



NIRI-Chicago Chapter 2006 Annual Meeting

June 11, 2006 – 4:30 p.m.
Manchester Grand Hyatt
San Diego, California



NIRI-Chicago Chapter

An Overview

- **Ranks 5th** of all NIRI chapters based on size with **207** members as of May 2006 (New York, 588; Virtual Chapter, 403; Silicon Valley, 240; Boston, 233)
- **NIRI Awards:**
 - Best Special Event (2004 Workshop) - 2005
 - Best Overall Large Chapter - 2004
 - Best External Affairs for Large Chapter - 2004
- **Member roles:**
 - Corporate **75%** (76% last year)
 - Consultant/Service Provider: **23%** (13% last year)
 - Academic/Honorary: **1%**
 - Trading Exchanges **1%**
- **Members Increasingly More Experienced in IR**



NIRI-Chicago Chapter

An Overview

- **Market cap:**

- >\$5B (Large cap): **41%** (36% last year)
- \$1.5B-\$5B (Mid cap): **24%** (21% last year)
- \$500M-\$1.5B (Small cap): **23%** (29% last year)
- <\$500M (Micro cap): **12%** (14% last year)

- **Top 5 industries represented by members:**

- Financial services (**27**)
- Service industries (**22**)
- Automotive (**11**)
- Real estate, utilities/power, telecommunications (**9** each)
- Banks, consumer products, food, medical products, technology: software (**8** each)

- **Exchange membership:**

- NYSE: **57%** (55% last year) – AMEX: **6%** (unchanged)
- NASDAQ: **33%** (34% last year) – Foreign exchange: **4%** (6% last year)



NIRI-Chicago Chapter Mission Statement

- To set the highest standards in education designed to advance the practice of investor relations
- To meet the professional development needs of those engaged in investor relations



NIRI-Chicago Chapter

Key Objectives

- To **build a strong, attractive investment market** by assuring equitable opportunities for every investor
- To **work for better communications among corporate management**, shareholders and the investing public
- To **improve the techniques of investor relations** through research, education and publication
- To **encourage high ethical and professional standards** in the investor relations function in corporate management
- To **provide a forum for its members to present their views**, to share experiences, to create and test investor relations policies, and to broaden the understanding of investor relations matters



NIRI-Chicago Board of Directors 2005-2006 Year

- **Officers**

- President: **Dave Prichard**
- Executive Vice President: **Bill Chapman**
- VP-Programs: **Ruth Venning**
- VP-Membership: **Jon Hubbard**
- VP-Communications: **John Kroen**
- VP and Treasurer: **Christine Hanneman**

- **Directors**

- Chair: **Steve Carr**
- **Lisa Ciota**
- **Chris Curtis**
- **Cindy Klimstra**
- **Tom Laughran**
- **Bill Parke**
- **Mary Ryan**



Election Results:

NIRI-Chicago Board 2006-2007

- **Officers**

- President: **Bill Chapman**
- Executive Vice President: **Ruth Venning**
- VP-Programs: **Kevin Kelly**
- VP-Membership: **Tom Laughran**
- VP-Communications: **Maryellen Thielen**
- VP and Treasurer: **Christine Hanneman**

- **Directors**

- Chair: **Dave Prichard**
- **Kevin Berry**
- **Joan Bates**
- **Steve Carr**
- **Lisa Ciota**
- **Jon Hubbard**
- **Bill Parke**



NIRI-Chicago Committees 2005-2006

- **Workshop** – Kevin Kelly, chair
- **Triad Awards** – Tom Laughran, chair
- **Chicago Executive of the Year Award** – Cindy Klimstra, chair
- **Virtual Programs** – Lisa Ciota, chair
- **University Relations** – Bill Chapman, chair
- **Tower League/Senior IRO Program** – Cindy Klimstra, chair
- **Volunteer Network** – Jon Hubbard, chair
- **Sponsorships** – Ruth Venning, chair
- **Nominating** – Steve Carr, chair
- **Website** -- Maryellen Thielen, chair
- **Newsletter** -- Renee Young, editor



2005-2006 Goals and Objectives

Overall Emphasis

Continue to offer insightful and useful programming, member benefits and enhanced communication, while strengthening the visibility and brand recognition of NIRI-Chicago



2005-2006

Goals and Objectives

- Build on our established successes and strengths
- Provide programming based on 2005 membership and programming surveys
- Offer a wider choice and variety of programs/topics
- Build on award-winning 2004 Workshop to make 2005 Workshop even better
- Develop and implement senior IRO program to increase their participation in and affinity with NIRI-Chicago
- Introduce unique new program formats such as Virtual Program, or Webcasts, and “spotlight” company visits prior to networking mixers



2005-2006

Goals and Objectives

- Experiment with times and locations for monthly meetings (e.g., breakfasts, O'Hare venue)
- Continue/expand mini-Workshop formats (e.g., annual report, targeting)
- Launch monthly, online chapter newsletter beginning in August (member activities, volunteer recognition, new members, promote programs, link to NIRI National, etc.)
- Strengthen partnership with NIRI-Wisconsin
- Complete several member surveys on key issues built around program topics (e.g., earnings guidance)



2005-2006

Goals and Objectives

- Develop and implement university educational outreach program; establish student/new member mentor program
- Survey other chapter websites and update our website with additional best practices and design/navigation enhancements
- Strengthen communication with NIRI-National by sharing materials, keeping NIRI staff up-to-date, and participating in NIRI activities where possible/feasible
- Evaluate community service project for NIRI-Chicago and/or 501(c)3 donation(s)



2005-2006 Goals and Objectives

- Expand interaction with area organizations by cross-promotions and joint programs (PRSA, FEI, AIGA, CFA Institute, Society of Corporate Secretaries/Governance Professionals, other NIRI chapters, etc.)
- Rejuvenate our Volunteer Network, expand number of volunteers, hold volunteer reception and provide list of volunteer opportunities
- Solidify sense of community among NIRI-Chicago members and develop new leadership
- Maintain solid financial condition



2005-2006 Program Year Summary

- Eight monthly programs (excluding September daylong Workshop, and June, July and August):
 - Secrets of Successful IROs – How Do They Do It?
 - The Triad Awards (15th year of Midwest annual report competition)
 - accompanied by half-day Annual Report Mini-workshop
 - IR Consultants' Perspective on IR Trends/Practices
 - Peer, Competitive and Valuation Analysis
 - Building/Maintaining Effective Buy-side/Sell-side Relationships
 - accompanied by half-day two-session Mini-workshop
 - Dude, Where's My Market? A Look at the Changing Stock Market Structures
 - Proactive IR in Today's Regulatory Environment: Strategic Disclosure and Guidance Practices – Lou Thompson
 - Chicago Executive of the Year Award



2005-2006 Program Year Summary

- “Virtual Programs” (webcast/ teleconference)
 - Earnings guidance (August)
 - IR for the small-cap company (November)
 - Developing an IR plan (February)
 - IR across the pond (May)
- Annual IR Workshop and Reception (September)
- Mini-workshops tied to program themes
 - Annual report workshop (November)
 - Targeting and perception studies workshop (February)



2005-2006 Program Year Summary

- Six networking mixers, including three, first-ever “spotlight” company visits to DeVry in September, CDW Corp. in November, and McDonald’s in March
 - Locations alternated among four major areas
- Volunteer/new member kick-off event in August and end-of-year social event in June
- Two senior IRO Tower League roundtable sessions (December and May) and dinner with Lou Thompson in April
- Membership, Workshop, annual report and program topic surveys



Key Accomplishments for 2005-2006

- Conducted another well-attended and successful daylong IR Workshop with positive post-meeting feedback
- Provided member-driven chapter programs based on surveys and feedback
- Introduced expanded senior IRO program with creation of The Tower League in response to increasing experience level of our membership
- Established new and expanded university outreach program with Northwestern, DePaul, Loyola and Northern Illinois and appointed chapter contacts for each institution
- Promoted more effective communication with NIRI and other chapters



Key Accomplishments for 2005-2006

- Launched **MEMBER CONNECTION**, first monthly online chapter newsletter published continuously since August 2005
- Expanded quality, variety and quantity of programs to give members more value and more choices for event participation
- Introduced NIRI-Chicago program innovations with Webcasts and “spotlight” company visits
- Launched major Website redesign/upgrade project with use of best practices and enhanced features
- NIRI-Chicago is in best financial condition in its history



Key Accomplishments for 2005-2006

- Arranged alternate program times (breakfasts) and locations (O'Hare mixer) to meet needs of membership
- Rejuvenated and expanded volunteer recruitment efforts and increased recognition of volunteer network – saw increase in number of volunteers and committees
- Broadened membership retention program efforts and techniques
- Enhanced chapter website; kept up-to-date; experimented with password-protected section for Webcasts – could be expanded to job bank and directory



Key Accomplishments for 2005-2006

- Promoted more effective communication with NIRI and other chapters (Workshop, Triad, two Webcasts with Wisconsin Chapter, etc.)
- Began multi-year succession planning roadmap for officer and director continuity, leadership development, volunteer enhancement, and balanced participation among different member roles
- Researched community service project alternatives for NIRI-Chicago for future consideration
- Generated media promotion of chapter events; cross-promoted with area organizations; issued key press releases



Now What?

- Harness the momentum and enthusiasm
- New leadership, new volunteers, new members and new ideas while building on core strengths
- NIRI-Chicago has flourished because it is innovative, resourceful, and strives to meet – and exceed – its members' needs and provide continuous value
- Always more that can be done – and should be done
- Improve upon what we already do well
- Innovate, upgrade technology, increase efficiency



2006 Membership Survey

- **23% response rate (equivalent to prior year)**
 - Practitioners - corporate: 67%
 - Practitioners - consultants: 20%
 - Service vendors: 13%
- **Surveyed:**
 - Desired program topics
 - Key aspects of the chapter
 - Suggestions for improvement



What You Said: Top-Ranking Aspects

- **Aspects rated highest in survey:**
 - Communication with membership (91% vs. 72%)
 - Chapter leadership (87% vs. 74%)
 - Openness to new ideas (82% vs. 75%)
 - Monthly topics and speakers (78% vs. 72%)
 - Networking benefits (71% vs. 64%)
 - Sept. IR Workshop (68% vs. 62%)
 - Location/time of monthly meetings (61% vs. 52%)
 - Annual Report Roundtable (55% vs. 55%)



What You Said: Suggestions for Improvement

- **Aspects cited for improvement:**
 - Real-life topics presented as case studies
 - Increase frequency of “already fine” communications
 - More breakfast meetings, more suburban events
 - Continuing to include other chapters and PR/IR organizations in mailings
 - More events for senior-level IROs
 - More interactive programs and discussions
 - More workshop types of events



What You Said: Top-Ranking Topics

- Communicating with senior management and the Board
- IR Website best practices
- Corporate governance update
- Corporate disclosure, including Reg FD and earnings guidance
- Measuring IR program effectiveness
- Peer/competitive analysis
- Securities valuation/financial analysis/intangibles
- Crisis communications
- Investor perception studies
- Senior IR practitioners panel



How About Those Suggestions?

- **We'd like your input on how to further improve our chapter:**
 - Chapter events, program content, speakers
 - Event locations, time of day
 - Generate more active member participation (what are the barriers?)
 - Web site
 - Social responsibility
 - Any other ideas/comments/suggestions



What's Ahead for 2006-2007

- Develop 2006-07 chapter goals during annual Board planning meeting on July 6
- Continue to provide insightful and useful programming, member benefits and enhanced communication
- Further strengthen NIRI-Chicago brand, visibility and reputation
- Chapter member input will continue to receive high priority attention



Upcoming Events

- **End-of-the-Year Event:** June 21
- **Triad Awards solicitation:** through June
- **Board annual planning meeting:** July 6
- **2006 IR Workshop:** September 14-15

*See NIRI Chicago website for more information –
www.niri-chicago.org*



Q&A

Additional Feedback

*NIRI-Chicago always welcomes your
ideas and suggestions*