

**Making
lasting
connections -
virtual
investor days**



Virtual Investor Days During COVID-19

COVID-19 continues to have a major impact on traditional corporate avenues for engagement with key financial stakeholders, including investors and sell-side analysts. Many publicly traded U.S. companies that were planning some form of in-person investor day for 2020 are now considering their options – either to indefinitely postpone until a much later date in the future or to potentially conduct a virtual event later this year. **With sustained high demand by investors for information and engagement, we recommend that companies with major news to share move forward with virtual investor days, providing a naturally bigger forum outside of the earnings calendar to put key corporate and macro developments in context.**

This report provides an overview of key strategic and tactical considerations for companies thinking about virtual investor days.

As with other forms of virtual shareholder engagement, the stakes are high, and how companies execute these events sends an important signal to the market about the company's engagement style and governance. For most companies a virtual event like this is uncharted territory, so careful planning and execution will be paramount—there's no tried and true roadmap, but below are key considerations for management, investor relations, and communications teams to be thinking about as they design a virtual event that will work best for their company and its key stakeholders.

“Critical goals for IR are to help in capital formation and to lower the cost of capital for a company. The efficient, accurate and value-added flow of communication to/from a company is essential for this. If virtual is a tool that can facilitate that, then I hope we keep it.”

– Lynn Antipas Tyson
Executive Director,
Investor Relations,
The Ford Motor Company



Virtual Investor Days Strategic Considerations

Have a Reason

- + Given we are in the middle of a crisis, investors and analysts do not necessarily have time for “nice to know”. Any investor day needs to have fundamentally new news that adds to the analysts’ and investors’ understanding of the company and the industry it plays in.
- + If the investor day is only going to be a “business update” we strongly recommend either saving that update for a later date (e.g. next quarter’s earnings) or consider doing a shorter (1 hour) conference-call-style event to address.

“It’s vital to marry strong editorial guidance with excellent technical skills but the editorial must lead the technical. You should have something new and relevant to say.”

– Sonal Patel
Partner, Executive Producer,
MerchantCantos



Articulate Your Value to All Stakeholders

- + With so much uncertainty, the key question that most companies need to answer during this particular crisis is a fundamental, existential one: Will your company survive these times? Companies need to clearly define their strategic and financial value to both the buy and sell-side. Investor days are a compelling setting to deliver those messages. The challenge for most companies will be developing that messaging. It should not be just a standard investor thesis, but rather one that lays out the fundamental value of the company and clearly overlays how those conditions for value creation remain true (and are hopefully even more true) in a COVID-19/recessionary environment.
- + At the same time, this crisis comes at a moment when a more stakeholder-centric model of value is on the rise, and companies need to demonstrate that they are doing their part. Any investor day agenda would be wise to strategically include a discussion of a company's contributions to the communities in which they operate, not necessarily in terms of dollars and cents donated, but in the more substantive ways that they have evolved their businesses, protected employees, and leveraged the company's skills and resources to make an impact.
- + Virtual events are by nature easier for people to attend and companies should embrace this dynamic. With no need to limit the audience due to in-person space concerns, companies should make their outreach more comprehensive. This will naturally shift the makeup of the event's audience relative to past in-person investor days, which has important implications for creating content and messaging that will clearly resonate.

“Being able to have an engineer or other really focused subject matter expert speak is a luxury of virtual events. It can be a more in-depth conversation.”

– Lynn Antipas Tyson
Executive Director,
Investor Relations,
The Ford Motor Company

- + Increasingly, senior portfolio managers and generalist investors are attending 1:1 calls and virtual meetings with corporate management teams, which indicates that they will likely be attendees at virtual investor days as well. In the past, companies could get away with using industry specific jargon that goes undefined at these kinds of events, largely because sell-side analysts made up most of the room. With a wider set of financial stakeholders in the audience, we recommend avoiding such language and focusing on clarity as much as possible.

“In this virtual environment you might get a senior portfolio manager to attend who wouldn’t attend an in-person meeting. There’s a really good opportunity to connect with a bigger, more senior group of investors. You can establish new relationships that are really beneficial.”

– Tim Daubenspeck
Partner, Brunswick Group



Define Future and Planning Assumptions

- + As we have seen with first quarter 2020 earnings, no one can know the future right now, and financial stakeholders do not expect certainty when it comes to corporate messaging around the future.
- + As a result, investors and analysts have been forced to spend far more time and energy interpreting the impact of actions taken by management teams that are often making tough decisions “on the fly.”
- + A central purpose of an investor day during this time of crisis should be to give analysts and investors comfort and visibility around executive decision making. Companies need to share their methodologies for evaluating strategic decisions – both ones they have recently made as well as others they will potentially make in the future.
- + These events are also a natural time to give some form of guidance (ideally, recognizing that for some businesses this will not be possible), but with a clear set of assumptions that the guidance is based on. If a company is unable to give specific line-by-line guidance, the next best option would be to provide significant color on the major parts of the P&L and balance sheet.



Provide Macro Commentary

- + It is extremely hard in this environment to make any assessments of individual businesses, which, in turn, has left analysts and investors eager to understand management's views of both the macroeconomy and their specific industries.
- + Any investor day during this crisis should spend time outlining leadership's view of the main threats to their operating environments, as well as the main opportunities.
- + While potentially controversial, companies may now need to take a stand on major issues related to business viability and the path to reopening / recovery. A good example in the US is the issue of liability for COVID-19 costs, which remains a significant debate in the insurance industry. Executives need to have a clear view on the implications of those issues for their business and their industry and be prepared to address those issues in public settings such as investor days.



Create an Environment for Meaningful Shareholder Engagement

- + One of the biggest challenges of COVID-19 is that virtual events rarely enable management teams and financial stakeholders to build the same kind of trust that comes from meeting in person. Companies should think about the format of their virtual investor day as an opportunity to create environments for meaningful shareholder engagement, utilizing technology and other available tools.

“While there are downsides of virtual events – the inability to look someone in the eye and the more challenging nature of building personal relationships – they do create a more efficient opportunity for us to get management in front of investors. We’re really beginning to take advantage of it.”

– Lowell Singer
Senior VP, Investor Relations,
The Walt Disney Company

- + The choreography of a virtual investor day needs to be well thought out and in even greater detail than if the event were to be held in person. Having speakers in separate locations presents logistical challenges in terms of passing the microphone from one to the next as well as fielding questions.
- + People want to be able to see how management thinks and how cohesive they are – this is an opportunity to rise to the occasion through effective planning and dedicated preparation.
- + More Q&A time is a common request under normal market conditions, but it is even more important in times of crisis. Companies should provide ample time for Q&A, keeping the following in mind:
 - It will be important for IR (or another designated party) to manage the queue carefully to appropriately prioritize questions from the sell vs. buy-side as well as prevent any hijacking of the conversation.
 - Consider credentialing attendees in a way that differentiates participants from listeners to limit unproductive commentary or noise during the event.
 - While answering questions, handoffs between speakers need to be seamless – take the time to practice the potential Q&A that may come up.

“We prep for virtual events with all the event speakers in advance. We put them through their paces, do a mock Q&A and take them through an abbreviated version of Reg FD training. We set up an event-specific chat so that the speakers can converse privately during the event and I can give feedback in real time.”

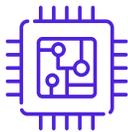
– Lynn Antipas Tyson
Executive Director,
Investor Relations,
The Ford Motor Company



Virtual Investor Days Tactical Considerations

Don't Be Afraid to Keep it Short

- + Zoom fatigue is real these days. People are spending too many hours on video conference calls, so we recommend keeping any investor event short and to the point.
- + A couple of hours for an update, versus a full-day event will likely make more sense for a virtual format, particularly given the lack of in-person networking that is commonly sprinkled throughout live investor/analyst days.
- + Limiting the event to newsworthy content that matters will also preserve the option to hold another investor day within a year, if and when there is more clarity around the future of the business as well as the broader industry / economy in which it operates.



Apply Proven Technology to Connect and Build Trust with Attendees

- + In order to build trust, your virtual investor event cannot just be a conference call or a one-way presentation. People need to see executives in action and investors, in particular, want to see 'the whites of their eyes.' When thinking about the optimal format for a virtual investor event, we recommend considering a combination of the following:
 - Utilize both live and pre-recorded video for presentation portions – pre-recorded video can help mitigate risk and provide management with breaks between live portions;
 - Conduct a robust live video Q&A open to all participants;
 - Preschedule additional smaller Q&A breakout sessions with sell-side analysts to provide a more comfortable forum for deeper, more candid questions and to increase the likelihood that analysts will publish meaningful follow-up notes.

- + Technology has been a challenging element of remote work throughout COVID-19 (wi-fi capacity constraints, difficulties of new video conferencing platforms, telephone lines dropping, etc). The last thing anyone wants is for technology or technology issues to become a distraction from the compelling content being shared during a company's investor event. For that reason, we recommend utilizing technology platforms and formats that you and your IT team know will work.
- + The return-on-investment for production value when it comes to this type of virtual event is high. We recommend allocating a reasonable portion of the money that would have otherwise been spent on elements of an in-person event (location, food, drink, gifts) toward nailing the technology and digital content. Additional areas to invest in could include high quality pre-recorded video content, a dedicated web portal, and an interactive platform for live Q&A sessions. Companies will need to consider their approach to digital content and technology within the context of their industry and brand—investor events present unique opportunities to deliver important messages to key stakeholders through different and often more creative channels.
- + For more seamless execution throughout the event, consider implementing a separate closed line of communication amongst company participants to allow for behind-the-scenes coordination on technical handoffs, difficulties, or interruptions.

“Treat virtual events like a live TV program. Viewers will be frustrated if the experience doesn’t work for them. Use a secure and stable technical platform and a great live-events team.”

– Sonal Patel

Partner, Executive Producer
MerchantCantos



Be Thoughtful About Supporting Visual Content / Multimedia

- + When it comes to slide presentations for virtual investor days, companies should try to keep it simple. Many investors and analysts like to annotate on printed slides but working from home presents challenges as most people are operating without high-speed printers.
 - Consider creating easy-to-print versions of any presentation materials that can sit alongside more expansive and creative digital collateral online.
- + Companies should leverage the multimedia created for the event through corporate digital channels including the IR site and social channels. Repackaging and repurposing content in a compelling way can effectively amplify key messaging to broader stakeholder groups beyond attendees and help maximize the company's investment in the event.

“Film components, VR and live interactive exhibits, a branded event microsite and 360 videos are all tools that are worth exploring to make it a successful event on the day but also make for a more engaging experience for those who want to watch and interact with the content later on.”

– Sonal Patel
Partner, Executive Producer
MerchantCantos



Virtual Investor Days:

The Live Broadcast

The COVID-19 pandemic has meant convening large-scale events in a traditional manner is not possible and businesses are relying on a number of technical solutions to meet market expectations.

What's possible, what's acceptable and what works well in this environment has evolved very quickly and investors are already developing their expectations for engaging, high quality virtual events.

Our experience of producing virtual investor days, roadshows and AGMs is that you should not try to re-create an actual in-person live event. Instead you should think of the event as a live broadcast.

To keep the audience engaged you need to use the tried and trusted techniques that broadcasters use to keep viewers watching:

- + **Brevity** – no session should be too long.
- + **Variety** – there must be a mix of content – live, pre-recorded, films that take you out into the real world, panels, Q&A, polling, set piece speeches etc.
- + **Signposting** – you must constantly tell the viewers what is coming up so that they keep watching.
- + **Flow** – the program must flow smoothly from element to element. This will only come from rehearsal and a strict running order.
- + **Stability** – you must ensure a secure and stable technical platform. It must work smoothly or viewers become frustrated.
- + **Brand** – the program must look like it is a whole and not a series of discreet content segments.

We believe it's vital to marry strong editorial guidance with excellent technical skills to achieve the outcome you desire. Planning and pre-production are critical, and the editorial must lead the technical.

It's also worth investing in the branding of your event. Think about how best to reach and interact with your audience. This includes deciding where to stream, how it should look and feel, and determining the technology it takes to deliver. Within this, we recommend creating a bespoke, designed microsite to host your virtual investor day. This page should follow your own brand guidelines and be tailored specifically for your audience.

The look of the page, slides and any virtual documents on the microsite are designed to sit alongside the event and give viewers a seamless experience from start to finish.

About the authors



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As an award-winning Executive Producer and Group Partner, Sonal leads the London Film team, film projects and integrated Brunswick Group and MerchantCantos creative campaigns, providing senior leadership at every stage.

Sonal has been writing, producing and directing in television and film for 20 years. Her expertise encompasses investor documentaries, corporate films, executive interviews, deal work and employee engagement. She advises clients at Board level, producing content strategy for business-critical communications.

Sonal began her career in New York as a broadcast journalist for MTV, PBS, WNBC and New York 1. She has a master's degree in Broadcast Journalism from the Newhouse School at Syracuse University.



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Stephanie serves as a Senior Advisor at Brunswick Group. She is an investor relations executive combining a background in investment banking (capital markets) and software product marketing to deliver award-winning, strategic investor relations. She has fifteen years of experience leading global IR teams, building strong relationships within the investment community, providing feedback and counsel to management teams and boards, and effectively communicating corporate strategy to buy-side and sell-side analysts. Stephanie is an investor relations charter holder (IRC). She has been recognized twice by Institutional Investor for investor relations and is the winner of the International and American Business Awards (the "Stevie Awards") in the category of "Communications, Investor Relations of PR Executive of the Year."

Stephanie is currently serving on NIRI's Advocacy Steering Committee and the Future of IR Think Tank. Stephanie graduated from Dartmouth College with a B.A. in Economics and in Asian Studies (Chinese). She holds an MSc in Development Finance from the University of London School of Oriental and African Studies.



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Kate is a Director based in Brunswick's New York office. She advises clients across industries on a variety of public relations and investor relations matters. She often works with companies navigating high-pressure financial situations including friendly and contested M&A transactions, shareholder activism, and other issues impacting corporate reputation.

Kate joined Brunswick in September of 2018 from FS Investments, an alternative asset management firm with \$25 billion in AUM, where she ran the firm's corporate communications function. While at FS, she successfully led the company's communications efforts around a complex, multi-party transaction between the company, Blackstone, and KKR.

Prior to FS Investments, Kate was a Director at Joele Frank – a financial communications firm – originally in the firm's New York office and later as part of a small team that opened the firm's San Francisco office. She began her career in investment banking at RBC Capital Markets in New York as a member of the Equity Capital Markets team. She holds a Bachelor of Arts from Harvard University.

Brunswick is an advisory firm specializing in business critical issues. Since 1987, Brunswick has been helping clients navigate the interconnected financial, political and social worlds to build trusted relationships with all their stakeholders. A global partnership, with 23 offices in 14 countries, we operate as a single profit center – allowing us to respond seamlessly to our clients' needs, wherever they are in the world. Clients in 50+ countries rely on us to be in their corner.

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MerchantCantos, a Brunswick Group company, is one of the world's leading creative agencies. With six offices worldwide, we deliver impactful, integrated communications for global clients. Founded in 1988 with a focus on financial reporting and in-depth, investor interviews, we've built an understanding for the real challenges facing our clients. Our specialties now encompass investor communications, sustainability, brand, and employee engagement. Our offers – design, film and digital – and expertise cover all aspects vital to business communications, and then some. MerchantCantos: we bring creativity to business critical communications.

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