

Media and Investor Relations News

January 2005 *This news sheet from Westbrook Communications brings together a variety of news and information around media, public relations and investor relations issues nationally and internationally, and provides an update on our news, activities and services*

Is the AGM dead?

A recent Business Council of Australia (BCA) discussion paper, *Company and Shareholder Dialogue*, has flagged the idea that with changes in communication, sources of information and technology, "the traditional AGM may now be redundant".

This wouldn't be good news to shareholder activist, Jack Tilburn, or the Australian Shareholders Association who see the AGM as a chance to elevate shareholder democracy.

However, the thrust of the BCA report is not so much towards abolishing the AGM as trying to make it work better, or be supplemented, as an information forum.

BCA points out that AGM attendance is half what it was 10 years ago and nearly half the AGMs of the top 200 companies attract fewer than 200 people:

No. of people	% of top 200 ASX listed companies
<100	22.4
100-199	23.9
200-299	14.9
300-399	14.9
400-499	6.0
500+	13.4

Additionally, the majority of people who attend are retail investors who, while now representing 51 per cent of the adult population, actually own 18 per cent of the market capitalisation of the ASX.

Other factors influencing BCA thinking about the AGM are that the majority of institutional contact with public companies is by phone calls or visits to management and that the media is still the main source of advice for buying shares, not the AGM:

Source	%	Source	%
Newspapers	21	Accountant	6
Financial planner	19	Magazines	5
Family/friends	16	Television	5
Broker	14	Other	4
Internet	10		

Source: ASX 2003 Australian Share Ownership Study

Improving AGM preparation

This involves asking shareholders in advance to advise issues of relevance so the chairman can provide information on them in his address or have the company provide detailed answers at the time of the AGM.

Making AGMs more effective

In making AGM's more effective, the AGM could be split into two components, discussion and formalities. It could also involve having heads of board committees give a presentation on their role and answer questions relevant to their responsibilities.

Supplementing the AGM

Introducing shareholder information meetings once or twice a year may provide an opportunity to put retail shareholders on a similar footing to the investment community. This alternative would enable the AGM to become a briefer, formal process.

The BCA's paper is intended to be a catalyst for companies to examine their communications practices, with the general idea of making it easier for shareholders to question companies.

A further component of the paper invites companies to look beyond their AGM at the various means available to them to encourage a greater dialogue with investors.

US election statistics

- George W Bush visited 34 states during the presidential campaign; John Kerry visited 41
- There were 630,000 TV campaign commercials aired this election season
- The total spent at all levels on campaign advertising this year was \$1.45 billion
- The Democrats sent 2,256 lawyers to Ohio to monitor voting

2004 – The year that was

The most-mentioned items across all media during 2004, were:

1. Iraq
2. Athens Olympics
3. Federal Election
4. NRL rape allegations
5. Abu Ghraib prison abuse



Westbrook Communications is Australia's leading independent financial public relations firm.

Our team comprises senior people with backgrounds in journalism and the investment markets, giving us an edge in advice on communication of business information.

Our years of experience enable us to advise companies on communication with the media, investors and the investment community.

Crucial to this is guidance on the content of what is said and the how and when to maximise its value.

With our input your company can achieve the positioning and recognition it deserves.

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Westbrook communications

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Smaller PR firms taking a hold on the market

"The people being the most successful in this (PR) market are the highly differentiated boutiques."

Alan Vanderمولen, *Asian-Pacific head of Edelman Public Relations Worldwide*

The 1950's was the start of public relations development in Australia when the majority of practitioners were journalists. The profession evolved with more and more people pursuing tertiary education. Initially large firms occupied the public relations landscape in Australia, but this has given way in recent years to new, smaller firms bearing dominance in the market.

Another award

During 2004 we won another award for excellence in financial and investor communications from the Public Relations Institute of Australia.

Our work on a M&A transaction was highly commended and contributed to extensive coverage and analysis by the media and investment community.

Speaking/Presentation tips

- If you do have to read or glance at notes, move your eyes down, not your entire head
- Give your audience time to react to what you are saying – don't rush
- The best way to seem spontaneous is to rehearse
- Nervousness is inversely related to preparation
- If a PowerPoint presentation has just a handful of words on it, you didn't need it in the first place
- There is no perfect speech length – focus on your message, your stories, your audience; and the length of your speech will take care of itself

40th IPO

Towards the end of this year, we completed the 40th IPO we have managed over the past 17 years.

While these transactions have varied in size and breadth of appeal, there are some common

factors which have contributed to communications success, such as:

- making a business easy to understand, especially through succinct expression which reduces complexity to simplicity
- creating a media profile, which can be competitive for small to medium sized companies – this is invaluable in maintaining media coverage after listing
- building a CEO's familiarity in dealing with the media and helping to establish media relationships
- developing a way of telling the corporate story to the investment community so that it adds credibility and long term support
- extending contacts with the investment community

Our Services

- **Communications strategy** - development of the corporate story and how it is presented
- **Media relations** - achieving a media profile, positioning and management of the news flow
- **Investor relations** - achieving investor understanding of your corporate story
- **Shareholder communication** - shareholders like to be informed – develop a complete program
- **Corporate affairs** - conveying key messages to the media and government
- **Marketing communications** - contributing to the marketing function with communications
- **Crisis management** - preparation for and management of communication at times of crisis
- **Media training** – rehearsing your story to sharpen the value of the outcome
- **Graphic design** – achieving quality and consistency throughout your overall communications strategy
- **Government relations** – accessing key decision-makers on a local, state and federal level

Address

Please note our recent change of address:

Level 7
15-19 Bent Street
Sydney NSW 2000