

sidcato's Newsletter on Annual Reports

From his days with Belgium-based SWIFT (Society for Worldwide Interbank Financial Telecommunication), Ian Fraser impressed. Sophisticated, cosmopolitan, knowledgeable about annuals. Here are some of his thoughts.

Fraser: 'In the reader's shoes'

Q. What's your philosophy in doing an annual report?

A. First and foremost, I always try to put myself in the reader's shoes. I ask: What do readers need and expect to know about the company? How can the company's story be told creatively and compellingly so readers will easily understand what the company is all about and, ultimately, be committed shareholders? I am always thinking about the audience. If I am writing or editing copy, I want to have confidence that the reader will find it interesting and

Another in a continuing series

intelligible. If I am working on design or visuals, I want to be certain these will draw in the reader and drive home the message.

Q. How do you avoid missteps?

A. Here's my "patented" five-step process: (1) Get the CEO to buy in to your proposal early on in the process. (2) Team up with a design firm that thinks both creatively and strategically and provide it with a detailed written and verbal brief. (3) Be flexible throughout the production process so you can accommodate late-breaking news and thinking. (4) Anticipate problems and, should they arise, sort them out quickly. (5) Hone your diplomacy and negotiating skills—you'll need them to navigate the approval process, no matter how easy-going your fellow executives may be.

Q. Why do you care?

A. The annual report is one of the most powerful communication tools a company has at its disposal. The best CEOs understand that. If done really well, an annual report not only informs but can positively change perceptions both inside and outside your organization. I think that is more than enough reason for me to care passionately.

Q. Do you advocate the CEO actually write his or her own letter, or do you prefer to pen it in whole or in part?

A. It really depends on the CEO, but as a rule I think it is best to have your CEO write his or her own. I read a CEO letter the other day that was so forthright and clearly written that at first I assumed that his communication staff must have had a hand in it. When I inquired, the company told me he had written it himself. I think communicators should encourage CEOs to write their own letters, but work closely with the CEO both beforehand and during the process to ensure a good result.

Q. Which of Sid's criteria would you change?

A. None. I first came across Sid when I was managing corporate media relations for Reuters at its head office in London. Reuters was using Sid for benchmarking its annual. I was so impressed that, when I was recruited by SWIFT, a multinational based in Brus-

sels, to manage its international public relations, one of the first things I did was sign up for Sid's service. It was one of the best things I did. Sid's criteria may appear easy to achieve, but they are in fact profoundly challenging. They encourage you and your company to deliver the best results possible.

Q. What's the difference between international annuals and those in the States? Why do you think that is?

A. Obviously, cultural factors have an impact on the way you do things. One has to be sensitive to these differences and take them seriously. Also, corporations outside of North America, and their audiences, may have different expectations of what their annuals should be or need to be. And of course the regulatory environments differ as well. However, these factors shouldn't hinder communicators in Europe or Asia or anywhere else for that matter from challenging the accepted norm for annuals in their home region. With the ongoing globalization of corporations and financial markets, I am certain we will see a greater convergence of some of the basic standards for annual reports to shareholders.

Ian Fraser is an international corporate communications consultant based in Calgary, Canada. Over 20 years he has produced annuals for major multinational organizations in North America, Asia and Europe. I judged several he did in Europe as "world class."

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