

ADDING PUBLIC RELATIONS TO THE IR MIX

A Q&A with PondelWilkinson's Roger Pondel

Although most publicly traded companies pay close attention to engaging in professional investor relations practices, adding public relations to the corporate communications mix can pay tangible, added benefits.

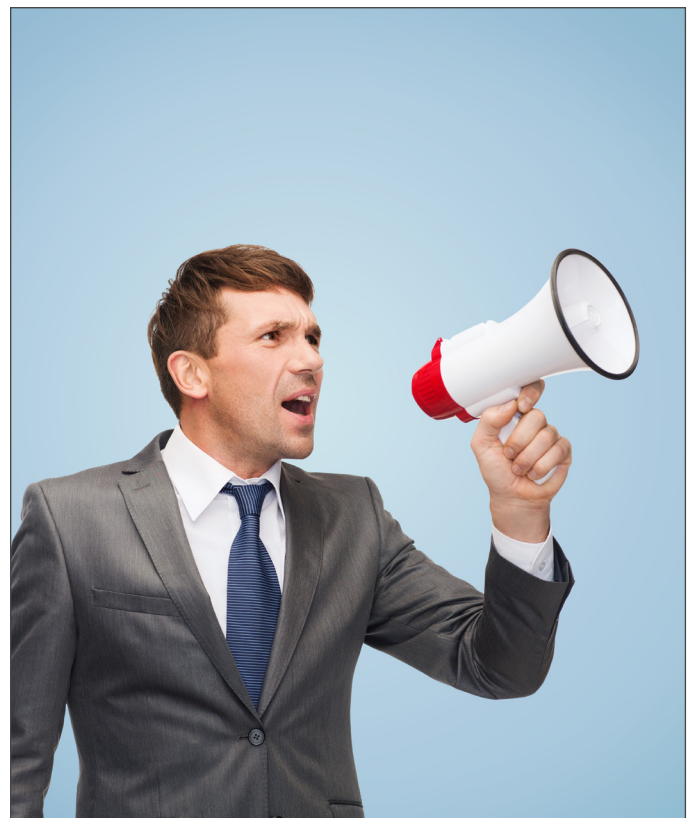
Planet MicroCap's Shelly Kraft recently sat down with veteran investor relations and corporate communications advisor Roger Pondel, CEO of PondelWilkinson Inc., to ask a few questions about how PR adds value and why public relations should be considered for public companies.

SK: LET'S START WITH THE BASICS ... HOW DO YOU DEFINE PUBLIC RELATIONS?

RP: Public relations is a highly professional discipline, with its own national association and thousands of practicing professionals. While there are any number of definitions, pros will say it is the practice of communicating with targeted audiences, which involves managing, crafting and disseminating factual information to educate, inform and to help influence change or perception.

SK: WHAT ARE SOME OF THE PUBLIC RELATIONS STRATEGIES THAT CAN BE DEPLOYED TO ENHANCE AN INVESTOR RELATIONS PROGRAM?

RP: A few strategies that can enhance investor relations include developing a comprehensive media relations plan, utilizing social media platforms for targeted investor messaging, maintaining a strong online presence, and engaging in thought leadership activities to position organizational executives



as industry experts. This can be further amplified through regular press releases, media outreach and publicity, investor events and leveraging digital platforms to communicate key messages.

SK: WHAT OTHER VALUE-ADD BENEFITS COME TO MIND WITH ENGAGEMENT OF PROFESSIONAL PR?

RP: There is one big one: the ability to reach multiple constituencies. While investor relations focuses on one primary audience - the investment community - the use of PR can help a company get its messages out broadly to many audiences, including customers. So there are marketing benefits. Customers can become shareholders, and shareholders can become customers.

SK: ARE PR AND PUBLICITY THE SAME THING?

RP: Not at all. Publicity, which can be favorable or not, is a tactic that could be incorporated into a broader public relations strategy. For example, firms pitch narratives to reporters to get them to write positive stories about their clients, such as a company's earnings. The benefit of "earned," vs. pay-for-play, media coverage is the amount of awareness and credibility that publicity can bring to a brand, organization or equity. However, earned media has become increasingly challenging to obtain given the ever-shrinking news hole. Ensuring press coverage requires creativity and expert knowledge of various media landscapes.

SK: IT SOUNDS LIKE BOTH PR AND IR ARE NECESSARY TO MAXIMIZE COMMUNICATIONS VALUE?

RP: Absolutely. While it is possible for public companies to practice one discipline without the other, paying attention to both disciplines will indeed maximize communications value. For example, a solid IR program without stellar PR could mean that messages are not getting out to the right and widest audiences, or perhaps not getting out clearly and concisely. Conversely, a PR program that does not pay close attention to IR could be fraught with risk from a legal standpoint. That's why we believe CEOs and CFOs should view corporate communications with both disciplines in mind as "needs" and not just frilly "wants."

SK: HOW CAN A COMPANY LEVERAGE PR AND IR TOGETHER?

RP: Certainly having expert tacticians in each discipline is critical. But experience and teamwork are the real key. It is almost easier for microcap and small cap companies than it is for larger companies to manage the communications process. With larger companies there are typically, and often by neces-

sity, more bureaucratic management structures. Silos often exist, separating the PR and IR departments, with divergent reporting structures and different priorities. Smaller companies are usually more entrepreneurial and nimble, which in itself, better facilitate a smooth, consistent path to communicating, regardless of intended audience.

SK: HOW CAN PR CONTRIBUTE TO ATTRACTING INVESTORS?

RP: Public relations efforts can contribute to attracting new investors and reinforcing the existing the investor base by showcasing the company's strengths, highlighting its financial performance, and positioning it as an attractive investment opportunity. Through targeted media coverage, thought leadership articles, and engaging content on digital platforms, public relations can effectively reach potential investors and generate interest in the company.

SK: WOULD YOU SAY THAT 'COMMUNICATIONS' IS A COMMON THEME FOR BOTH PR AND IR?

RP: Definitely. Communicating is the red thread that brings the two disciplines together. For public companies, while the PR professional may be more adept in the tactic and art of communicating and getting messages heard, it is typically the IR pro who has the deeper understanding of value creation and the knowledge of what and what cannot be communicated.

SK: WHAT ROLE DOES PUBLIC RELATIONS PLAY IN BUILDING INVESTOR CONFIDENCE AND TRUST?

RP: Public relations plays a crucial role in building investor confidence and trust by shaping positive public perception, promoting the company's mission, values and achievements, and addressing any potential concerns or issues. Through strategic communication and effective media relations, public relations can help establish a strong reputation, which in turn enhances investor confidence and trust.

Roger Pondel is CEO of PondelWilkinson Inc., a full-service investor relations and strategic public relations consultancy, operating for more than 50 years that has earned a national reputation for innovative, aggressive, professional service. The firm represents publicly traded, pre-public and privately owned companies - from microcap to big cap - in multiple sectors, blending public relations and investor relations disciplines to provide a value-add offering. Roger and his team can be reached at rpondel@pondel.com, or 310-279-5965.

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