



*The voice of Public Relations
around the world...*

Quarterly Newsletter

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The ICCO quarterly newsletter is distributed to over 1,400 firms in 28 member countries.

For feedback or submissions, e-mail: info@iccopr.com



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Full Articles

What's New @ ICCO

Croatia voted in as Full Member, board supports broader membership

Some important membership developments were supported by the ICCO Board of Management at its autumn meeting in Prague on October 23rd.

First and most exciting, Croatia's HUAOJ received unanimous approval of its application for full membership. Formerly an Observer as the consultant's chapter of the national association HUOJ, the newly-formed HUAOJ is dedicated solely to the interests of public relations consultancies in Croatia.

Second, the board agreed to work on a proposal to amend the membership requirements to ICCO in order to be more inclusive of those associations that cater to the interests of public relations consultants but may operate under a different organisational structure, e.g. as a dedicated chapter within a professional association or as a public relations chapter within a wider group of marketing and communications consultancies.

Lastly and somewhat sadly, the board was left with no choice but to terminate the membership of the PRCA Nigeria for failure to comply with several basic requirements. These include participation in the ICCO board and payment of annual dues as well as evidence of financial and operational stability. The association does continue to be associated with several, well-respected local consultancies, however, and ICCO would welcome reapplication for membership from our colleagues at the PRCAN at such time as they are able.

The autumn meeting of the ICCO Board was graciously hosted by the Czech association APRA, and ICCO would like to extend its thanks to the local organisers for their support. For more information about new member HUAOJ, visit www.huoj.hr in English.

Board approves proposed bylaws amendments

Amendments to the ICCO bylaws passed by majority vote of the Board of Management in an e-mail vote that closed on December 11th. The changes incorporated affect 5 main areas:

1. **Observer membership.** Elimination of Observer Membership status, to apply to all new applicants.
2. **Working parties.** Removal of current working party descriptions and requirements to be replaced by the provision for ad hoc working parties.
3. **Executive Director's title.** Language revision to include replacing the title "Secretary General" with that of "Executive Director", already in use.
4. **Board structure.** Expansion of the Board to include representatives from networks and major PR firms. Seats will comprise not more than 20% of the total board, and the term of appointment is three years.

5. **Membership requirements.** Revision of the structural requirements of an association in order to be eligible for membership, amended to be more inclusive (as noted in the previous article).

For a detailed wording of the above, download the document "ICCO Bylaws" from www.iccopr.com.

Presidential handover to take effect from January 1st

On the 1st of January 2010, Richard Houghton will start his official term in office as ICCO President. Richard has been an active member of the Executive Committee since 2007 and is a former chairman of the PRCA of the UK. He is a founding partner of Carrot Communications, a public relations consultancy that specialises in technology clients. In addition to his experience as an entrepreneur, Richard brings with him a 22-year track record in public relations that includes senior roles in leading international networks like Fleishman Hillard, Weber Shandwick and Ketchum.

Richard takes over from current President Lou Capozzi, who completes a two-and-half year term of outstanding service to the ICCO community.

Learn more about Lou's time as ICCO President in the "Thinker's Corner" piece below. You can also read about Carrot Communications at www.carrotcomms.co.uk.

Business Wire agreement renewed for 2010

Berkshire Hathaway company Business Wire has renewed its strategic partnership agreement with ICCO for 2010. Business Wire helps to enhance and communicate investor relations and public relations content to target audiences worldwide. Services include wire distribution of press releases, search engine optimisation and more.

Under the terms of the ICCO agreement, all ICCO member trade associations and agencies affiliated to them are eligible for free membership and benefits as well as discounts on distribution services.

See <http://iccopr.com/Independent/businesswire.aspx> for Business Wire contact details and cite the ICCO agreement in order to take advantage of preferential rates.

ICCO survey says PR best-able to lead communications strategy

While meeting in Prague on October 23rd, ICCO board members reviewed and reinforced a survey of members from 12 countries that shows public relations consultancy has already had real success playing a leading role in integrated communications programs.

ICCO President Lou Capozzi notes that public relations consultants are uniquely qualified to lead marketing programs because they are "sensitive to multiple stakeholders, comfortable with the lack of control over messaging imposed by the digital age, and able to communicate without prejudice." As a result, he says, "they bring a broader view to client challenges."

Survey respondents also called for the industry to do a better job of marketing itself. They particularly focused on the need to provide Marketing Directors with data to evaluate public relations in a context that fits with the other elements in the marketing mix.

Differences reported by survey respondents in the "ownership" of specific service areas of communications (e.g. Corporate Social Responsibility, B2B Relations, Crisis and Issues Management) reflect not only the relative maturity of the PR industry in each country but also the competitive and regulatory landscapes.

In countries where public relations is often perceived as a "low-end" provider (e.g. the Czech Republic, Slovakia, Greece or Turkey), board members noted that client expectations tend to be rooted in media relations and publicity rather than in more strategic services. In Switzerland and the US, on the other hand, public relations consultants are much better positioned and often enjoy access to executive-level partners in the organisations they serve.

The survey identified several key characteristics required for consultants to succeed in growing their influence with clients, including:

- 1) broader business and management education, including an understanding of the client's strategic and commercial environment,
- 2) a holistic view of communications,
- 3) strong analytical and financial skills,
- 4) the capacity for high-level networking and effective personal interactions, and
- 5) the ability to embrace new technology and communications channels.

As the communications environment continues to change, board members agreed that PR professionals will need to enhance their skill-sets in these areas in order to succeed further in leading integrated communications strategies.

Survey respondents included ICCO members in: Austria, Belgium, Czech Republic, Denmark, France, Germany, Greece, Portugal, Slovakia, Slovenia, Switzerland and the United States. The corresponding press release can be found on www.iccopr.com.

ICCO research underway on measuring marketing PR

Under the guidance of Lou Capozzi, ICCO has embarked upon new research in the hopes of establishing an industry standard for measurement of marketing PR campaigns.

Lou has received a grant from New York University, where he is an adjunct professor, and enlisted the help of graduate students there in conducting a secondary analysis of existing tools and methodologies in measurement globally. He will then collaborate closely with both the Institute for Public Relations of the US and the corporate marketing team of a large multinational. The end goal is to develop a vendor-neutral, cost-effective approach to measuring the relative effectiveness of public relations within the larger marketing mix.

The study should be complete by late spring. Results will be presented at the AMEC / IPR annual measurement summit in Barcelona in June. For more information on the summit, visit www.amecorg.com.

Industry Highlights

US agencies predict top new business trends for 2010

A Q3 survey of members of the Council of Public Relations Firms (CPRF) of the US showed respondents as nearly unanimous (93%) in predicting more client requests for digital and social media expertise in 2010. The survey, which tapped opinions on the top "new business" trends for next year, revealed that 75% also believe there will be more project work, while 67% supported the notion of a shift away from traditional media relations towards relations with online influencers. Almost half of respondents foresee more requests for measurement and ROI of public relations campaigns.

Further information on this and other CPRF surveys can be found on www.prfirms.org.

FTC announces new US guidelines on use of endorsements and testimonials

The Federal Trade Commission (FTC) of the US has revised its guidelines on the use of testimonials and endorsements. The changes carry important implications for public relations firms, particularly with respect to consumer-generated media such as blogs and social networking sites.

For example, the FTC maintains that payments or free products issued by a marketer in exchange for endorsement from a blogger or other individual must be disclosed. However, not all statements made in consumer-generated media about product attributes or consumer experiences are considered "endorsements", which clouds the issue considerably.

Another change clarifies that, in the case of an existing relationship between a marketer and endorser, the marketer could be liable for a blogger's or other word-of-mouth endorser's misleading or unsubstantiated statements about a product. Celebrity endorsers may also be held liable for their own endorsements.

There are also new requirements regarding employee participation in social media, whereby an employee that promotes the employer's products or services online must clearly disclose the relationship.

The Council of Public Relations Firms of the US has developed a document in conjunction with legal counsel in order to explain fully the guidelines themselves and how they affect PR consultancy practice. See the "Issues Monitoring" page on www.prfirms.org for more information.

Staggering numbers of newspaper staffers have lost their jobs

According to a December report from News Cycle, at least 15,000 people in the US newspaper industry have lost their jobs so far in 2009. The heaviest casualties came earlier in the year, by the end of July, but the report notes there could be quite a few more layoffs in the last weeks of December. Predictions are mixed as to whether 2010 will show any improvement, though US marketers foresee further decline in print advertising revenue.

The picture is not much rosier in the UK, where regional newspapers appear to have been the hardest hit. Jobs were already being lost by the hundreds in the last months of 2008 and have continued to disappear throughout 2009.

To view the News Cycle report, go to <http://news-cycle.blogspot.com>. UK job losses in the newspaper industry can be tracked on www.journalism.co.uk.

UK PR bodies aim to enhance cooperation

The PRCA and the Chartered Institute of Public Relations (CIPR) of the UK have announced their joint decision for representatives of both organisations to meet formally in order to enhance cooperation in the best interests of the PR industry. Recent events with the Newspaper Licensing Agency (NLA), says PRCA Director General Francis Ingham, have highlighted the need for better communication and collaboration between the two organisations. At the same time, he notes, "our cooperation in responding to the Public Affairs Select Committee report stands as a good example of the added weight we have when we work together."

Contrary to the implications of *PRWeek* coverage of the announcement which claimed the two PR bodies plan to "integrate", the mandate of appointed representatives from both sides is limited to exploring issues of mutual interest and potential closer cooperation.

To follow their progress or learn more about the NLA case, visit www.prca.org.uk.

Thinkers' Corner

"The End of a Journey"

Outgoing ICCO President Lou Capozzi reflects on his time leading the organisation.

After two-and-a-half exciting years, I'm leaving the driver's seat as ICCO's president. It's been a great ride.

I'm proud to say ICCO has accomplished a lot since 2006. Following on the momentum created by my predecessor, John Saunders, we've made great progress in many areas.

First and foremost, we've gotten our house in order. The addition of Virginia Hague as Executive Director has revitalized the operations of ICCO in a myriad of ways. Virginia's intellect, drive and organisational skills have improved the management of our budget, our communications with members, our internet presence, our intellectual capital, our relationships to the PR community and our presence in the public relations marketplace.

Second, with outstanding support from Prema Sagar, we were able to convene a fantastic array of talent at the ICCO Summit in India, the first Summit to be held outside of Europe. Industry leaders including Helen Ostrowski, Harold Burson, Paul Taaffe and Aedhmar Hynes shared the podium with thought leaders like Esther Dyston, Yann Risz and the Indian Minister of Commerce & Industry, Shri Kamal Nath, in a rich debate about the direction of our industry.

Third, we've expanded our services to members and improved the dialogue among member associations. Members now have access to more frequent and more rigorous research as well as invitations to a range of leading industry events. An enhanced ICCO website offers an up-to-date directory of potential consultancy partners across the globe as well as a host of opinions and articles on the most pressing industry topics. There are also best practice case studies, documentation on the Consultancy Management Standard, a comprehensive events calendar and more. In addition, ICCO now publishes a thought-provoking newsletter four times a year and convenes the Board of Management twice a year. And Board and Secretariat members communicate regularly on topics of interest via e-mail and the online social forum Ning.

Fourth, we've expanded our global footprint, adding national trade associations in Australia, Brazil, Croatia and South Africa to our membership roster. And, thanks largely to the efforts of Jean-Leopold Schuybroek, we continue to seek broader international representation.

Finally, we've recently amended our bylaws and restructured our board to set the stage for a bright future. Expanded participation by large global agencies and agency networks can only enrich the insight and dialogue within ICCO.

Personally, I've been able to represent ICCO at terrific industry forums from Warsaw to Milan to London to Detroit, bringing our global perspective to local industry events. But most importantly, I've made great friends and built relationships that I know will endure for years to come.

I leave you in enormously capable hands, with incoming President Richard Houghton at the wheel. He knows he has my full support. I plan to stay on the board through 2010 in the position of immediate Past President, and remain fully committed to a vibrant future for ICCO and all of its members.

Thanks for the journey!

Louis Capozzi is an adjunct professor at New York University and retired CEO of MS&L. He steps down from his role as ICCO President on January 1st, 2010. We at ICCO extend our heartfelt thanks for his dedication and tireless energy during his term.

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