including stations that are a part of the Telemundo and Univision networks.

Unger added that TVN will also host Hispanic video news segments on Internet portals and multimedia sites as well as provide video news distribution in Latin America for corporate, business and consumer news subjects.

“The Spanish-language sites are really popular in Latin America,” he said.

## NIRI voices views on the evils of FD

By Craig McGuire

**VIENNA, VA:** Fearing that its members won’t be adequately braced for the SEC’s stringent new rules, the National Investor Relations Institute has stepped up its campaign to explain the potential impact of the newly enacted Regulation FD.

Taking its show on the road, NIRI plans to espouse what it views as the evils of FD at events in eight cities between now and mid-October.

NIRI was quick to target the issue of “earnings guidance” in a recent Executive Alert to its members. Regulation FD reads, “When an issuer official engages in a private discussion with an analyst who is seeking guidance about earnings estimates, he or she takes on a high degree of risk under Regulation FD.”

“I’ve talked with several securities lawyers on this, and they all find it troubling that the SEC addresses the issue of earnings guidance in absolute terms when, in practice, the overall issue is not that clearly defined,” said NIRI president and CEO Lou Thompson.

With FD taking effect in roughly two months – in the middle of the earnings season for many – the clock is ticking. Most IR pros are already bracing for the changes.

Leon Berman, SVP and head of Makovsky & Company’s IR practice, said the rule will make it harder for analysts to do their jobs. “The onus will be on the IR practitioners to find ways to communicate to the Street, such as by issuing more press releases,” he said. “The risk is if analysts can’t get that guidance, the estimates will be wide.”

For those who are hoping that the SEC may consider a grace period for IR pros struggling to get their arms around FD, forget about it.

“Rules are rules,” said SEC spokesman John Heine.

PRWEEK

## IR group kicks off affiliate in Oregon

By Craig McGuire

**PORTLAND, OR:** Hoping to take advantage of surging IPO and VC investment activity in the Pacific Northwest, IR consultancy Ponder/Wilkinson Group has launched Ponder/Wilkinson Parham, a regional affiliate based in Portland.

The move makes Ponder the latest firm to attempt to take advantage of what is clearly a hot region. The agency comes well armed for battle: former Nike IR director Ronald Parham will serve as managing director of the new unit.

While the region boasts a number of large-scale corporations in addition to Nike, the IR growth is coming from other sectors, according to National Investor Relations Institute president and CEO Louis Thompson.

“The real opportunity is in the hi-tech and biotech companies springing up on the small- and mid-cap side,” he explained. “They don’t have full-time IR people and are in dire need of IR consulting services.”

Last year was a banner year for IPO activity in the Pacific Northwest, with a record 21 IPOs filed in Washington state alone. Meanwhile, not only are more companies sprouting up in the area every month, but the established ones are expanding rapidly. Jon Kuchin, tax partner at the Seattle office of PricewaterhouseCoopers, said the amount of money invested in Northwest companies jumped 220% between 1998 and 1999, growing from \$447.5 million to \$1.5 billion.

The power brokers on Wall Street are keeping a watchful eye on the region. Large investment banks, including Goldman Sachs, CS First Boston, Morgan Stanley Dean Witter and Chase H&Q, have profited greatly from underwriting the IPOs of Northwest companies. While most operate out of San Francisco, it’s likely that others will follow the lead of Goldman Sachs and open a local branch in the region.