



INTEGRATED PUBLICITY: **MAXIMIZING VALUATION** IN THE POSTMODERN MEDIA ERA

An operational support perspective on how publicity improves portfolio value.

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Read this paper to:

- ✓ Understand how and why the media has become easier for you to program at all levels
- ✓ Flex your portfolio's full media muscle and use it to source key exit opportunities
- ✓ Review recent case studies of companies that have used PR strategies to find successful exits

Critical variables behind portfolio publicity

The media is becoming easier to program at all levels.

A Pew Research Center analysis revealed that in our last presidential campaign, campaign reporters were acting as **megaphones**, rather than as **gate keepers**, of the assertions put forward by the candidates and other political partisans. That meant more direct relaying of assertions and less interpreting and providing context. A fourth of the statements about the character and records of the presidential candidates came from journalist commentary in 2012, while half came from the partisans themselves. That's better than advertising, and it's a reversal from a dozen years earlier when **half the statements originated with journalists** and a third came from partisans.

This megaphone effect is not just limited to print, television, and online media. On another level of marketing, today's conferences are programmed with speakers who play the "social media" game well. The book market is now almost editor-free these days with self-published and online sales trumping traditional publishing.

At Write2Market, we help industry leaders accelerate and scale by ensuring they get **the reputation and the recognition they deserve**, for a business they are already great at.

We use our proprietary methodology—*Triple A Industry Leadership Methodology*™—to ensure our clients have the Awareness, Access and Awards they need to conquer their mountains—and to scale.

Curation is a luxury left to people choosing their advertising instead of editors choosing their content. This also means that otherwise strong stories can simply be drowned out, or buried, by the scale of the postmodern media maelstrom.

Still, in every problem is the business opportunity. So smart companies, and smart leadership teams, are finding out how to stay ahead in the postmodern media.

Opening doors to better exits

Investors are beginning to capitalize on the opportunity embedded in this "noisy signal" problem to improve the valuation of not just one or two of their companies, but *whole sections of their portfolio at a time*.

You do that by taking a traditional idea—operational support—and applying it in a virgin sphere of influence - publicity.

That's what we do with Write2Market's Portfolio Publicity Model.

The Portfolio Publicity Model

Working with an investment firm, we integrate publicity services for several firms. That means we can tackle large trend stories—the kind appreciated by the *Wall Street Journal*, *Wired*, *Fox News*, *New York Times*, *60 Minutes*, and CNNs of the world—and offer several (different companies’) points of view. This is honest and interesting—and also effective. (You’ll see some recent photos of some of our growth stage companies on the right that we attached to larger trends in order to create a spotlight for our client.)

You can see these placed, product-spot stories in play every day in the “most read” stories at the *New York Times*. See if you can figure out the ones that were placed—that doesn’t mean they were not great stories. But today, **great stories come with great packaging.**

Depending on the business operations you’re involved in, you can probably think of tactics you’ve evolved in the last 5 years to help mitigate many of your operational risks. Many of them do involve adding a degree of meta-process.

- ✓ In executive recruitment, contract language has evolved AND executive recruitment often includes trial periods, penalties and bonuses.
- ✓ In financial circles, more due diligence than ever is brought to bear, just to name two examples of how more meta-process has been layered over basic processes to deal with complexity.

In the start up and investing world, however, the operational cycle that is perhaps least discussed is perhaps the one most affected—publicity itself. Word of mouth marketing, trust in the “network,” and the reliability of real news has all been



PICTURED HERE: SOUTHLAND PRESENTER DR. GEORGE YU OF VARIABLE TECHNOLOGIES



PICTURED HERE: CEO SANJAY BHATIA ON FOX



PICTURED HERE: DAVE McMULLEN, SOUTHLAND PRESENTER, SPEAKING ABOUT FACEDEALS TO LESLIE STAHL OF 60 MINUTES

somewhat hijacked by a new, more direct-to-market environment that puts the “promoter” front and center. And that environment has enforced a situation where, **without a “chorus” of support, most stories never rise out of the noise.**

What are the elements of the “chorus” approach? Simple really—and yet magical in application, just like the right tool for the job always is:

- ✓ **Resoundingly similar philosophies from resoundingly different points of view make for “resonance.”** Think about the patient with a problem who tells a similar story as the doctor about treatment options who tells a similar story as the Ayurvedic healer—the confluence on concurrence from different points of view creates vibrancy. It’s no different with the companies in the same portfolio.

Imagine a story on a new era in renewable energy, featuring perspectives from a new biodiesel processing technology, a fast food restaurant star chef, an educational technology that times learning to bio-rhythms, and a new process for keeping poultry fresh. This is a believable span in a portfolio, and yet their different points of view are almost never correlated to create a story bigger than the sum of its parts.

- ✓ **With resonant story telling, you create story arcs that dovetail with the philosophy of your investment firm.**

The result is bigger, better stories that do a better job.

The meta process of **finding these story arcs is an operational support step few are taking today**, and yet, telling bigger stories than any of your scaling growth stage companies can, is a powerful way to attract the eye of

potential strategic partners.



PICTURED HERE: WALL STREET JOURNAL TREND STORY ON FRACKING LEADING WITH W2M CLIENT ECOLOGIX, A GROWTH STAGE COMPANY

Continuing the idea of how hard it is for a basic story to find a good home in the post modern media era... in early March, *Fortune* launched a branded “Fortune On Demand” fee-based service that allows companies to use *Fortune*’s journalism team to create *Fortune*-branded stories for their own purposes. We can be gracious about this: the marketing and media industry, from conferences to publications and online news sites, is ungracefully but gently engaged in a fight to find its “next generation” of stability.

- ✓ What this means for investors is that we need to learn a new paradigm, a new meta process, around how to engage publicity efforts so that our portfolio firms get the support they need to succeed.
- ✓ The flip side of this is, if we do not, marketing expenses can and will be MUCH higher than anticipated, and can sap expended profits, and in the worst case, even sink otherwise viable businesses.

Three ways “chorus” approaches offer exit opportunities

This kind of saturation can also lead to meeting new companies, new strategic opportunities for your firms, and better exits.



1. Portfolio firms are natural fits for national panels and keynote speaking opportunities.

Today’s largest national shows in almost every major sector such as industrials, retail, energy, or technology, are showing this “chorus” trend more than ever. Organizers have to pay “big bucks” for keynotes, or they auction off to the highest sponsorship bidder. Money is a price they pay because they can’t tell if the speaker is “noise” or “knowledge.”

And so the panel approach is used to help the meeting industry self-police. This is a tremendous opportunity for a publicity-organized portfolio, which is why our firm manages multi-firm portfolio engagements.

We’re able to field entire panels from an investor’s portfolio.

The companies aren’t even in the same industry—but their combined perspective on a trend, such as “retail” or “energy” or “customer experience” creates just the synergy today’s conferences are looking for.

Yes, there is a meta-layer of coordination and administration in such an approach—but the results are well worth it, as national panels are often sought out for media quotes, and of course have the opportunity to share a point of view with entire conferences from a leadership position that’s credible and powerful.

2. National media

National media editors and publishers are more careful than ever in story assignments. If it’s too promotional, today’s media is more likely to turn it into sponsored content, a banner ad, or an opportunity for “branded content.” So, if you want the true credibility of a real “news article” or

trend story, you start with strong research, a real perspective—and validation. These come from different sources.

It's just the kind of validation a group of like-minded executives can create when united by a common perspective on a big issue or the kind of commentary the PE or VC can provide. The perfect story package can include a client company, a technology, the company that invested, and perhaps a third party academic perspective that lends the weight and reactability that helps editors today separate fact from fiction.

Your portfolio is a natural incubator of better-than-average stories.

And if you want better than average introductions, those are the kinds of stories you need to be cultivating.

3. National awards, advisory councils and think tanks

In a similar approach—using the natural applause inherent in your own system—portfolios of firms with similar values can leverage a need in their industry and answer it through a think tank, an advisory council, or a thought leadership group. You can use this engine to not only put out your own news and research that reflects well on everyone, you can even use it to designate your own award and showcase your industry authority.

The hidden value in your portfolio

Inside the portfolio's natural ebb and flow, there are levels of added value in the publicity sphere many of today's investors aren't yet taking advantage of.

If you take advantage of the natural synergies in your companies, and engage them proactively and intentionally, you can reap much faster rewards of scale in:

- ✓ New client development for each company
- ✓ New partnership development
- ✓ Recruitment

Pay for play will get more painful (\$\$\$)

On the other hand, for young companies that do not choose to intelligently combine forces with today's more powerful, integrated publicity approaches, the costs are going to rise.

We're talking more than "get a bigger Google Adwords budget." Separating "noise from knowledge" is becoming a big business.

Media influencers and conference organizers understand this is about their survival, and they are becoming more adamant and more skillful in helping companies pay for needed exposure. The one

caveat is when the story reads “real”—and there is a chorus of voices singing the same song, the entertainment or information factor rises to the top.

Risk vs. Reward | Case studies

At Write2Market, we’ve seen some nice exits using a Triple A Industry Leadership approach, like:

- ✓ Google acquiring our client CI for \$125 million, or
- ✓ NCC out of the UK acquiring our client Escrow Associates, or
- ✓ Prenova being acquired by Eccova

Using a portfolio method, if just 3-5 companies combine forces to reflect industry leadership opportunities, **together they can see a cost reduction in publicity services of 25% or more for each firm.**

That happens because in many ways, promoting the “big stories” with their own “baked-in natural juice” is simply easier. There is now a natural economy of scale in publicity just like there has often been in recruitment, banking and accounting operational support. What’s interesting is, for the reasons we have discussed here, the portfolio publicity model also nets bigger, more sharable, more searchable stories.

For these reasons—because it is financially more efficient on several fronts, combined with the environment of postmodern media—we see portfolio publicity being one of the controllable variables that will separate the best value-added exits in the next few years.

How do you know if portfolio publicity is right for you?

Integrated operational support for publicity may be right for you if:

1. Your companies seek the same LEVEL of media attention (all primarily national, local or regional bias)
2. Your investment firm is open to sometimes commenting on trends and getting more involved in the reputation of its firms
3. At least 3 of your companies operate in at least one overlapping vertical (such as retail, electronics, energy, ag, sustainability, tech, etc.)
4. You know at least 3 of your CEOs would be onboard with a more partnership-oriented publicity, conference and media model if they saw immediate results

About the authors

Lisa Calhoun, MBA CEO, Write2Market

Crafting the right reputation for industry leading organizations is a work Lisa started in childhood from her parents' print shop. She has carried that forward with the industry leadership consultancy she founded, Write2Market. From its headquarters in Atlanta, the team at W2M crafts powerful reputations for some of the top companies in the United States. Lisa has been honored by the American Business Awards as a Female Entrepreneur of the Year (Gold Level), and by Business Leader Magazine as a Top 25 Atlanta Entrepreneur "One to Watch."

Lisa speaks frequently around energy and tech reputation topics, such as her recent presentations for the **U.S. Department of Energy**, the **National Speakers Association**, *Inc. Magazine*, and *Fortune.com*.

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Before joining Write2Market as Partner in 2011, Jean-Luc founded and built a Java/Ruby software development "Best Place to Work" in the Netherlands and Beijing, Finalist, which he sold to his management and investment team in 2010. He focuses on partnership development at Write2Market, an industry leadership consultancy.

A technology entrepreneur for 25 years, Vanhulst has a passion for what it takes for entrepreneurs to succeed and scale.

He coaches entrepreneurs across the world in growth strategy and is a former board member of Entrepreneur's Organization New York City.

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