

**NYSE EURONEXT CORPORATE FORUM - NEW MEDIA ROAD-MAP BEST
PRACTICES FOR PUBLIC COMPANIES
OCTOBER 16, 2008**

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PRESENTATION

Theresa Molloy: Hi. Good morning, everyone. My name's Theresa Molloy and I represent the New York Stock Exchange. Welcome to this morning's corporate forum, The New Media Road Map-Best Practices for Public Companies.

Today, we've assembled a terrific group of panelists for you. Tim Carey, Senior Vice President of New Media at ICR is our moderator. We also have Paul Taaffe, Vice President of Investor Relations from Lowe's, as well as Paul Coviello, Senior Director of Marketing at Kenneth Cole. As well as our own Ray Pellecchia, who heads up our New Media Group here at the New York Stock Exchange.

We have both a virtually convened audience as well as a physically convened audience today. So, I welcome questions from both audiences. Those of you who are watching this either on nyse.com or NYSEnet, if you could just send us your questions via the webcast, we'll be happy to get to as many as we can.

At this point I'm going to turn it over to our moderator Tim Carey and thank you so much for joining us this morning.

Tim Carey: Okay. Thanks, Theresa. (inaudible - microphone inaccessible) directed if possible. I think, unlike maybe the presidential debates, I don't think there'll be any personal attacks or misinformation here. So, we're excited to hear from the folks on the panel.

We can go to the first slide. Just wanted to set it up a little bit. Well, I think, we probably all agree that the speed of which information travels and the sheer amount of information that's out on the internet is pretty overwhelming at times. What we see here is some examples from some companies about how they're dealing with it and some of the challenges that they have.

If you look from the Walmart quote, up top of Cathy Halligan, you can see what they're doing. They're looking to track their problem, but also understand a little bit better how consumers feel about their brand and what they're saying. If you look to the example

with Ford as well. They're looking to the internet and blogs to help them understand where there are problems and where there's actually things that are going well. And then, finally, the bottom one with American Eagle, they've actually moved to the video annual report format and they're using video a bit to help enhance their approach and their communication approach.

As we're probably all aware in the room here, the SEC has put forth some new rules, which we think makes it a little more acceptable and helps drive people to a company's investor relation website. I think that's great news on a lot of fronts and we'll be excited to hear what some of the companies on the panel are doing around that, but what it also does, it provides some challenges. What are you going to put on the site? If it's a destination and we're driving investors there, you want to make sure that the content there is appropriate and updated and useful.

A quick highlight. I think the numbers are interesting in a sense that we're hearing out there that consumers do want to hear and stakeholders do want to hear from the companies. 93% of Americans think companies should have a presence in social media. That's a pretty high number. Over half of the Americans feel that they have a stronger connection with the company that they feel like they want to interact. So, these are, directionally, probably not any major news to everybody here, but at least we can see the trends.

The next slide is very interesting that there's actually more pages on the internet than there is now pages in the Library of Congress. Not a big surprise. The amount of blogs and websites out there and new ones being built everyday. If you look at the right box -- I thought this number was pretty interesting -- that every 13 hours of video uploaded to YouTube every second. That's pretty staggering.

The challenge with that is a lot of that content tends to be maybe not professionally produced. And I think it's important that, especially for corporate communications, that video is going to be used that is done at a professional level. And I think that 62% number I think helps support that.

A couple more slides and then we'll get into the discussion. So, this is an interesting slide in that the statistics shows that investor stakeholders are looking more towards their peers to get information. So, traditionally, we've seen investors looking to maybe investment firms and that sort of thing. But now some of that information -- that shift is starting to move more towards some social media aspects.

One out of every four adults is engaging in social media that deals specifically with financial information. I would think that trend is only going to increase as we go.

This slide is interesting again, because I think there's, especially with a company like Lowe's and Kenneth Cole, in particular, companies have to take control of their brand. And, if you don't, someone else will. So, you have to be active in the discussion and you have to make sure that they're going to -- consumers, stakeholders, et cetera, are going to

sort of take advantage of that and they're going to discuss what your company is or what's been going well, what's been not. So, I think it's important that a company at least understands and tracks that information as they're building out their communication strategies.

The octopus looking, blue thing to the right, I think, just shows you all the different social media outlets. That's as of today. Three months from now, there's probably going to be 20 more on that. I just think it shows and Ray will definitely help us understand a bit more about the blogs and how to monitor and track that.

And this is the last slide, then we'll get right into it. The consumers do -- they read less. They're obviously more apt to watch video. And I think the statistics up top is very interesting that 60% of all proxy packages are discarded before they're read. I think we've all experienced that. We get the mailing at home. We kind of open it and toss it away or if we do decide to read it, it's for a pretty short time as well.

The article to the right on "Newsweek", I think also talks about that. That says that the way the traditional printed annual reports have been done. I think there's some changes and shifts that are happening there. So, we can explore that as well.

So, that's it for the presentation and what we'd love to do is kind of get into the questions and as we're doing that from the audience as well, feel free to stop us and ask some of your own questions as well.

QUESTIONS AND ANSWERS

Tim Carey: First question Paul is, so, with technology playing a larger role in all of our lives, how is that affecting Lowe's? What are you doing at Lowe's to sort of understand, track that and participate?

Paul Taaffe: Well, today, we're probably monitoring more than participating. I think some of the statistics that you showed in your slides certainly are interesting and things that we have to stay aware of. But in a lot of ways, we're watching what others are doing, trying to identify opportunities, but with a keen awareness of the risks that go along with some of those opportunities as well.

So, we're monitoring, certainly, some of the things that we're going to talk about today. We're taking, I guess, what I would describe as a wait-and-see approach. The one exception to that is Notice and Access, where we did take a very early adopter approach to Notice and Access, primarily to look for cost savings in what's a pretty tough time for our business.

Tim Carey: Great. And we have a question or two under Notice and Access and we'll probably come back to you on that. Paul, how about that with Kenneth Cole? What are you all doing?

Paul Coviello: Yes, we're in line with Paul and Lowe's. Come out on the wait-and-see, certainly, on the investor relations side. We also early adopted Notice and Access and the video annual report. From a marketing perspective, we are getting involved in social media. We are on sites like a Facebook. We have videos on YouTube and those kinds of channels. So, yes, we're involved, but from an investor relations standpoint, it's kind of a wait-and-see right now.

Tim Carey: Well, I think it's a segue for Ray mentioning the blog. So, with the blogs out there, help us under -- a little bit about what you're doing here to understand the -- what's happening there, to track it, to be a part of that a bit more?

Ray Pellicchia: I think our first step was to take a look at what's out there. What's being said about our company online, either in chat rooms, or message boards, or on blogs. And once we took a look at that, we decided that there was a great deal of conversation going on. We decided that there was a great deal that was missing -- the things that were actually going on within our company.

So, we decided to try to begin engaging in the conversation. So, we launched the blog. We were able to use it to communicate a lot of the changes that have been going on inside the company. I mean, during the time we've had the blog, we've gone public. We've gone from just trading stocks to trading stocks, options, bonds, and futures. We've gone through mergers. We were just New York and then we were New York and Chicago. Now we're New York, Chicago, Lisbon, London, Brussels, Paris, Amsterdam.

So, it's enabled us to talk about the various products and services that we've been building out and developing, and to do it in a very user-friendly and human voice that the company just didn't have before. We found that a lot of our customers and the public is online. The traders are online. Why not go to them in the place where they're used to communicating, where they're talking with each other about the company? So, we've begun engaging in the conversation.

And it's not just a blog. There's other vehicles as well. Our market data guys have a message board that is very product specific about new data products and services that they're launching. You could ask questions. They'll post new product updates.

So, there's a lot of different ways to go about it. But I think for those who aren't involved right now, the first step is to begin looking, begin deciding -- are you going to join the conversation, monitor, at what point do you enter, and how do you enter.

Tim Carey: That's a great jumping off point. I would like to hear from both Pauls. In terms of setting the roles around blogging, as you're getting more involved in Facebook and other media outlets -- do you have strict rules that have been set down from maybe a general counsel or for your CEO about what you can or can't do on that?

Paul Coviello: Yes. I'll jump in there. On an investor relations site, yes, I mean that's definitely one of the challenges right now. Making sure that the information that gets out

there is compliant and is true and is based on fact. From a marketing perspective, no, not yet.

Paul Taaffe: From our perspective, we aren't doing anything on our investor relations website other than receive emails. So, we're not doing live blogging, which gives us, I guess, more of a response time, an opportunity to construct answers that we feel comfortable -- are compliant and also factual. But, again, that's the biggest challenge that we see from that side is you mentioned ensuring that your adding value with what you're providing and if every answer we give is going to be cookie-cutter kind of a corporate statement, then we actually feel like we do more harm than good by having that type of a forum. On the marketing side for us, it's again -- we're exploring those opportunities, but we haven't done a lot of that at Lowe's yet.

Tim Carey: Well, that's actually consistent with what we see out there. We work with about 250 public companies and there isn't a one size fits all. This is not a cookie-cutter approach. So, we're seeing a lot of companies very much in the same position you are at and sometimes there's a misperception that or people or bloggers saying things, you have to jump into the conversation. And I think it's important to understand that's not the case.

As Ray had mentioned, I think it's important to analyze, to look at the information. I think, on the Walmart quote they said that as well. Let's understand what's being said and then at the right time decide when there's an appropriate response to do that.

So, that's a really important part. I think there's -- you see pressure where maybe the CEO from Sun is blogging. Then, everyone feels pressure to have to do that. I think there's a little bit of a let's look at what's happening first and then understand it and decide what the appropriate course of action is.

Theresa Molloy: Tim, excuse me, I just want to jump in for one second, there were a couple of questions from the virtually convened audience. They're looking for the slides. We are going to post them on NYSEnet and nyse.com after the presentation.

Tim Carey: Great. Thanks. And shifting a little to video now, so, Paul at Kenneth Cole I think you guys were sort of forward out there pushing moving toward the video annual format. How has that worked for you? And, secondly, how are you contemplating using video for other forms of communication, IR and PR?

Paul Coviello: Yes. It worked. It was great. It was a good experience for us. The video really just kind of allows us to convey more of a dynamic format for obviously what's going on with the company, where shareholders, investors, just brand followers in general.

Moving forward, we'll certainly explore the opportunities relative to what fits with our company and our brand on the IR side as well as the marketing side in video use. It opened up some other doors for us, and to possibly communicate with our stores and

employees around the world, different partners in the retail side as well as the licensing side as well.

Tim Carey: Was it a hard shift though moving to the print format to video internally? Was there a lot of selling around that to make that?

Paul Coviello: No. I mean, we we're pretty eager about it. Our executives were on board. It was again a cost savings initiative, but it actually went really smoothly. Having a really tight timeline around it. And just having that more dynamic format was something that we were really looking forward to.

Tim Carey: That's good. And Paul at Lowe's, how is -- I know on the site you've got video capabilities and you do a lot of training with video with your stores internally. How have you thought about using some that internal video and those capabilities to maybe extending that out to stakeholders?

Paul Taaffe: Well, again, I guess, probably the best description is we're watching what others are doing and looking for opportunities. So, we obviously realize that the annual report as a retail company is a marketing vehicle. Just getting our brand in front of a potential customer or current customer has some value and doing it in a dynamic way that engages the audience is important. I guess your stat, 60% of people that receive that package throw it away before they read it.

Paul Coviello: Right.

Paul Taaffe: Hopefully, you can create ways that that 60% would want to come in and see what you're talking about. And, certainly, video would be a way I think possibly to do that is -- I think, you mentioned again that people don't like to read as much as they like to watch and if we can draw them in with that, it's probably an opportunity.

Tim Carey: That's great. Yes, and there's an interesting confluence that's happening there is because traditionally video has been used primarily for corporate communications as we know. And now with investor relation departments doing that more often, we're seeing a lot of the IR and PR converging a bit because it's obviously in both their interests and I think the messaging has to be coordinated.

So, more so than ever, there's a convergence happening and we're seeing marketing, corporate communication, investor relations, the general counsel -- all involved in the process. I think that's an important because it goes to the other statistic that having a professionally done video is important. I think we saw case with one of the airlines that had some problems last year. They kind of did a relatively unprofessional thing and posted on YouTube and we're not sure under a crises mode that was maybe the best way to utilize video as other methods.

Great. Want to shift a little bit to Notice and Access, cause I think with Notice and Access being mandatory in January, want to understand a little bit more about some of

the learnings and some of the pluses that we've seen from that, but it also reinforces the point that more investors are now being driven to a company's investor relation website.

So, I think that's been a case for awhile, but I think come January, we're going to see that accelerated a bit. So, Paul, let there -- say a little about the Notice and Access. How that worked for you. Maybe some of the things -- the learnings you had and some of the things you might change going forward with Notice and Access.

Paul Taaffe: Sure. We realized we had an opportunity to save some dollars in what's a tough time for our industry, tough time for our business. And we asked a lot of the questions that I think a lot of other companies were asking when the rules came out -- do we want to jump in or do we want to sit back and let others lead and see how it goes for them? Frankly, as we approached it, our plan was to wait. Our plan was to see how others attacked it and learn from both their successes and possibly their missteps along the way.

But we saw a real opportunity to save some dollars. We started doing some analysis of our shareholder base. We understood that we could reach about 85% of our shares and actually over 90% of our voted shares by doing stratified mailing. And we mailed to shareholders that had over 1,000 shares. We mailed a hard copy of the annual report, basically a typical proxy package. Anyone with less than 1,000 shares, we sent the notice. That allowed us to again significantly reduce our mailing. We cut our annual report printing down by about 74% from the prior year. And, ultimately, we wound up saving about \$600,000 in mailing costs, production costs related to the process.

So, where we typically would have taken the wait-and-see approach, we jumped in on this one, because of the cost savings opportunities and in the end it paid off. The good news for us is we really didn't have a whole lot of pushback from our shareholder base. Had a few calls -- a few complaints about the notice that was received, but not many. Again, we're continuing to kind of think about what the reaction was and how we might improve that process, but I think to this point, we're pretty satisfied with what we got.

Tim Carey: Yes, the digging a little deeper on the amount of calls. Did you -- I mean, we're you contemplating awhile -- there's just going to be a lot of irate shareholders that aren't getting this and we better be prepared. And then, had you sort of set up a sort of worse case scenario for that to happen? Or how did you handle that behind the scenes?

Paul Taaffe: We had. We were certainly hopeful that we wouldn't receive those and put a lot of time into understanding the process and what people would actually receive and what their opportunity would be to order an annual report following the mailing. But we only had about five or so that I -- probably less than ten calls from investors, who just didn't understand the process, didn't understand what was different. One of the things we did -- we've got a lot of employee shareholders.

We sent an email out to those employees and let them know that we're doing this to save money. But if you want a hard copy of the annual report, we absolutely want to send you

one. We sent ten annual reports -- hard copies of annual reports to every one of our locations so that again an employee that wanted to see the annual report could. So, we took some proactive measures to try to minimize the impact and then, again, thankfully, we didn't have a whole lot of pushback from investors.

Tim Carey: That's great. We're also seeing a trend out there where there's some more utilization of printing on demand as well for that type scenario. Because it is a bit of a guessing game not knowing how many shareholders actually request it. So, we're seeing that trend, where companies in gray, we realize still have to print some, but let's do them in smaller batches and if you find the right vendor you can hopefully get that turned around and printed out if you needed more.

Paul Taaffe: An opportunity for us next year, we were conservative in that estimate. We assumed that 5% of the folks that we sent a notice to would ask for a hard copy. So, we printed that many extra annual reports. We only had less than 1% that requested a hard copy. So, an opportunity to pullback that safety stock, I guess, next year.

Tim Carey: That's great. And, Paul, at Kenneth Cole, I think there was some interesting findings from your Notice and Access and the mailings as well.

Paul Coviello: Yes. I mean, adopting the Notice and Access, again, we were one of the early adopters and we had a lot of confidence going into it, producing a video. We've produced videos before. So, the experience was there. We have a relatively small investor base.

So, we did print some hard copies and mail hard copy sets. I think it was less than 200. But for the rest of the investor community out there, we adopted Notice and Access, sent the notice. They had the links. They could sign it and opt out. All that. But we didn't have any negative feedback for it. We didn't get any angry investor calls -- like where's my hard copy?

What we did find -- we were cautious in the fact that we did overprint more than what we needed. We were a little cautious on that side. But we found we actually didn't need the majority of them. So, going forward into next year, we're actually going to cut back even more. So, we did realize a good amount of savings, probably about 20% savings over the prior year. And looking forward, probably in the range to 30% to 40%. So --

Tim Carey: That's great. Yes, I think there's going to be a lot of learning as we go years out to that. And we saw it as well. A lot of firms just printed more than they thought they might need, just because you don't want to be caught short with that.

Paul Coviello: Right.

Tim Carey: As I've mentioned, I think, some of the print-on-demand options the printers may have will be a good option.

Theresa Molloy: I have a question for Paul, while we're on Notice and Access. Paul, the question is, does Lowe's have any non-routine issues? And if you did have non-routine issues, how would that change your approach to N&A?

Paul Taaffe: We did have a couple of shareholder proposals this last proxy season. That was obviously part of our analysis and discussion around using Notice and Access. We felt because we knew we were going to reach 94%, I think was the final percentage, 94% of our voted shares would receive -- voted shares from the prior year would receive a hard copy, they wouldn't know a difference.

We felt pretty comfortable that we weren't going to influence the vote if there was going to be any influence at all. The quorum that we had this year was, essentially, identical to the quorum for the prior year for voted shares. So, I guess, my fear was that the general counsel would come to me with a shareholder proposal that missed -- I guess, or a shareholder vote against the company that missed by a percent or two and Notice and Access would be blamed for that.

Thankfully, that didn't happen. And in the ends, I think we basically got again the same quorum that we had the prior year and feel pretty confident we didn't affect the vote. Now, again, we know that with 80% of our shares institutionally held that was part of the analysis as well, which gave us some comfort in sending the notice rather than full proxy packets.

Tim Carey: Great. The -- but, overall, you'd say the Notice and Access was a positive experience and one that saved money and sort of well received from investors?

Paul Taaffe: It was. For us, one other thing that we, kind of in preparation for those investor questions that might come, we thought about the environmental impact as well. And we're certainly -- that was part -- we actually put a message on our printed annual report and ultimately in the electronic form as well that said, we reduced printing by 74% from the prior year, which hopefully for those that were complaining about or had an issue with it, the fact that we didn't send them a paper copy, offset that to some degree.

Paul Coviello: Yes, generally, positive. We enjoyed the process. I think we got some -- we had some positive feedback. We were surprised at the amount of views that video is garnering. And, again, the green issue as well comes up. We also have a blog that comments on social issues that Kenneth also contributes to on a monthly basis. But, yes, that certainly was part of it.

Tim Carey: That's great. And, Ray, to you, on touching on the blogs again. What are some of the things you're doing here internally to sort of understand what are some of the issues? So, in this case, if there was a Notice and Access issue or problems that people had issues with that you would think some of that might bubble up in the blogs. What are some of the things that you're doing here to sort of see and anticipate some of the issues that may come up on certain topics?

Ray Pellecchia: Well, that's part of the beauty of the blog is that you get the instant feedback. So, when we rollout something that people of questions on or people don't understand or that people disagree with, people inside the company can instantly see that.

As the chief blogger, you would go on and internally refer the input that you're getting to whoever is appropriate to do something about it. As people are stating these things online, you can engage with them and say, listen, we understand that problem, we understand it's an issue, here's what we're doing to address it or here's what the possibilities are, here's what the issue is, here is what our position is. So, people can understand where the company is at on their concern. And you could raise it internally within the company with someone who could actually do something about it.

A lot of the folks who have written into our blog are people that we never knew that we had as an audience or I never knew that we had as an audience. People who are day traders. People who are small proprietary traders, who are big traders of New York Stock Exchange listed stocks. They've got real concerns about what we do and how we do it. And these are folks who never felt like they could pickup a phone and get somebody on the phone. They're not the head of some major brokerage firm. So, by having a forum for them that is looked at internally, it's been a good device for them to feel a little bit of ownership, even if they don't disagree with what we're doing, they feel like they're heard. They feel like they are participating. And, indeed, they are. We surface their concerns. We raise them internally. And people who are the subject matter experts internally help me respond to their questions and we can alter, or adjust, or guide our course accordingly.

Tim Carey: Yes, there's -- we see lots of questions out there when a company does decide to blog, whether it's -- depending on the various department heads, how often and how frequently should they have to do it. So, the issues that are here that you mention response. Is there any set response? You say, okay, we're going to respond within a day? Within a week? Have you put any parameters around that? Or is it a little more free flowing?

Ray Pellecchia: It's a little bit more free flowing. Blogging is not my full-time job, unfortunately. It's something I do, I tell my audience, in my spare time, when I'm not doing press relations or employee communications or things like that. But I try to get back to everybody within a day to let them know at least that I've gotten their note and I'll either post it or tell them I'll post it as soon as I get something on it.

So, it's just as you would pickup a phone call and you try to return every call every day, you try to do the same with the blog. And people understand, I think, intuitively, that not everything is solved overnight. That they can be one voice or one comment and then someone chimes in and says, hey, Bill is right with what he just said, I think that is a good idea. Or someone else chimes in and says, no, don't do that. So, they understand that there's a conversation going on and that they're not the only input that we get, that we go out and visit our firms, that we go out and talk with our other customers as well. But

they do appreciate the responsiveness of being able to get to you and you are getting back to them.

Tim Carey: Yes, I think that's an important part in a sense that we'll see companies sometimes go up and decide to blog, but then they don't do it for a week or two weeks. So, the post then stays relatively stale. But I think there's a rule up there would be that if a company is going to do, they have to at least probably do it twice a week -- you want to be involved and respond it back to people. I think, other than that, I think it could actually create more negativity if you didn't respond for a week or two, cause then I think it does the inverse effect. Another question?

Theresa Molloy: I have a lot of questions from the virtual audience. So, if you don't mind, I'm going to start with the blogging questions? And, Ray, I'll direct this to you first and certainly everybody else feel to jump in. Are blog answers vetted through disclosure committee prior to your response and publishing?

Ray Pellecchia: Basically, the blog content is vetted -- basically, we stay within the four corners of what's publicly available on any topic. That's for anything substantive, material. So, we're not looking to break any news with the blog. However, a lot of the questions and comments will go down into great detail on let's say an order type. What happens when this order type meets this order type?

That's something that's not material and it's not publicly available. It's just really a question that we can learn internally, that we can vet internally, and then post. So, we will generally not vet everything, because I have a good sense from being on the press side of the communication shop what is public and what is not. So, that's one screen that everybody would need in place.

The second thing would be, if you're going to drill down in some detail, to make sure that that's accurate, that it's correct with the subject matter expert and it doesn't raise any particular legal or disclosure issues. So, to convene a committee on everything that comes down in a blog is really not practical. So, it's good to have the ground rules in place instead and then raise it up. Anything beyond that, then you raise it up to counsel.

Theresa Molloy: Okay. Paul and Paul, do you want to --?

Paul Coviello: Yes, I mean on the IR side, we don't have a blog necessarily set up. We do have an awareness blog and you can get to it through our website. But, certainly, we'll address any comments, or questions, or whatever it is on the social topics there and we can have that two-way conversation. And that's really just from a marketing and branding perspective. Right? Building the community. Having that interaction. But from the IR side, it basically comes through in email and it's vetted internally.

Paul Taaffe: We don't do blogging today. So, no real experience. But the reason we don't do blogging is because we've landed on the side of the risk outweighs the opportunity with the trends out there today. I think, we're obviously aware of the

direction and therefore we'll have to continue to evaluate that risk versus opportunity. And, I think, probably in the not too distant future, we'll start doing more of the social media, certainly, on the company side and even possibly on the IR side, but very aware of the risks as well.

Theresa Molloy: And, let's see, Paul Coviello, I have question for you regarding posting your video on YouTube or Facebook, or do you post your videos on your own site?

Paul Coviello: No, I mean, again, from a marketing perspective, they are on YouTube. There's a branded channel there. There's also one Facebook. We're certainly looking to other social networks as well to get our message out there as efficiently as possible, but still connecting with the brand and engaging that customer segment that's there. The only -- the video that we do have on our website, again, just from a marketing perspective, the IR site shows the video annual report. And that's it.

Theresa Molloy: And a question for both Paul Taaffe and Paul Coviello regarding resources as it relates to new media. How many individuals make up your IR department? And have you allocated any individual resources to social media specifically?

Paul Coviello: I'll jump in on that, so, from the IR perspective, very few, probably, our finance department, CEO, VP finance, so on and so forth, partnering with ICR as well. Social media, from the marketing perspective, probably, I'd say, two people that are pretty dedicated basically in our media department that are actually investigating bringing those social media opportunities up and making them available.

Theresa Molloy: Paul Taaffe?

Paul Taaffe: On the IR side, we have four people as part of our team. Again, we're not doing volume, but we do have one person who is tasked with returning all emails that we receive to our investor relations email. Obviously, not a full-time job, but he spends time everyday looking at what emails we've received. Again, and trying to ensure that we're providing a reasonable response time on those on the company side. Resources are going in that direction, but I'm not sure the exact count today. But we're again exploring those opportunities to have a greater social media presence.

Tim Carey: One comment to that, I think there are some nice tools out there that can help a company understand, track and analyze what's being said. And I think that goes to one of the earlier quotes, I think, with Ford and Walmart was. Once again, we don't necessarily have to say you should start blogging, but you want to know, especially, for example, if you're leading into an earnings call. You'll want to be tracking what are the issues out there. And the things are bubbling up that maybe the finance department hire was not aware of?

Some of those might be as irrelevant as message boards on Yahoo! which are relatively insignificant, but there might be other issues that pop up. So, we're recommending as I'm

sure both your companies go forward, they'll probably take advantage of some of the tools out there, because I think what -- rather than dedicating one person to go out and physically, manually try to do that, there's a lot of tools that can help pull that information together, help source it on a daily basis and actually break it up so that you can understand what the sense of it is, where that share voice is happening.

And then, drill down if there are issues that bubble up. So, before we'll put a CEO maybe in front of the camera on an earnings call, we're going to be doing a lot of that behind the scenes research to make sure that we're aware of things that are being said out there.

Theresa Molloy: Tim, I have a question for you. As I see our covers, many publicly traded companies, in your experience, do most companies have a policy as it relates to blogging for employees?

Tim Carey: At this point, no. And, again, we're trying to get them there, because it's so much like you said, Paul, you said at Lowe's, you're not currently actively doing it, so the policy is you can't do it. And the fact is that there's a policy which says, we're not doing it. But once a company makes that transition to start, we strongly recommend that there are policies set. And, Ray, as I'm sure -- there's only a certain amount of people that are probably able to blog on behalf of the company.

So, I think that's one of the key steps is, if you are starting a policies, let's decide firstly who is going to be available -- or who is going to be allowed to blog and then make sure that it's vetted properly. Across the board, not a lot of companies have set that yet. We're seeing that changing and I would imagine, this year, it's going to be more dramatic. But, right now, I wouldn't say that. I think more companies do not have a policy than actually do have a policy.

Theresa Molloy: Any questions from the audience here? Mills?

Unidentified Participant: So, how do you deal with false rumors in the Internet or on blogs, especially if they are persistent and repeated over and over again?

Tim Carey: That's a great question. I don't know if anyone read the "Journal" today, but there's an article how Citadel's having some issues and a lot of that has been through rumors and online activity. I think that's where a company is -- we do a high crises communication. That's why a company has to make a decision do they respond or they not respond. I think, if the rumors are material enough like we've seen over the last couple months or so, then a company has to consider responding to that. It might not be in the form of responding necessarily in the blog, but I think they have to consider responding if the rumors are actually inaccurate. Because if not, we saw with Lehman, we saw with Yahoo! that it takes on a life of its own and companies can be hurt pretty significantly. Stock prices can be affected.

So, you have to get out ahead of that, which goes back to why it's very important to be monitoring to see if those rumors are being false. I think, Ford said that as well. They

want to see what's being said better or negatively. So, I think you have to respond. That doesn't necessarily mean, like I said, you have to do would be a blog. It might be through a press release or some other method, but I think you have to respond if it's material.

Unidentified Participant: Can you talk a little bit about the tools that are available for real-time monitoring as CEOs give speeches, et ceteras? And how they might be adjusting their messaging?

Tim Carey: Sure. We have a tool that helps us understand what's being said at and across blogs, message boards, traditional press, regional and press releases. So, we're able to filter through the various sources to see what is being said. So, we can say, maybe on a particular day, let's just look at blogs and message boards. Or let's filter out -- let's look at all the information and kind of see where the sense of it is happening. And I think the information there is accessible and you're not, like I mentioned, you're not just sending one individual trying to scour the Internet, because it's just too vast. So, there's some tools out there.

We have a pretty nice one that helps us get there quickly. And you can also run reports, where you can look at sentiment versus stock price fluctuation and sort of some metrics along those lines. So, I think that's important, because some of the rumors and things that are being said out there might not be material, as I've mentioned, and have no effect, where others might be. So, I think you want to find the appropriate tools to help you do that, especially if, in this case, with an investor relation department that might only have two, three or four individuals, it'd be unrealistic with them managing all the information to put that on them manually.

Theresa Molloy: And, Tim, can you give us an idea, which are the most popular, up and coming sites right now where there tends to be a lot of dialog and discussion about public companies?

Tim Carey: Yes, I think, it goes across the board. There's a lot of sites that are sort of vertically focused on different industries. You're clearly going to find sites like Technorati and all, which are sort of uberblogs that will sort of by category sort of summarize what's being said and you go there for -- to see that. But there's a bunch of the ones that I had on a previous slide, now, I don't think we can get back there, but I listed a whole bunch of them that's in this deck that people refer to. But what we're seeing is there's these categories of the blogs like that are sort of aggregating a lot of the other blogs and making -- and you can go into their to filter through that.

Unidentified Participant: I had a question for Paul. I haven't looked at your website, I must admit, but I was curious about how this video annual report, how does it look like? Is it -- do you have your CEO reading the shareholders' letter? Or how -- I just have difficult time visualizing?

Paul Coviello: No, it's actually. It's kind of more, I guess, informal. Nobody's reading from any notes, but it was kind of a -- we used a Q&A format. So, we'd ask the question.

They'd pose the answer. And it's edited, branded video. So, when you do see it, you get a sense of the brand. It looks very Kenneth Cole. Urban imagery. Very quick. Music, which is great. The CEO and all the chief officers of each division are basically answering the questions, telling what's going on in their divisions and just giving a little flavor and color of what's going on in the company and where we're headed.

Tim Carey: Interesting I'll point that as well as a lot of, especially analysts, they're going to look to the numbers and look to the 10-K for the numbers. So, I think with the video annual reports what you're seeing is stakeholders want to see the management. They want to see --.

Paul Coviello: Right.

Tim Carey: They want to see, in this case, if there's a down year and they want to see what changes have been made for the following year. And I think that's important when you see the C-suite officers delivering that message and drilling down.

Paul Coviello: Right.

Tim Carey: So, the videos tend to be less focused on the numbers, although the numbers are dealt with, and more about what the strategy, what the mission is and sort of seeing the management deliver that message.

Paul Coviello: Yes.

Tim Carey: I want to sort of part it off of that one and touch a little bit on the investor relation websites, because -- and, Ray, this might be touch -- I mean, you're involved in the blogging. At that point are some of the investor websites becoming much more of a destination, because, in the past, stakeholders generally didn't go to the site as much. It was just, you'd look to other sources to do that. And I think with the new regulations that the websites are becoming much more important and we're seeing some changes happen there. What are you seeing along that line? Are blogs -- do you see a point where blogs might be integrated into the investor site? Or is that separate? Do they combine at some point?

Ray Pellicchia: Do you mean is the corporate investor relations site more blog like? Or do you mean that the investor relation -- or do you mean that the blogs that are out there are picking up more IR?

Tim Carey: A little bit of both. Let me clarify. So, with the investor relation site becoming more robust and having more functionality, do you see blogs at a certain point becoming a part of that site? For example, people had issues, would you foresee a point where you'd actually have people -- investors blogging from your investor website? Or do you see that as a separate sort of initiative?

Ray Pellecchia: I think that IR is a particular challenge in terms of blogging as an IR officer. Paul and I were talking about this before. That if you're answering a question in a blog-like fashion and you're the IR officer, in no time, it really gets to are you giving guidance? Are you giving up material information?

So, I think a real careful look would have to be made first at what your IR strategy is and whether blogging fits in with it. And then, really set out extremely strong rules on how you would do it. Because, I think, I mean, controls are important in any form of communication, but the farther you get into blogging, the farther you get into social media, you realize the less control you actually have over your message, over your brand and the more the customer and the public and the investor actually take control of it.

I think it's important to participate in the conversation in some way, whether it's just monitoring it and adjusting your overall message accordingly. But once you begin engaging that conversation, it's -- Paul and I were talking about how it's hard to give substantive information from an investor relations' point of view without breaking any news and without it being just a canned answer. So, I think, IR is one particular challenge for that.

By the same token, I think, companies find new and innovative ways of blogging all the time. I was talking with a group that was in here from Siemens, the big manufacturing company. And just for the heck of it, I was looking at their site and looking at the blogs that they have and there were bloggers at Siemens AG, who are air conditioning engineers. They build air conditioning systems. And here's this air conditioning system engineer talking about his experience, talking about the latest theories on getting better air conditioning into huge power plants and things like that. And on his off time, he's talking about how he has to work through his Christmas vacation, because some new order came in.

So, here's this guy talking a very human way, giving all kinds of expertise on what he does and kind of putting himself out there as an expert in his field. So, it's very effective. Very humanizing for the company. And, at the same time, you just kind of felt like here's a guy, who is just work a day, out there. He's not the head of IR. He's not the head of PR or he's not the CEO. But he's sharing something very important about the company and that's the company's expertise. And he's a part of that brand. He's the reason why you'd go to Siemens to buy this particular product.

So, even though IR may be problematic, or other areas may say, oh, it's too dangerous, we can't go there. There may be a way to go there if you look at it hard enough. If you say, how does blogging or social media, how does it fit in with our communication strategy.

Tim Carey: Add to the point?

Paul Taaffe: Just one thing from an IR perspective, even in what you describe that would make me nervous, you described a guy, kind of a company employee saying we got a big

order, so I got to work through Christmas. It makes me nervous as an IR guy. What does that say? And what does that mean? So, that the challenge is still there even in what seems fairly, I guess, low risk. You could have somebody make a comment like that that's only leads people to thinking about your guidance, about whether it's positive we got a big order or I get the next two weeks off because things are slow. You'd have that message coming through. So, it's challenging --.

Tim Carey: But this complexity that there is, like I said, it's not a cookie cutter kind of thing. There's lots of considerations. Yes.

Another follow-up question to websites. We see a lot of companies using tools like RSS feeds to better communicate. Obviously, with more stakeholders coming to investor relation websites, most companies have email alerts, as you've mentioned. We're seeing the trend where more companies are adding RSS feeds so information can be pushed out to the stakeholders. Have you worked with any of those sort of technologies on the websites or utilizing that?

Paul Coviello: No, not yet. I mean, we'll certainly explore opportunities and see what fits relative to the brand and to the company and our strategy. But, at this point, we have no, on our IR site, it's email alerts. We have all our filings there. The video annual. Certainly, anything relating to the company and the postings. But, no, we haven't explored any of those opportunities yet.

Paul Taaffe: We haven't either at Lowe's. No.

Tim Carey: Yes. I think that -- well, a lot of companies, as I've mentioned, are already doing that. I think, a year from now, most companies will probably all be doing it, because one of the benefits is you can push out audio, video, podcasts, things of that nature. So, you're able to do more than just simple email. So, as we're moving to this sort of multimedia environment, having an RSS feed, I think, is a relatively inexpensive and very effective way to proactively push out information, but also to build a relationship with your stakeholders and investors.

Ray Pellecchia: And we've got RSS for our blog for our press releases. And we've also got a new service called "Trader Updates," which are for the trader community. And for things that don't really merit a press release or things that are trader specific, new conditions on the trading floor, things like that, special rules that are being triggered today. Those things are very quick and easy and timely and inexpensive to get out via RSS. So, it's a very powerful tool. It's also a good monitoring tool to watch the blogs that you mark as your favorites.

Tim Carey: Yes. That's a great point to one of the earlier questions, I think it has a great effect in terms of monitoring as well. Sure. And it's -- generally, you might not have to employ IT to help you with that, but it's relatively easy even for a non-technical person to do it, but you'll generally have to work with IT a little bit if you're going to start including

RSS feeds, but some of the website hosting companies can help do that pretty efficiently for you.

Theresa Molloy: Let's see, we have just a couple minutes left and I do have a few questions from our web audience. Paul, you have a kindred spirit out there. They do feel your pain with the renegade bloggers out there that you and Ray were talking about. So, I have a me too kind of here for you. And, Paul Coviello, question for you regarding your annual report. Do you as you embrace this new media and your new form of communication, with your financials, do you just do a wrapper -- the 10-K wrapper? Or do you do a full financial?

Paul Coviello: No, it's -- I mean, the past year when we adopted Notice and Access, it was basically a 10-K wrap with a shareholders' letter in the front.

Theresa Molloy: Right.

Paul Coviello: We scaled it back. We saw the video annual as basically the video format of the front of the book of a traditional IR. So, it gives you the flavor. It gives you the communication from the executives. And kind of what's going on -- the overview of the company and the strategy moving forward. And then, the 10-K delivers the financials.

Theresa Molloy: Okay.

Tim Carey: There's also a repurposability element of that as well so that once a video like that is used, it can be used for internal communications, it can be used for press releases. We're seeing the trend increase where more companies are using video to include in their smart releases and multimedia releases. So, that's a trend that's happening. I think, once a company has those digital assets, they can use it for multiple purpose beyond just the annual report process.

Theresa Molloy: I have one more question before we adjourn from our virtually convened audience and this is basically about trends and going forward. Do you think that -- will blogs be replaced by a new form of interactive technology? And, Tim, I'll -- you lead this off.

Tim Carey: How -- that's a tough question, but I think what's interesting about blogs that blogs are essentially mainstream now. Where maybe a year ago, you felt, oh, blog, what is a blog. I think we've established 12 million blogs or something. I mean, blogs almost in fact will have become websites to a degree, because they are common. You can find them.

You can Google them and get them there. So, I'm not sure if it's replaced. I think there'll be other technologies that are going to sort of enhance and augment that. But time will tell on that. I just think there's an increase in interactivity and that's not going to change. That's only going to increase. I think there'll be more sites. More technologies that do

that. And that presents a lot of challenges from an investor side. And that's the piece we have to really monitor.

Theresa Molloy: Anybody else want to weigh in on that question?

Paul Coviello: Yes, I tend to agree. I think, I kind of -- and this may be premature and is just based on my own opinions, but I kind of see the next wave of things coming is like from sites like a twitter or something that delivers something right to your PDA. I mean, people are just on the move so much more now. And even getting to people through a blog or going to the Web, people having to physically log onto the Web, if they're not at their phone or running around or at a meeting or something else, it's becoming increasingly more difficult. So, I feel like the PDAs and really getting the SMS or whatever it is out immediately, I feel like that's the next --.

Tim Carey: Yes, that's a great point. The blog and media tracking -- we also track twitter as well, because I think twitter's becoming very much on a corp. communications side, but there's a lot of information to be gleaned from twitter for sure.

Paul Coviello: Yes.

Ray Pellecchia: I was just going to add that multiple different customers that we all have different ways that they like to get the information and some be a podcast or video and some still like it in print and twitter undoubtedly has a lot of use. And I don't think that any one way is going to completely supplant any other way anytime soon. Like blogs didn't replace the press release. Just like TV didn't really replace radio, it was just something different. So, I think it's just incumbent on everybody to keep abreast of all these things and keep abreast of where their audience is so they could get to them in a very effective way and a way that their audience wants to be reached.

Theresa Molloy: Well, thank you so much for joining us today. Tim Carey, Senior Vice President of New Media at ICR, absolutely leading the charge here in the new media area. So, that's ICR located in Greenwich, Connecticut. And Paul Taaffe from Lowe's came here from North Carolina. We appreciate you making your trip. Paul Coviello from Kenneth Cole and our Ray Pellecchia. Thank you so much for joining us.

Two quick things, we will have transcripts for this forum on nyse.com as well as NYSEnet, and we also do podcast this for anybody who's interested in downloading it.

One last thing, a couple of weeks ago, we launched the NYSE Market Access Center Alerts, which is available to every single listed company. And I encourage you all to log onto NYSEnet to have access to the alerts. If you have any questions about the alerts, please feel free to email me. My email address is tmolloy@nyx.com. Thank you so much. And we really appreciate your time this morning.