



MANAGING EXTERNAL COMMUNICATIONS

***PRESENTED BY
FLEISHMAN-HILLARD, INC.
FEBRUARY 7, 2002***

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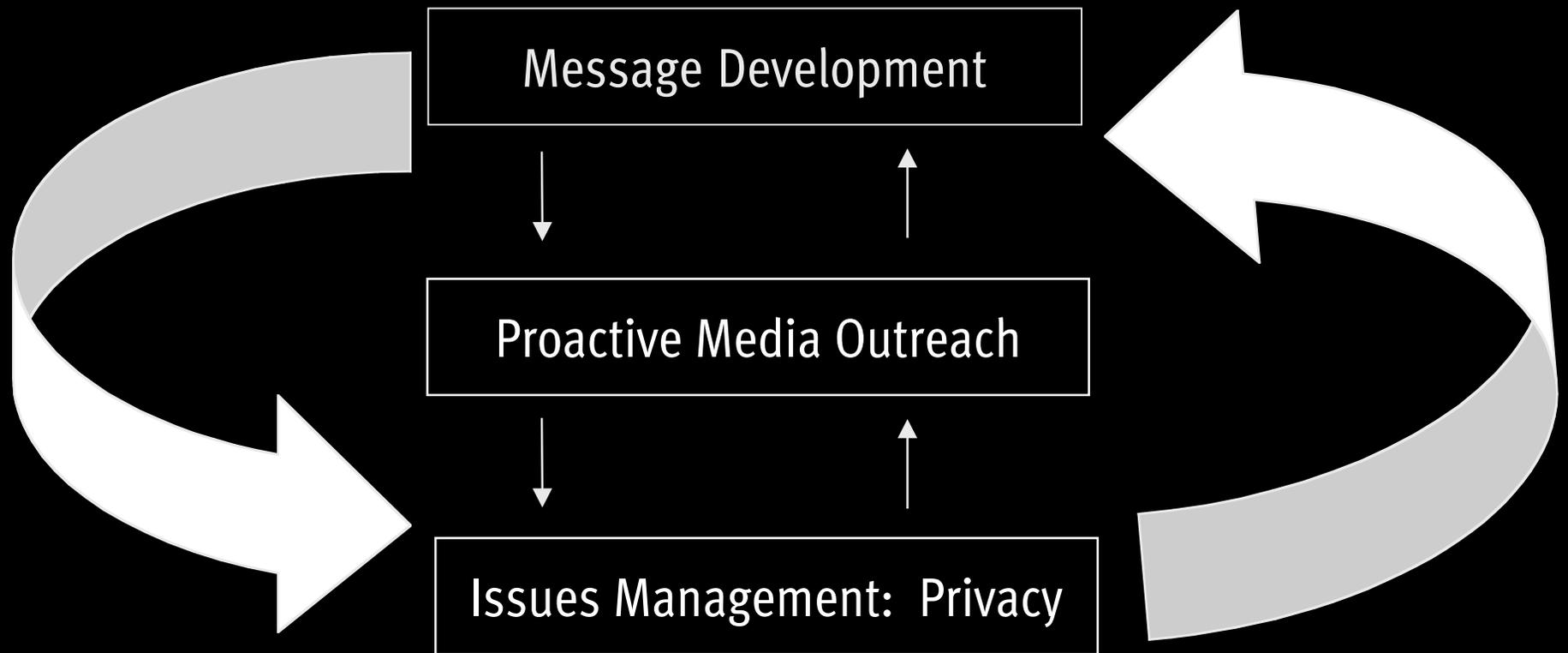


COMMUNICATIONS PLAN

- Three primary components
- Global focus
 - Message Development
 - Commercial and Consumer
 - Proactive Media Outreach
 - US, Europe, and Asia
 - Issues Management: Privacy



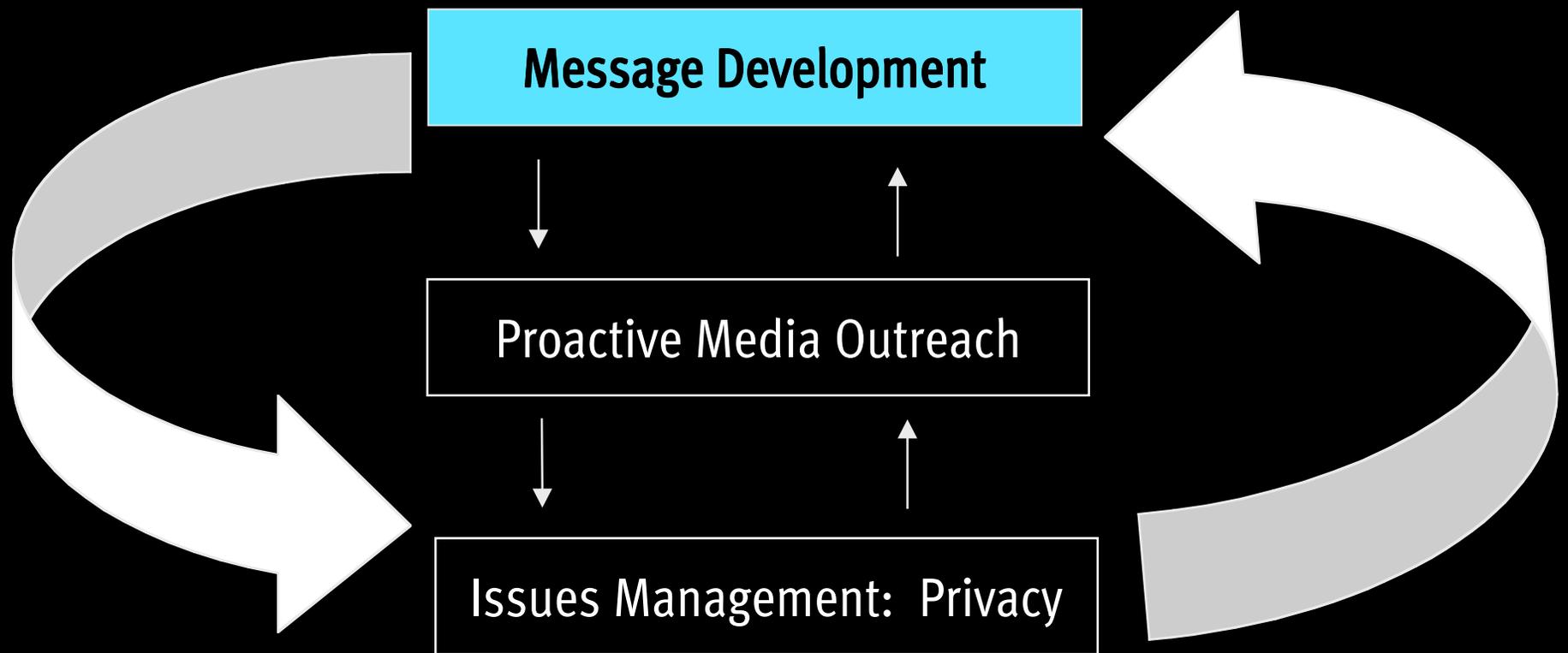
SYNERGY BETWEEN COMPONENTS



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FOUNDATION FOR COMMUNICATIONS



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STRATEGY

- First decide what we say

message development

- Then how we say it

communication plan



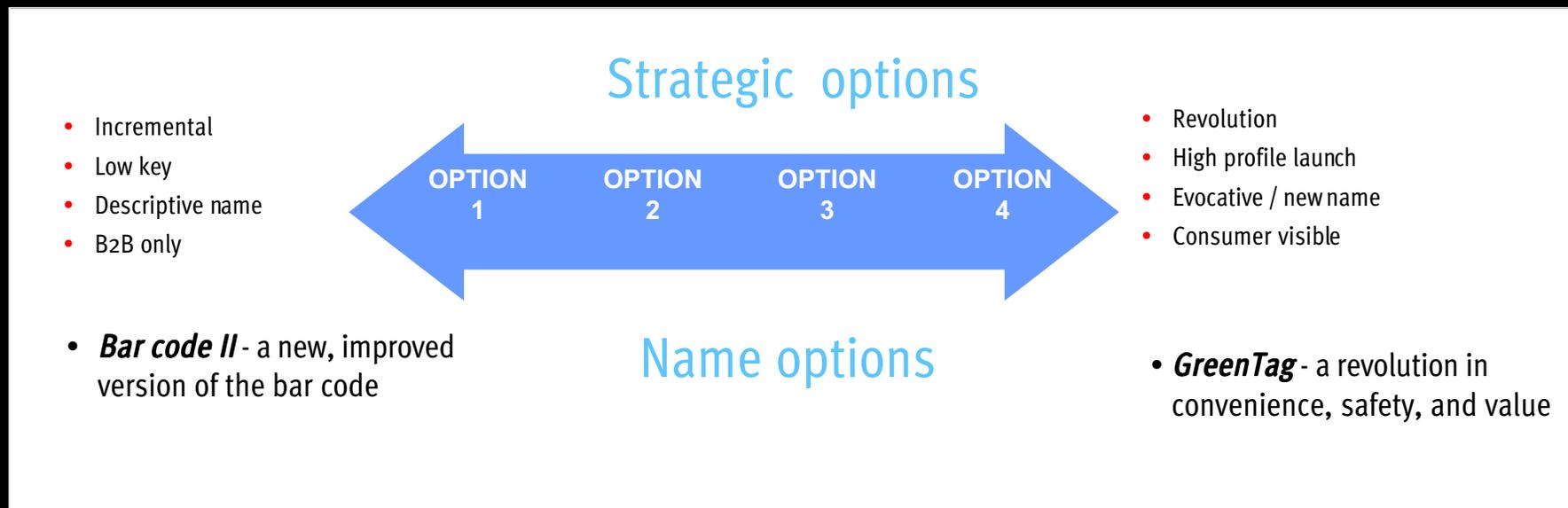
MESSAGE DEVELOPMENT

- Explore potential messages
 - different benefits
 - different audiences
- Select appropriate message



AN EXAMPLE

- A spectrum of options exist, each with different implications on message development



- We need to generate and explore the pros and cons of options as a foundation of our communication strategy



WHY IS IT IMPORTANT?

- drive adoption
 - killer application
- address key issues
 - privacy



PRIVACY: PRUDENT OR PARANOID?

- There will be privacy concerns surrounding the auto-ID system
 - what will these be?
 - will they be new or different compared to other technologies?
- The concerns will be dependant on how the system is explained and to whom we are talking to
 - a wide range of (mainly rational) benefits
 - many (mainly emotional) concerns

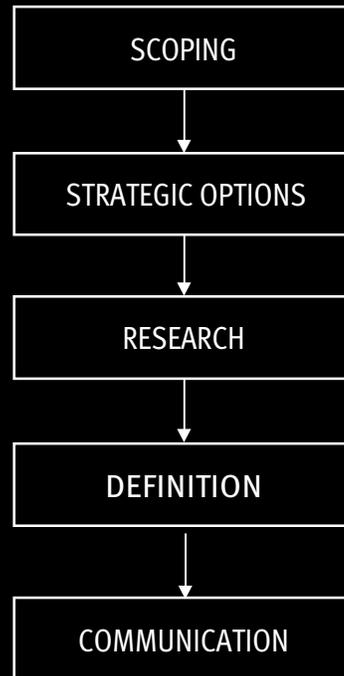


PRIVACY: IMPLICATIONS

- Need to understand the range of potential concerns with different audiences
 - This will require **original research**
- The auto-ID system must strive for a pervasive, compelling benefit that is positively and proactively communicated
- In the absence of positives you are left with the negatives
 - No news is bad news



PROCESS



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OUT-PUT

- Clear, consistent, tested message
 - drive adoption
 - address privacy issues
- A name and strap line
 - Short hand for a 'message'
 - Differentiation & Ownership
- Content for the communication plan

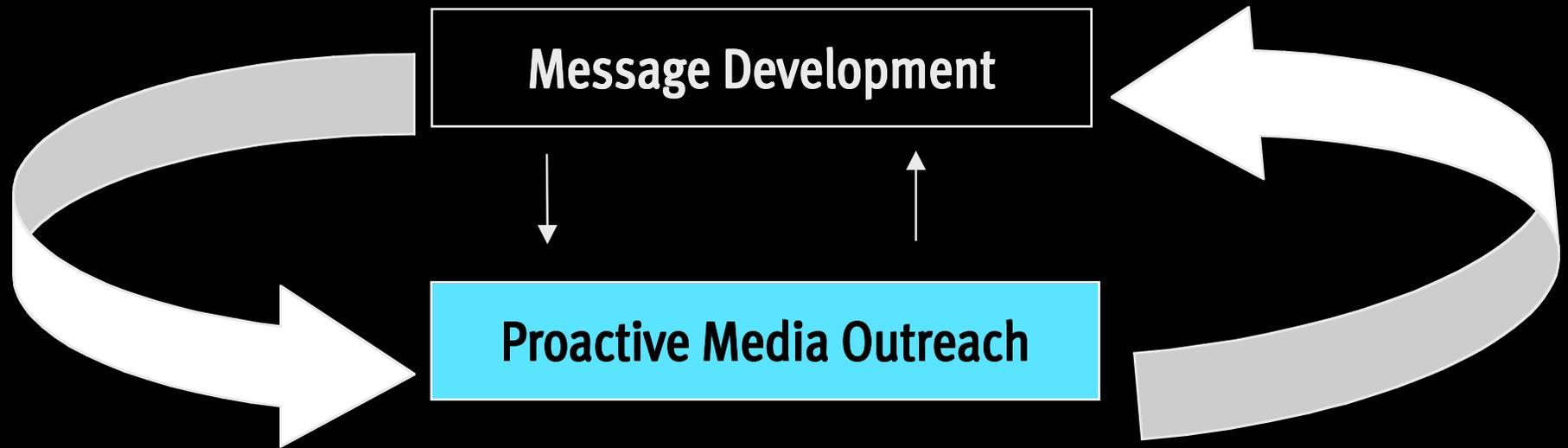


MESSAGE DEVELOPMENT SUMMARY

- Results would be valuable on many fronts:
 - drive adoption
 - address key issues such as privacy and identify others
 - form the basis for communications strategy
- Valuable investment
 - identify resources available to reduce cost



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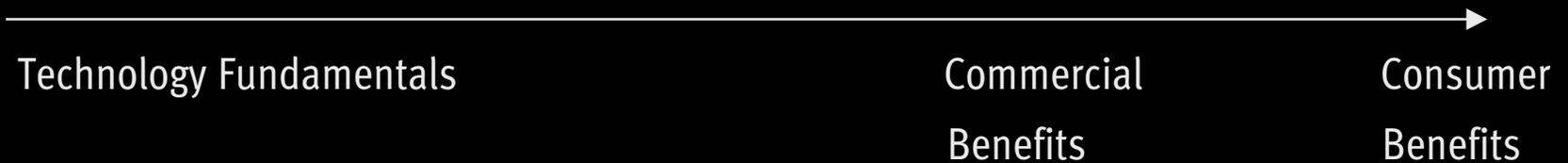
MEDIA OUTREACH

- Situation Analysis
 - Media interest for technology continues to increase, and spreading to general public outlets
 - *Forbes, Associated Press, USA Today*
 - Center sought as “third party” expert on:
 - RFID
 - Tag Costs
 - Supply-chain management

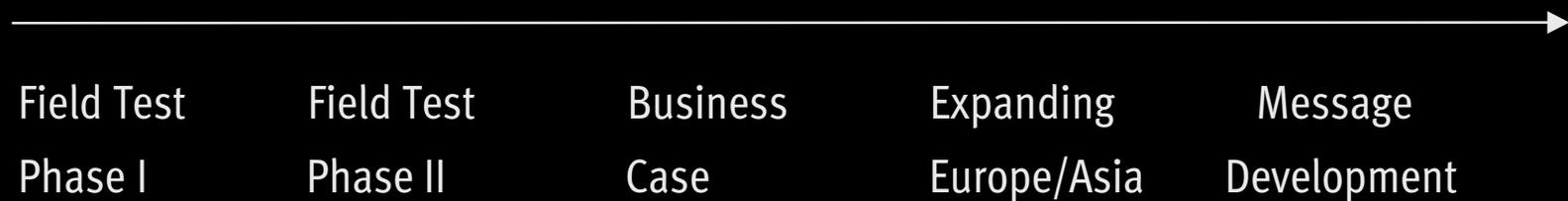


MEDIA OBJECTIVES

What is being communicated . . .



When . . .





GLOBAL APPROACH

- U.S.
 - convey inevitability of technology
 - use key events to spur media interest
- Europe
 - establish Cambridge as *the* European source
 - deliver technology message during two key events
 - EPC Alliance in March
 - Lab launch in July
 - provide on-site support

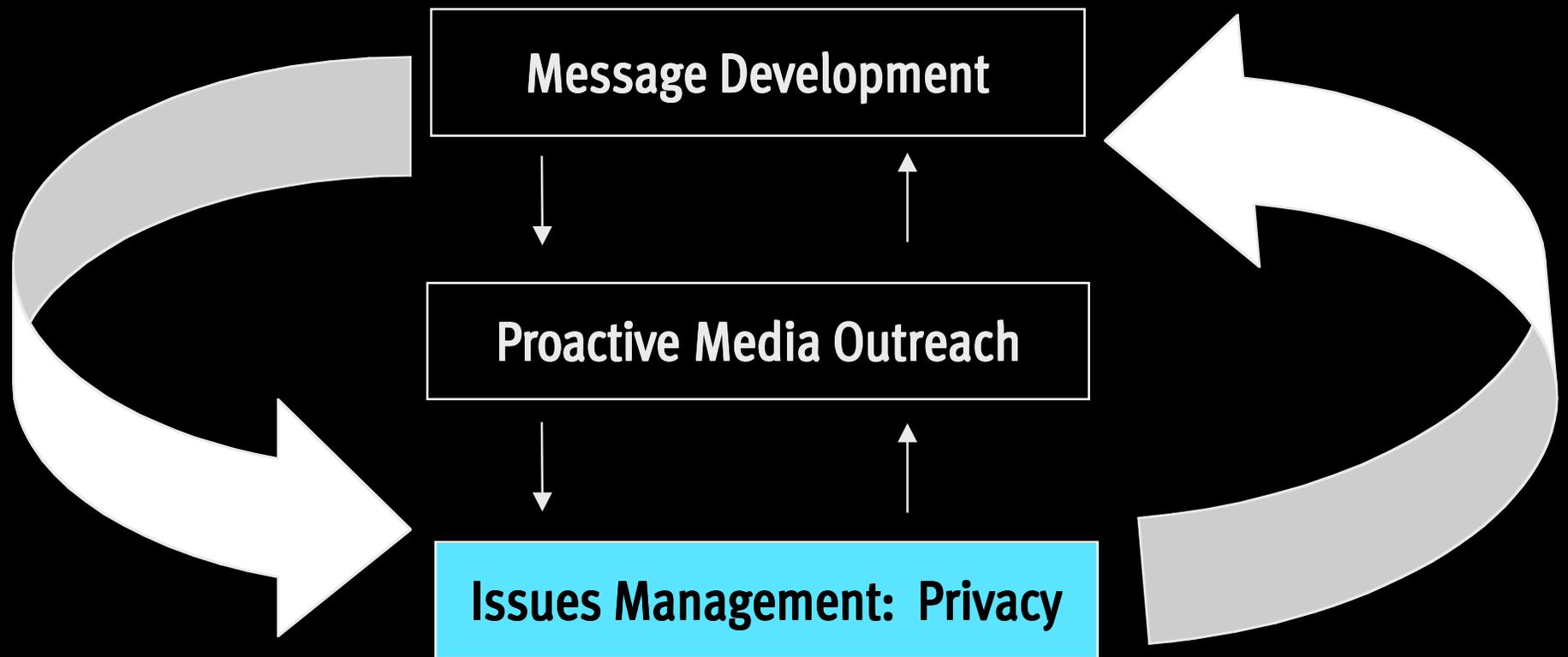


GLOBAL APPROACH (CONT.)

- Asia
 - announce and build excitement for lab openings in Japan and China (Fall '02)
 - identify key events that would lend opportunities to educate media about technology
 - provide on-site support



COMMUNICATIONS PLAN



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PRIVACY: A CONSUMER HOT-BUTTON

Consumers are:

- Very concerned about invasions of their privacy
- Cynical about government and private sector's commitment to protecting privacy
- Inclined to believe that businesses have little incentive to protect consumers' personal information
- Doubtful that existing policies/laws are sufficient
- ❖ *This anxiety is driving an invigorated public sector focus on privacy protection . . .*



U.S. AGENDA

At home:

- Hearings and legislation on Capitol Hill
- Discussion regarding major policy shifts
(national ID card, tagging consumer products)
- Intensified FTC focus
- 1st state-level Privacy Commissioner
- Vocal privacy rights advocates



OUTSIDE THE U.S.

- Europe
 - In many ways, ahead of the U.S.
 - currently reviewing and implementing EU Directives on personal data
 - communication on Network and Information Security
 - EU Cybercrime Forum
 - Green Paper on Corporate Social Responsibility
- Asia
 - Will conduct similar assessment



A PROACTIVE APPROACH ON PRIVACY

- Political climate and shifting public perception require a proactive plan that:
 - *validates* Center's/sponsors' commitment to protect privacy
 - *communicates* benefits of technology
 - *cultivates* support
 - *neutralizes* opposition
 - *mitigates* possible public backlash



ELEMENTS OF THE PLAN

- **Element 1:** Refine messages, develop material, and structure campaign
- **Element 2:** Create a Privacy Advisory Group
- **Element 3:** Educate top-tier opinion leaders
- **Element 4:** Monitor and participate in public policy discussions
- **Element 5:** Widen the sphere of influence through Business Alliances
- **Element 6:** Widen the sphere of influence through Interest Group Alliances



ELEMENT 1: MESSAGE, MATERIAL & STRUCTURE

- Need persuasive messages to influence decision makers, build allies, and convert skeptics
 - benefits must outweigh perceived risks
- Package messages into audience-specific advocacy material (talking points, fact sheets, Q&A, etc.)
- Structure a campaign to maximize and leverage available resources (eg., trade body partners)
- Develop and implement crisis management plan



ELEMENT 2: AUTO-ID CENTER INTERNATIONAL PRIVACY ADVISORY COUNCIL

- Create a Privacy Advisory Council to:
 - provide 3rd party validation to Center's privacy commitment
 - offer valuable guidance on technology and privacy issues
 - serve as spokespeople, when necessary
- Made up of:
 - well known, credible, and credentialed experts
 - potentially adversarial advocates
- Upfront focus on finalizing and endorsing privacy paper, establishing standards
- On-going, formal role



PRIVACY ADVISORY COUNCIL (CONT)

- Examples of potential members:
 - Harvard Information Infrastructure Project
 - Georgetown Center on Law and Technology
 - Center for Democracy and Technology
 - Electronic Privacy Information Center
 - Global Information Infrastructure Commission
 - Consumer Federation of America
 - Privacy Officers Association
 - European Consumers' Union



ELEMENT 3: EDUCATE TOP-TIER OPINION LEADERS

- Identify key government, regulatory, and interest group leaders who:
 - are framing and/or managing policy debate
 - have a potential political stake in ePC's success
- Provide top-line, one-on-one briefings
 - stay ahead of the opposition
 - begin to cultivate long-term relationships
- Bring into the Center's "inner circle"
 - get their advice early and often
 - use feedback to refine messages and benefits



TOP-TIER OPINION LEADERS (CONT)

- Including, for instance:
 - U.S. Senators Leahy and McCain
 - U.S. Representatives Dingell and Tauzin
 - FTC Bureau of Consumer Protection
 - National Association of Attorneys General
 - AARP
 - AFL-CIO
 - Head of Unit, EC, Information Society
 - Leaders of European Parliament Industry Committee



ELEMENT 4: BECOME MORE ENGAGED

- Many policy decisions under discussion could impact viability of ePC
- Important to monitor what is happening and engage, but strategically:
 - if the stakes are high
 - if it positions the Center as an important thought leader
- Immediately, conduct intensive audit of privacy legislation, directives, regulations, and analyze potential impact
- Put in place a reliable monitoring system
- Establish turn-key lobbying apparatus, leveraging network of sponsors and trade body partners



ELEMENT 5: WIDEN THE SPHERE OF INFLUENCE THROUGH BUSINESS ALLIANCES

- Best defense is a good offense . . .
- Launch a coalition-building campaign, first focused on business applications, to:
 - build alliances with interest groups, associations, etc. who stand to gain from the new technology
 - leverage the stature and reach of the Center's sponsors, vendor partners, and trade body partners
 - activate their memberships to demonstrate "strength in numbers"
- Educate one-on-one, keep informed, mobilize when appropriate



BUSINESS ALLIANCES . . . SOME EXAMPLES

AIM Global

American Forest & Paper Assn

US Chamber of Commerce

Food Marketing Institute

Intl Mass Retail Assn

Ntl Assn of Manufacturers

Ntl Retail Federation

PhRMA

RFID Council

American Chemistry Council

The Business Roundtable

Consumer Specialty Products Assn

Grocery Manufacturers of America

Ntl Assn of Convenience Stores

Ntl Paper Trade Assn

Ntl Soft Drink Assn

Point of Purchase Advertising Intl



ELEMENT 6: WIDEN THE SPHERE OF INFLUENCE THROUGH INTEREST GROUP ALLIANCES

- When prepared with persuasive consumer-oriented benefit messages . . . AND when ready on PR and technology fronts . . . begin to create a more powerful and diverse army of supporters:
 - health care advocates
 - disability rights advocates
 - law enforcement advocates
 - senior advocates
 - mainstream consumer advocates . . . to name just a few
- Motivated by improvement to quality of life
- Less likely to become engaged until commercial applications are better defined
- More likely to be concerned about privacy implications
- Use same tactics of education, cultivation, and mobilization at appropriate time



CAMPAIGN TIMELINE: A CAUTION

- Very important that public affairs, public relations, and technology development/deployment strategies are aligned and complement each other
- Must feel confident on all fronts before proceeding on any one of them
- Following is based on current discussions . . .

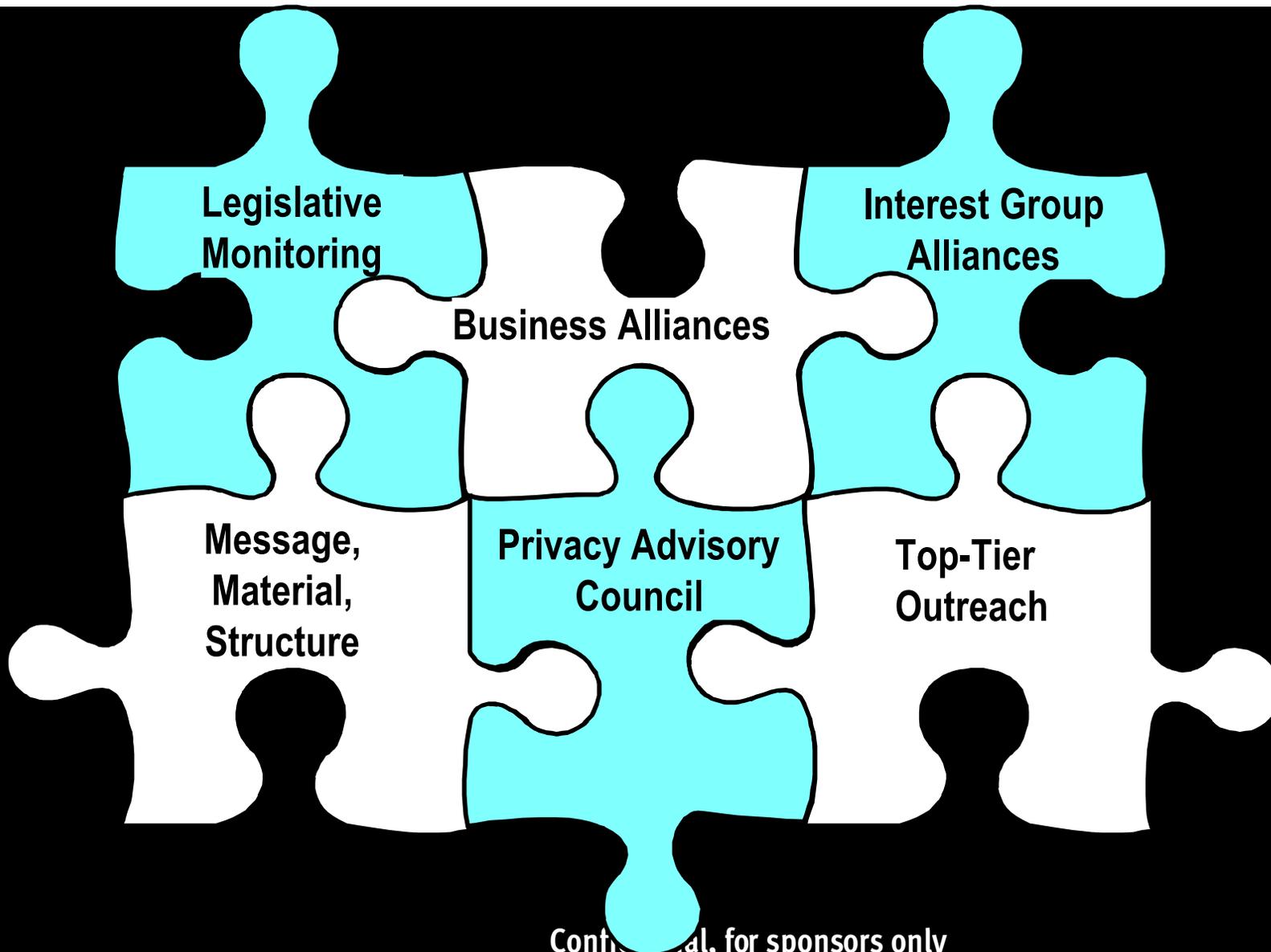


CAMPAIGN TIMELINE

- **Q1 2002:** Finalize plan of action, structure campaign
- **Q2 2002:** Create Privacy Council, begin Business Alliance outreach, monitor legislation
- **Q3 2002:** Begin top-tier outreach, formalize Business Alliance coalition
- **Q4 2002:** Privacy Council endorsement, mobilize Business Alliance coalition, update top-tier stakeholders
- **Q1 2003:** Only if ready, begin Interest Group Alliance outreach, extend reach to state and local groups ...



To SUM UP . . .



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COMMUNICATIONS PLAN AND TIMELINE

| | 2002 | | | | | | | | | | | | 2003 | | |
|---------------------------------------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|--|
| TACTICS | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | |
| Message Development | XX | XX | XX | | XX | XX | | XX | XX | XX | | | | | |
| Media Outreach | | | | | | | | | | | | | | | |
| U.S. | | | | | | | | | | | | | | | |
| Field Test | | XX | XX | XX | XX | | | | | | | | | | |
| Business Case | | | | | | | | | XX | XX | XX | | | | |
| Europe | | | | | | | | | | | | | | | |
| ePC Alliance | | XX | XX | XX | | | | | | | | | | | |
| Lab re-launch | | | | | | XX | XX | XX | XX | | | | | | |
| Asia | | | | | | | | | | | | | | | |
| Planning | | | | XX | XX | XX | | | | | | | | | |
| Japan/China | | | | | | | XX | XX | XX | XX | XX | | | | |
| Issues Mgmt: Privacy Advisory Council | | | XX | XX | XX | | | | | | | | | | |
| Top-Tier Outreach | | | | | | XX | XX | XX | | | | | | | |
| Business Alliance Outreach | | | XX | | | | |



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Questions and Answers

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