

DENVER PUBLIC RELATIONS



Predictions for 2009 offered from experts at 104 West Partners, Andrew Hudson's Jobs List, Bawmann Group, Business Wire, Chipotle, Contrived Media, Digital Idea Media, DNA PR, GBSM, GroundFloor Media, JohnstonWells, Linhart, Metzger Associates, Pure, Pushkin, Story + Welch, Visit Denver, Webb and Xcel Energy.

Edited by Jeremy Story

The Courage to Predict the Future of Public Relations

Predictions are a lot of fun. The good ones give us a glimpse of what may come, and the bad ones give us a laugh when they prove to be comically off-base. After all, who can forget these time-tested predictions:

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"Everything that can be invented has been invented."
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- Charles Duell, U.S. Patent Office, 1899

"Television won't last because people will soon get tired of staring at a plywood box every night."

- Darryl Zanuck, 20th Century Fox movie producer, 1946

"With over 15 types of foreign cars already on sale (in the U.S.), the Japanese auto industry isn't likely to carve out a big share of the market for itself."

- Business Week, 1968

"\$100 million dollars is way too much to pay for Microsoft."

- Statement from IBM, 1982

"In the year 2007, in the twelfth month, from a great 'series of tubes' in the sky will come a snarky blog. It will cause intrigue, amusement, indifference and outrage."

- Nostradamus, 1552

Batting one out of five isn't bad. But the problem with separating the accurate predictions from the inaccurate ones is that it takes time. And the more seemingly outlandish the prediction, the more it will affect the established order should it ultimately prove true.

Good predictions and bad predictions, however, do have at least one thing in common: the courage of those offering them. It takes people of courage to stand before their peers to try to predict what will happen. So I would like to thank everyone who contributed to this collection. Right or wrong, they had the courage to stick their metaphorical finger in the air to try to gauge the public relations winds that will carry us forward.

I hope you enjoy this collection, and that you will pass it along to anyone you think might be interested in it. Here's to a great 2009.

Jeremy Story



JEREMY STORY

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The PR agencies that survive and thrive in 2009 will vehemently disregard the old saying "the more things change, the more they stay the same." The rising tide of social media and non-traditional integrated communication programs will usher in a new paradigm for PR professionals. Agencies that aren't willing to ride the waves and put the "public" back in public relations will ultimately drown.

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- Following the mid-spring demise of the Ro dsy Mountain News, we'll be deluged with resumes from former Ro dsy staffers. PR hiring remains flat, so many of those journalists won't be able to land. The Post will pick up a handful, but it won't improve the product or local news gathering, and it won't go back to a robust stand-alone business section.
- "New media" will remain a mystery to anyone over 40. In targeted campaigns we'll be able to achieve some penetration and results through blogging/Twitter/YouTube strategies, but like so many PR strategies, the approach is situational and will have to be rifle-shot.
- CBS4 will release news anchor Karen Leigh and try again for a counter-voice to Jim Benneman. Leigh may have the looks, but not the presence. CBS4 is better off letting Benneman go solo.
- Former Fox31 morning anchor Steve Kelley will end up back on KOA 850.
- Corporate public relations spending in Colorado will remain steady but restrained, and start to show signs of a rebound in third quarter 2009.
- Gov. Ritter will continue to cross swords with the oil/gas industry, and no one will come forward to forge a compromise.
- And the Colorado Rockies will continue to be a disappointment.

Public relations practitioners and organizations whose ability to add value is predicated largely on media relations will become increasingly irrelevant as the traditional media die or evolve. PR will have an opportunity to become more focused on influence strategies, business results and relationships of organizations to society – or to become the weakest link in the brand – and reputation-building value chain.



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The moment of great equalization

Firms will look to younger staffers to help lead the way, signalling a break with the historic leadership trend among firms.

Their ease and comfort with technology will enable young professionals to contribute to the growth (and in some cases "survival") of their firms. While the relationships cultivated between long-time PR pros and their media contacts are still of great

value, there will be a greater importance placed on authentic online communication – something that young professionals tend to exhibit naturally.

This is unprecedented and some long-time professionals may bristle at the implication that they have anything to learn from new grads and twenty-somethings. The more open-minded will learn all they can, while the closed-minded will contribute less and less.

Bottom line is the bottom line

Public relations professionals have been challenged through the ages to prove the worth of their work. Most of us left behind quantifying the value of what we deliver in ad equivalencies a while ago. That's a good thing since ad budgets are shrinking as consumers DVR, surf and cherry pick their information from the places they like best — rather than the places they used to be held captive. The new metrics of relationships will find a place on the balance sheet but only after the balance sheet is part of the PR pros everyday vernacular. There's too much at stake in a tough economy for businesses not to demand financial prowess from their public relations counsel.

No faking allowed. Authenticity rules.

The debate will rage on about whether or not PR firms can participate in online conversations on behalf of their clients. Would we call and pretend to actually be our clients in one-on-one conversations on the phone? No, certainly not. So, why would we pretend to actually be our clients on blogs, micro-blogs and forums? The answer is, we wouldn't. The question is, who would? I predict there will be a heightened focus on the particulars of this conversation as some try to find loopholes that create revenue-producing opportunities to "be" a company. Tsk, tsk. We've worked so hard to get rid of "spin" and "flack." Let's not go there AGAIN!



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I predict that long-time Denver anchoman Ernie Bjorkman will take a buyout, paving the way for younger, less-costly talent, and one of the city's storied daily newspapers will face extinction as ad revenues dwindle.

That already happened? OK, look for a continuation of these story lines as traditional media continue to feel the squeeze and non-traditional gains in popularity and relevance, prompting the need for public relations people to realize they are first and foremost communications counselors and content providers. Let's act accordingly.

Greenwashing grows as a marketing weapon (that backfires)

In December, Bank of America announced that it would stop financing coal companies that practice the widely criticized mountaintop removal method of extracting coal (a lucrative practice which basically involves cutting the top off of a mountain, extracting the coal, and pushing everything else into the valleys below).



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Ignore the fact that no one could really find a mining company that would be affected by Bank of America's announcement (one mining industry spokesman called it "grandstanding"), or that BoA wouldn't elaborate on what the company was sacrificing in choosing this noble course of action. Like a growing number of companies, Bank of America wanted a pat on the back for "going green."

Greenwashing – the eco-pejorative version of whitewashing – is a problem because if affects the companies that truly are making a positive environmental impact in the world. The fact that it is misleading is not the main problem. Rather, it is that the mad rush to be green will engender a growing cynicism among consumers. And when the line is blurred to the point of invisibility between companies actually making a difference and companies only claiming to do so, there are no real winners.

The U.S. Federal Trade Commission is updating its guidelines for making environmental claims, and they will likely ensure a big-name company once in a while. But, as with other forms of advertising regulation, the real arbiter of power is not the regulatory body, but instead the consumer.

Increasing during 2009 and beyond, expect this growing consumer cynicism to punish companies who make clumsy attempts at greenwashing. And for marketers and PR practitioners who represent authentic green companies, cutting through the green clutter will require ever-increasing creativity to gain consumer trust. Finally, this cynicism may ultimately make most first-person "we are green" marketing claims ineffectual. Look for the rise of objective influencers who help consumers navigate the green maze with implicit or explicit endorsements.



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- Tired of negative stereotypes, PRSA will change the term "public relations" to "hype optimization."
- Bruce Goldberg's "Press Release Theater" will become a Broadway musical staring Nathan Lane as a local newspaper editor who falls for a bottled water publicist played by Swoosie Kurtz. Hit songs include "Embargo my heart until Friday" and "Pourin' pourin' at the Press Club."
- After becoming enamored with the microblogging service Twitter, PR people will be the first to adopt the nanoblogging service Twit.
- Radical environmental groups will march in front of public relations agencies in outrage to global warming caused by the Harvard comma.
- Half of all PR graduates will admit they said they "like working with people" just to get a job.

I predict that more and more organizations will focus on authenticity – the conscious effort to speak with a genuine, consistent voice across all platforms, in all markets. From GM to Illinois Gov. Blagojevich, we have all seen what happens to those who say one thing but act in a totally different manner.

The truth is there are no secrets anymore. The quality of a company's products and services is apparent to all customers and

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potential customers. Its treatment of employees – both present and past – is visible not only across the corporation itself but with potential employees and other interested groups. Its citizenship, environmental behavior, corporate governance, executive compensation and public policy stance are transparent to all.

Maintaining some semblance of honest talk in day-to-day communications is critical for long-term business success and therefore will impact the way in which we are expected to operate in the year to come.



JOE FUENTES

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Use Whatever Tools You Want, but Relationships are King

Let me borrow from the late *Rocky Mountain News* columnist Gene Amole: Relationships. That's where we are going. That's where we need to be. And that's what will be key to our future.

"Yeah, yeah," you say. We're already doing that. Not really, so we must return to the basics.

A quiz: When did you last call a reporter or editor or producer

with a story idea? And the tip wasn't about you, your company or a client? If you pondered too long and it's taking you a moment to arrive at an answer, then it's time to go back to basics.

When was the last time you sent a 'well done' note to a journalist? Again, it wasn't all about you. If your answer is 'I don't remember,' then it's time to go back to basics.

Altruistic or otherwise, stable relationships are the foundation for everything we do and what we must have to be successful in the future. Relationships touch every fiber of what we do. Relationships are the foundation to trust. And we all know that if you'd don't have the trust of your media contacts or clients, hang it up and try again.

We all know that relationships are a bond/connection between two people. It is not about the company and the media outlet. So, the conversations that start out 'this is (insert company name) calling about a news release we sent 10 minutes ago. Did you get it.' How silly, but it happens.

The future has to be about ... 'Hi! Joe the reporter/editor, is this a good time to visit? I saw your piece on X. Nice. What's up? What are you working on? Is there anything I can do to help? OK then, here is a little tidbit your readers would be interested in knowing.' In the back of your mind you have to know if Joe the Reporter trusts you. If Joe doesn't trust you, it's time to work on that relationship.

So what are you gaining with a strong relationship?

Day-to-day, you earn respect for your point of view, your company, your client. Joe the Reporter will be more willing to collaborate with you on a story that gets you points with the CEO. You become a must-call resource.

In a crisis, you get the benefit of the doubt. And you have a person who will listen.

When we predict the future, we can't forget about the evolving social media. However, beware of the red flags. Using all the latest tools of new media can rob us of the eyeball-to-eyeball contacts and the personal and satisfying interactions that are at the root of a good relationship.

Sure, this all sounds like common sense. It's good sense, but so many professionals have forgotten the basics.

I predict we are going back to basics and building solid relationships built on trust.



www.morethanpr.com

- Cactus will buy the Rocky and turn it into an anti-smoking, Colorado Lottery Web site for folks who are contemplating suicide or a change in careers.
- Penny Parker will ask the Denver PR Blog for a job.
- Several old-line, big PR agencies will merge, close and cut staff the more. The number of independents will grow
 exponentially and most of us will wonder why we weren't genetically blessed to make it on the roster of any
 professional baseball team.
- What this means for the PR industry is relatively simple: selecting cheaper adult beverages more frequently.

It's the Wild West again...

Social Media Can Be the Death of PR... If We Let It

We're going to see more emphasis on social media, which shouldn't come as a surprise. This shift presents the biggest opportunity – and the biggest threat – to our profession. Those who embrace it, adapt their business to it and provide client value using it will emerge from this economic downturn as the leaders. Those who do not – or simply cannot – won't survive.

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Dwindling budgets will make low-cost social media strategies

look like the pretty girl at the ball. For the first time, executives are starting to see the benefits of social media and FINALLY getting on board with leveraging the Internet for communicating their message versus just for online advertising.

Today, SEO, blogger relations, RSS feeds, podcasts and online video interviews are vital tools to businesses and their public relations teams. The irony is that these are all basic tools that have been around for years. The challenge PR pros are now faced with is how to leverage these tools to truly spread your message. Or rather, how do you build a dedicated community filled with influencers (press, analysts, bloggers, 'tweeters') and customers that work as your evangelists to build/reinforce your brand?

PR has always been about "relationships" but now those relationships with your public will be more focused on building and maintaining a community.

We haven't reached the tipping point for social media; in fact we are far from it. That said, if the benefits of social media are wasted (finite budgets) and we can't show results, as a profession we will leave clients asking if they are working with the right professionals and/or if social media is worth it. They will stop investing in this channel and/or shift ownership to online marketing/advertising departments. So it's up to all of us to show the true value of social media....I hope you're up for the challenge. I know I am.



DYLAN FRUSCIANO
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Transparency as a Competitive Weapon

Our public relations and investor relations friends and colleagues are already seeing, with dramatic effect, the repercussions of the current economic climate. Even Business Wire's own competitors have not been immune. Positions are being cut, budgets slashed, investors are unhappy with company performances. The list goes on and on. This is indeed a transformative time, but what exactly does that mean and what's the predicted

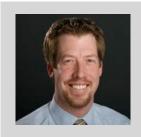
outcome as I see it?

Historically, many company transformations take place during extreme uncertainty, but some can be very good. That's to say there are many companies, consciously or subconsciously, that do some of their best work at the worst of times. For example purposes only, Business Wire committed to developing our patented delivery system, a major advantage we enjoy today, despite its costly incubation during the post "Tech Wreck" and 9/11 eras. An additional positive that came from a rather poor climate was Regulation Fair Disclosure (RegFD), the byproduct of the post Enron and WorldCom era. While RegFD is perhaps not perfect, information was not always transparent or plentiful before its implementation. Rather, it was often obfuscated and RegFD has shored that up to a great extent.

I would also note that it has been proven time and time again that cutting tenured staff leads to inefficiencies. Ironically, I recently read a post on the Denver PR Blog wishing for a *Harvard Business Review* study that backed the notion that the extensive use of PR actually makes a company more successful. While not the specific industry study we seek, the *Harvard Business Review* does say this: "In reality, low labor costs are a slippery way to compete and perhaps the least sustainable competitive advantage there is." I believe this is directly applicable to the PR community right now. I can think of no other time where I have spoken to so many tenured professionals seeking new opportunities.

Predictions are very hard and not many have predicted the events that have led us to the current economic climate. Furthermore, my prediction would invariably be hard for me to track or prove (alas, I am not the *Harvard Business Review*) and I don't pretend to be naive to the realities of the day. But my prediction is this: The PR community will struggle in 2009, but by the end of the year we will see the positive signs we seek now. Companies that are smart and thrifty, but don't panic, will come out of this on top. The companies that realize public relations is muscle and not fat, keeping the tenured people or firms that are best qualified to navigate this mess, will be the thought leaders (as will those PR professionals with the ability to sell this concept to their management or clients). Companies that don't hide their news, but rather become more transparent and proactive, will be the unequivocal leaders at the end of the tunnel. Those firms with the strong leadership qualities to see the opportunities that exist in otherwise inopportune times will win. And my final prediction is this: This, too, shall pass.

(Note: The thoughts and opinions expressed are those of the author and not of Business Wire)



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As Reputation Grows in Importance, So Does PR

2009 will be filled with challenges for the PR industry, just like it will be filled with challenges for nearly any kind of business. But unlike other down economies, in which PR budgets were often the first on the chopping block, I'm incredibly optimistic that this time will be different for our industry. The role of public relations has always been to build and maintain relationships with people who can affect an organization's success or failure. That hasn't

changed, regardless of the state of the economy or constantly increasing number of vehicles available to communicators.

The difference now is that, thanks to the technological advances of the last several years, those relationships are in the balance nearly every second of every day. A company's reputation – and bottom line – can be damaged or enhanced quicker than ever. So, it's critical that smart organizations dedicate the resources to maintaining existing relationships and developing new ones. Good public relations people are doing that now and will continue to do it in 2009 and beyond.

Along the same lines, PR people/firms/departments that are focused on enhancing relationships with their clients' key audiences and, importantly, proving the value of those relationships to the success of their clients' businesses, will see success in 2009. Those who are unable to connect what they do to the bottom line will struggle.

Additionally, the lines – if there really are lines anymore – between what's PR and what's marketing and what's interactive and what's advertising will continue to blur. Organizations will continue to care less about whose budget something comes from, while caring more about maximizing tight budgets to establish meaningful relationships with their customers and stakeholders.

Public relations will play an important role in Colorado and nationally in 2009. PR pros will craft and communicate important messages promoting commitment, teamwork, sacrifice and tolerance to all Americans.

Wartime propaganda and partisan bickering will fade away and be replaced by a new spirit of hope, innovation and confidence that will spur economic recovery and restore America's reputation in the world community.



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- More and more journalists will take a liking to the idea of a pitch in 140 characters or less regardless if they are on Twitter.
- Budget practices will have to be redone as more social media tactics are introduced to the PR program.
- Smaller agencies will win the mindshare in social media due to the time it takes to understand communities and the tools available.
- Phrases like "above the fold" and "embargo" will be used less and less.
- PR firms that practice "PR as usual" and don't diversify their offerings will see a dip in retainers.
- Audio and video will become more important with each PR campaign.
- Vendor accounts will be created for sharing sites such as FlickR, SlideShare.net, YouTube, iTunes, TubeMogule.
- Viral and word-of-mouth marketing will be one of the top areas of interest, primarily for consumer brands.
- Blogging as we know it will evolve as more microblogging tools and concepts are unveiled.
- PR measurement will have to evolve (thankfully) and include web-based analytics vs. advertising equivalents.

A consumer prediction: Most consumers like to trust the system — it helps them conserve mental and emotional resources, so we can apply those to more intimate, personal decisions. But right now consumers feel betrayed, and it's making communication with them more difficult. Companies with rich brand character and a quality product will maintain their open dialogues; however, new companies or those without a solid communication channel will need, more than ever, to offer transparency, accuracy

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and sincerity in their messages. Hope is on the horizon, but consumers need to feel they can trust a company before they will invest in it.

A public relations prediction: Many companies look at recession and think of slashing communication budgets – it's the first thing to go, according to several CEOs. And at first glance, it would appear the fiscally responsible decision to make, so you won't see as many big mobile tours, branded guerilla tactics or in-market stunting. Those of us in the communication business know, however, that recession is the time when open communication needs to be enhanced. With tighter budgets and less interest in consuming – especially in travel, luxury, and certain consumer goods – public relations efforts need to be more targeted and more in-tune with the value-add for consumers in order to be effective.



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For those looking for a new job or simply managing their careers, my message is simple – make your career "recession proof" by diversifying your skills. Go back to school and get an MBA if necessary, but you must dive in and embrace new communication trends that have become the new standards.

More and more jobs that come through my Web site are looking for professionals with multiple skills: innovators, leaders and risk takers, and people who can translate these skills into results.

Learn about business and understand how your skills and efforts through mass marketing and communications can help a company achieve its business goals. Understand the metrics that a company applies to its bottom line and work within those metrics to help progress a company's business goals. PR can no longer be seen as a "nice addition" but as an active partner that is relied on in measurable ways to help drive revenues and sales.

PR professionals must also recognize that they are now fully in bed with their marketing peers and while there will continue to be niche areas of public relations that are important (crisis communications, media relations, training, etc.) for the average public relations practitioner, knowing how to reach mass markets through online social networking methods and other innovative technologies is now the expectation.

The recent presidential campaign was clear evidence of this. Promoting and controlling your message by leap-frogging the traditional media and directly communicating and creating conversations with your audience through their email, Twitter or Facebook account is the new standard. Also, along these lines, PR people need to embrace video production and editing in very substantial ways. There is a new online video standard that I'm seeing in many of the jobs that come through www.andrewhudsonsjobslist.com.

For Denver PR people, all of this will be critically important as we enter into new era of the "one-newspaper town." The Denver Post will be more relevant from an editorial side; politicians and their people will need to be developing stronger and more friendly relationships with the reporters and editors at the Denver Post. There won't be another newspaper to go screaming to if you feel you are treated unfairly by the Denver Post.

I predict a global tidal wave of traditional media outlets failing. So what's the effect on PR? The industry must work harder and shift how it does business. As mainstream media continues to lose audience to independent new-media producers, PR will need to learn how to identify the niche micro celebrity influence leaders, and learn how to engage them. PR will no longer be as simple as picking up a trade journal and pitching the editor; it will require pitching many more people to get the same reach.

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Everything Old is New Again

2009 will be the year when "everything old is new again," and the shake-out to the public relations industry will be significant.

PR started as a one-to-one industry: PR pros forged relationships with reporters and pitched stories to members of their network (often over a three-martini lunch, but that's another blog post!).
PR people would expand their network as necessary in order to

get the right story to the right reporter, often through a personal introduction. Press releases and other more mass communications were usually more targeted simply because of the distribution effort required — who in their right mind would snail mail a release to every reporter in America?

Then two things happened: a job in the media, like most, stopped being a "job for life." People moved every few years, making it more difficult to nurture and maintain relationships. And then technology came into the picture. Suddenly, a press release really could be sent to just about every reporter in America with the push of a button — whether it made any sense or not.

Case in point: TechCrunch's Michael Arrington authored this piece last month. While I felt a bit sorry for Ms. Whitman, I am also irritated with her. Nothing makes my job more difficult that trying to convince someone like Arrington that not all PR people are this ignorant.

Just as the media was once local and as two-way as the technology could allow (anyone else remember calling a disk jockey and requesting a song?), the "one-to-many" model we've come to over-embrace in the last few years will accelerate it's transition back to a more personalized model. While technology's role will increase rather than diminish, the best among us will learn to use it more wisely.

Since we can now all publish our own news to mass outlets, we will need to understand that media outlets will have less interest in mass-packaged stories — the New York Times has no desire or need to compete with Google News to cover the same story in the same way. Instead, outlets like the Times must strive to provide a unique angle and insight to every story they choose to cover, and we must help with that process in a personalized way. Reporters will continue to brand themselves even as they work for branded media outlets, and the pitches that will resonate will help reporters develop those personal brands. We must learn to harness social media tools for the old school personal touch — because everything old will be new again.

With a little luck, 2009 will be the year the "Lois Whitman" approach finally goes completely away.