

Thank you for the opportunity to talk to you about the process ... the journey if you will ... of Waterways Council to produce and air a TV commercial that we hope, indeed, tells the Maritime Story. I am Debra Colbert and I manage the communications and media relations program for WCI, the national public policy organization that advocates for a modern and well maintained system of inland waterways and ports.



Let me first tell you a bit about WCI's strategic goal as it relates to communicating the messages of the organization and of the industry: our goal is to promote to the general public via the news media the many positive benefits of a modern and well-maintained inland waterways navigation infrastructure system. This is a system that is often out of sight, out of mind, so we have to work even harder to have folks in the media and the general public ... as well as those in Congress and the Administration ... understand and appreciate the issues.



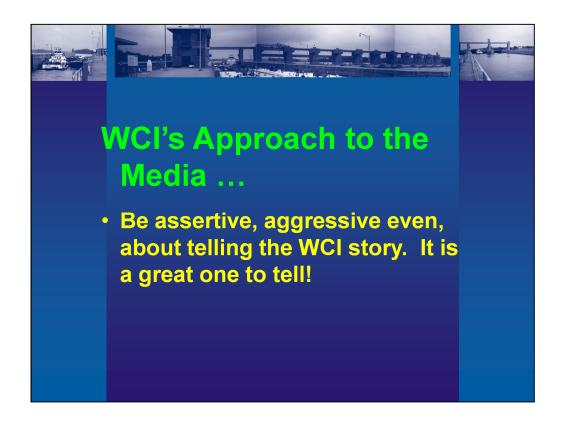
WCI has several key messages The waterways attract high-value investment, which in turn creates jobs. This is very important in tough economic times.



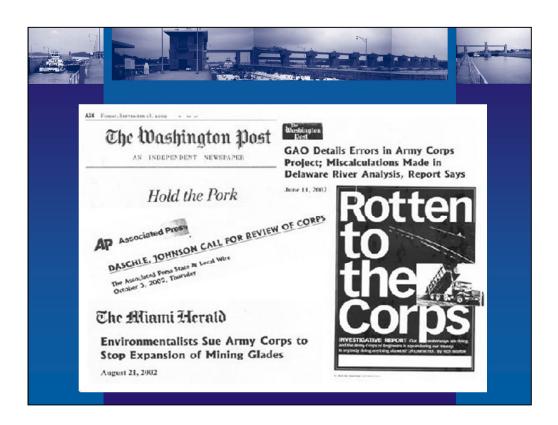
WCl's Key Messages ...

- Transport "Building Block Commodities"
- Flow Along Critical Energy Supply Lines
- Keep U.S. Industries Competitive in a Global Market
- Facilitate Exports
- Waterways transport is environmentally superior, reduces pollution by relieving congestion, saves fuel

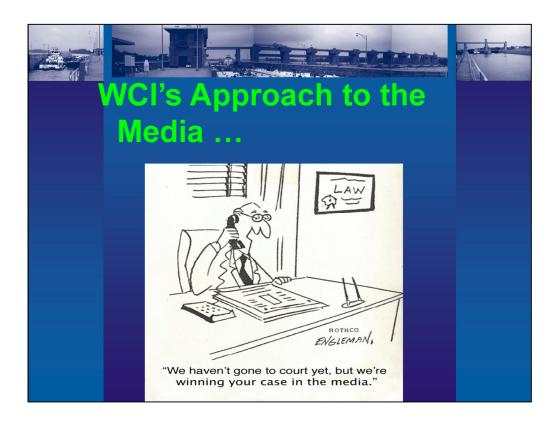
Our waterways move our critical products in this country and for export, they facilitate energy supply, keep our U.S. economy competitive, and do it in the most environmentally sound way.



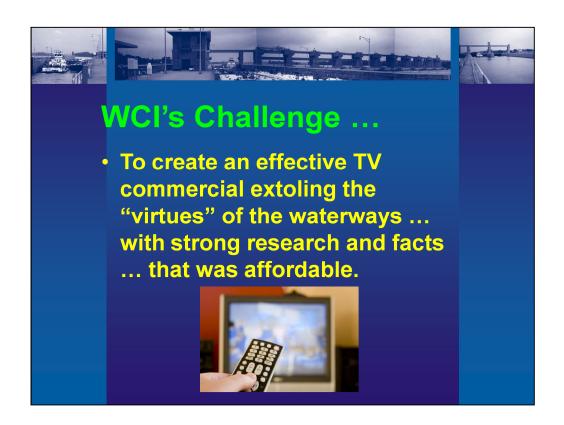
Our view at WCI is to be assertive, even aggressive, with the news media in order to make our story heard and known, and from our perspective. WCI was actually created from Waterways Work!, a campaign started in 2001 to help tell our story in a more positive light, after the Corps of Engineers was taking a tough public beating in the pages of the Washington Post and even in outlets like Popular Mechanics, where a headline read "Rotten to the Corps." And as all of you media savvy folks in this room know, if you don't step up, the media will have its way with you. As media professionals, our goal is to inject balance at the minimum, and to portray our industry/industries in as positive a light as possible.



Here are just a few of the headlines we were seeing in the early days of Waterways Work!



The media, even while shrinking and going more online, is important for many reasons...



Before I came to Waterways Work! and then Waterways Council, I was Director of Public Affairs for the American Waterways Operators 17 years ago. Even at AWO, we wished we could create a national TV effort to help tell our story, but it was ghastly expensive. And then when I came to WCI, the railroad industry began its barage of TV commercials, one of them titled, "Tomorrow: Arriving by Train." They then created one that focused on trains moving cargo 413 miles on one gallon of fuel, even creating lapel pins with the number 413 for their visits to Capitol Hill. And while those messages were all true and we appreciated the attention to one important mode of the intermodal chain, we knew in the inland industry that our messages were even better, even stronger. That indeed, we could move that same ton of cargo 576 miles on one gallon of fuel, and that we needed to find a way to capitalize on the ground work the rail campaign had already laid in order to tell our story. But we had to do it in a way that was affordable to our much smaller...and leaner ... industry.



At this time, WCI had hired a new President, Cornel Martin, who really provided the impetus to move ahead with a targeted campaign. He knew that a national campaign would be expensive, but he suggested researching something more targeted, more directed at who we wanted to influence – not in the Midwest or on the West Coast, but Capitol Hill decision-makers and those Inside the Beltway. He is also very media savvy.



In thinking about a TV campaign, we also wanted to select a way to tell the story that would complement the very successful radio commercial that our sister organization AWO had created many years ago that was airing on drive time radio within DC.



Let me play the AWO radio ad for you now...



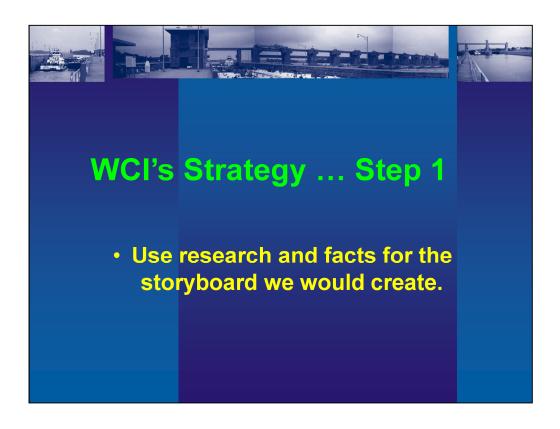
We wanted to help educate the Inside the Beltway audience of decision makers so that should any legislative action approach those lawmakers would have some warm and fuzzy feelings about the value of this small, but critically important, inland waterways transportation industry.



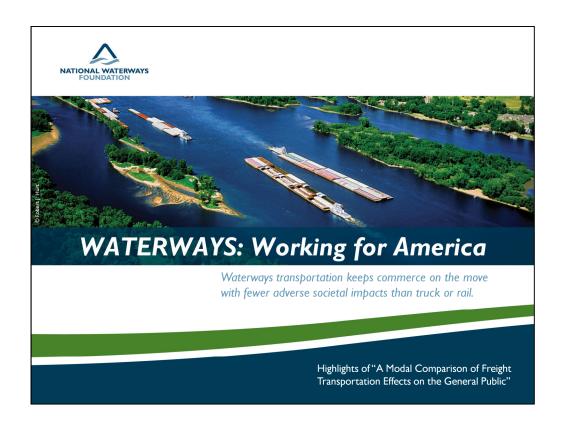
And as I said, part of our challenge in a tough economic downturn was to seek a more affordable way to tell our story than the national option.



We next needed to get our members to buy into this idea and then to support it by contributions.



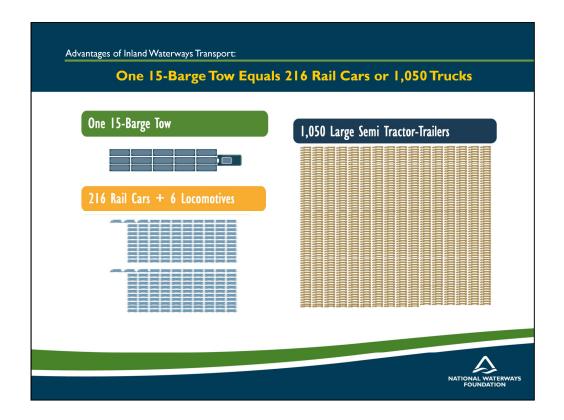
We needed to use facts to support the story we would be telling.



WCI is fortunate to work with the National Waterways Foundation, which has been providing research on the waterways industry since 1978. They conducted a study in 2008 with the Texas Transportation Institute and co-shared the cost with MARAD, to compare freight transportation effects on the general public among train, truck and barge/towboat.

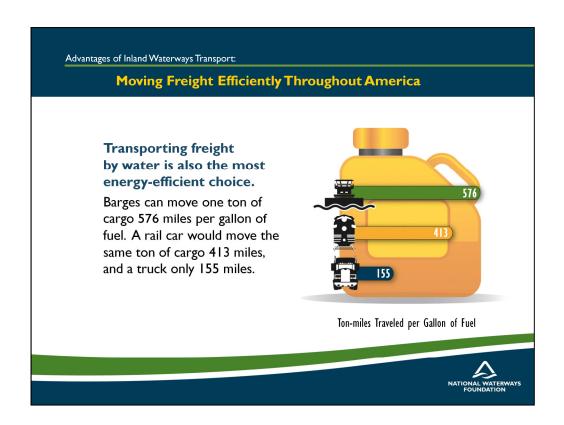


The TTI report compared the cargo capacity of a barge, a rail car, and a semi-truck. It found that one dry cargo barge carried the equivalent of 16 rail cars or 70 trucks. To provide some dimension to the carrying capacity of one barge, one barge load of wheat could produce 2 1/2 million loaves of bread. That's nearly one loaf for every person – man, woman and child – in the state of Kansas!



This new report also indicates that a common 15-barge tow of dry cargo has the equivalent capacity of 216 rail cars and six locomotives, or 1,050 tractor-trailers.

You know the warning "Objects in mirror are larger than they appear"? To fit the 1,050 trucks on this slide, they have go be pretty small. These same 1000-plus trucks would actually appear MUCH larger if you were sharing the Interstate with them!

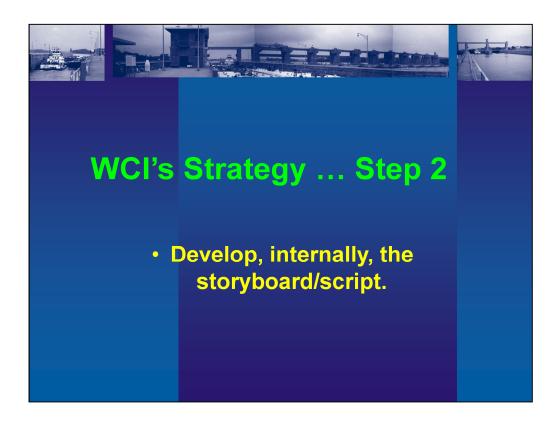


Another factoid: As I said earlier, today's towboats moving barges can transport one ton of freight 576 miles per gallon of fuel. A modern locomotive would move that same ton of freight 413 miles per gallon of fuel, and a truck would move it 155 miles. That means barges have an energy efficiency 3½ times that of trucks. Again, we wanted to shout these data points from the roof tops.



An addendum to this original TTI study focused on carbon footprint. Researchers compared the emissions of carbon dioxide for cargo shipped by shallow-draft barges, railroads and tractor-trailers. For each 1 million ton-miles of cargo moved, barges produce 19.3 tons of carbon dioxide, or so-called "greenhouse gases" compared to 26.9 tons by rail and 71.6 tons by truck. That's 371% more CO2 emissions by truck . . . 39% more by rail!

If the entire 274.4 billion ton-miles of cargo moved by barge in 2005 were shifted to either rail or truck, rail would emit an additional 2.1 million tons of carbon dioxide while trucks would generate an additional 14.4 million tons of carbon dioxide per year. Barges are the Greener Way to Go indeed.



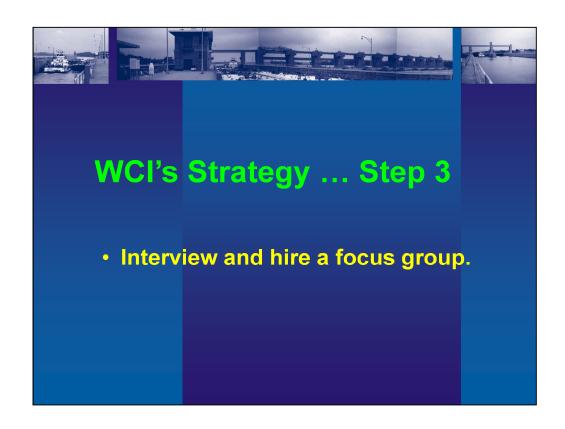
Armed with these facts, our next step was to write the script that captured those messages.



We put together a small group of members, drafted the 30 second script and then the longer 3 minute video script. We decided on the titled, "Keep America Moving" because at a time when the country seems stalled in recession, the waterways and the ports keep our building block commodities moving in and out of the US and for exports, and it is a constant now and for the future.



And while we felt we knew what the most pertinent issues were within our industry...energy efficiency, environmental stewardship, traffic congestion relief...we wanted to be sure we weren't missing something that might resonate with out audiences even more strongly. So we hired a focus group firm to do the heavy lifting here and determine what we should be saying. Sometimes you are too close to the messaging to know if it really means anything outside of the choir.

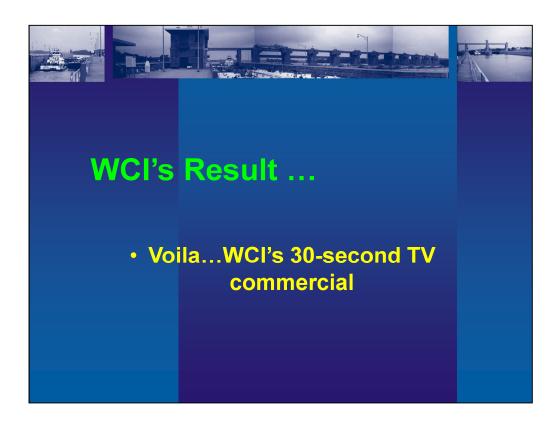


We got several recommendations from members and others about focus groups. They ranged in price, most of them hovering around \$50,000 on average. We thought that would surely blow our budget, even though this was an important step. I called a PR firm I know and asked them who they have worked with and recommend and without hesitation they suggested Booms Research, led by Jason Booms. I met with Jason, who remarkably had done research for Edelman PR and who had actually worked on the team to create one of the national rail ads. He well understood our goal and even our industry, and his proposal was far less than the larger firms. We hired him and his approach was to first conduct a series of one on one telephone interviews with Capitol Hill staff in offices (see report for questions) from Hill offices that were in the WCI university (ex: T&I Committee) and those who were landlocked and didn't know what a barge even was.

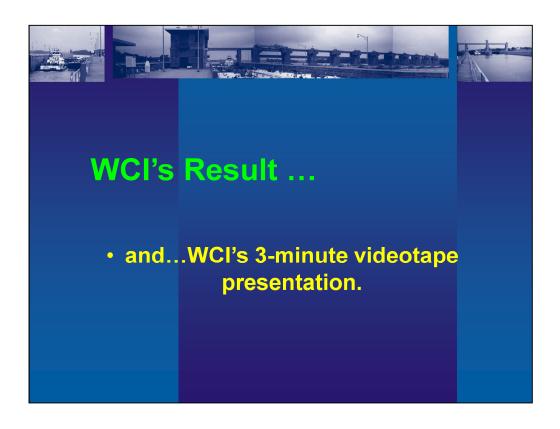
He then gathered the live focus group at a facility with two way glass and we watched from the other side to see their dialogue. They did, indeed agree that energy efficiency, traffic congestion and environmental benefits were important, but they also added jobs, which we just frankly would have missed if they didn't raise us to it. The focus group also suggested that print ads in Capitol Hill publications to complement the details of the commercial would be a good idea so we are looking at the costs to do that as well.



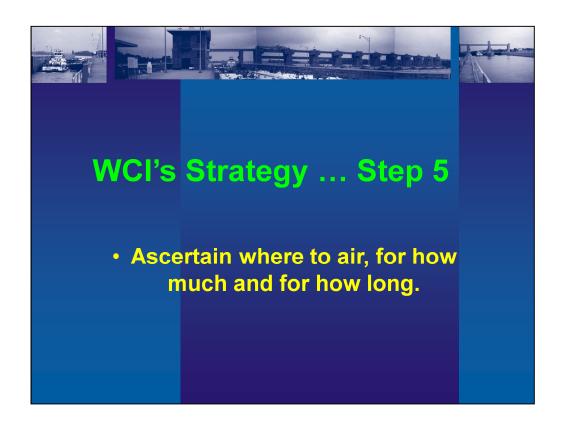
As you can imagine, the cost to hire a creative firm to shoot a commercial can be outrageously expensive and in our case, just cost prohibitive. But, one of our largest members offered the services of its video production unit in Ohio to help take our script and create the images. We asked our members to provide a variety of activities related to the industry, from the standard barge tow shots to the other beneficiary/ancillary activities like labor and agriculture, exports, environmental conservation, etc. The producer also helped us to create graphics, which you will see in the final product. Our only expenses here were for the professional voice-over, and any stock images or video footage that we had to buy to supplement what we had.



So now, with all that background and buildup, let's roll the final product.

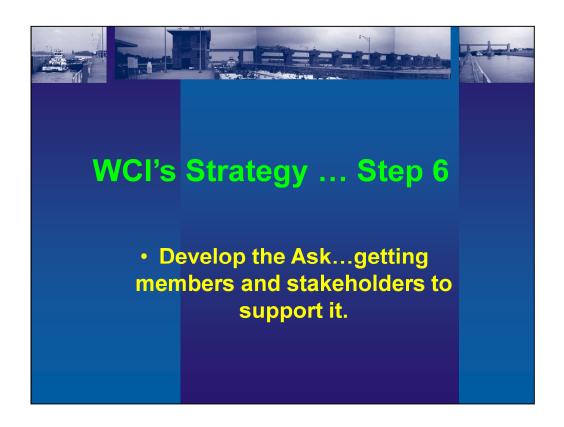


And here is the longer videotape that goes into more detail than the 30 second commercial.



Once we had created it. and decided to air it in a more targeted way, we needed to figure out how to find the right cable TV company that reached the Hill and Admin offices. It turned out to be Comcast cable, which has the largest density of reach for our target audience.

At a cost of around \$309,000 a month, we found we could air our spot two times a day in a bipartisan way on Fox News, CNN and Comedy Central's the Daily Show, for example. Our spot runs during peak as well as nonpeak hours. Comcast also threw in several free bonus runs that occur during peak and nonpeak hours. Comcast's Nielsen information reported that in the first month of airing the commercial, 467,450 people watched it!.



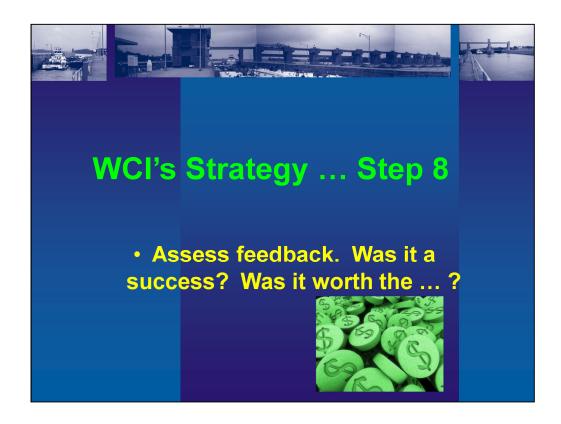
We had some money in our PR budget to kick this off but needed a campaign to raise the funds to have it run for several months. We first addressed our Executive Committee, at which point a member from one of our agriculture organizations pledged to match industry funds, which was such a generous donation and really helped us design the campaign to begin at the end of February and run through the end of June. We developed three levels of sponsorship. Everyone jumped in to pledge their support and we were off and running.



Once we raised the money from members, set the contract on the airing on Comcast, we started employing a grassroots approach to bringing attention to the effort via our members' using twitter, posting both to You Tube and watching the hits wrack up (currently it is around 4,000 for each), having members post the two to their own web sites, having several members show it as presentation ands a few have it running on monitors in the entry way of their buildings, and sending the link itself to Hill contacts. We have found the support and enthusiasm for this has been very high because all of us involved in waterways issues I think are happy to support educational outreach, even from other organizations. AAPA was one of our supporters of the effort and I think send the link around to folks...thank you Aaron!



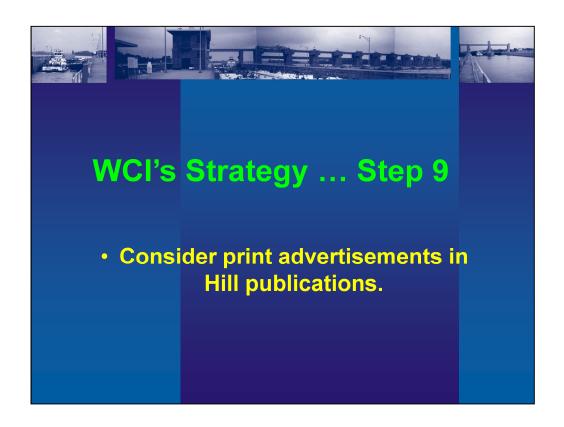
Working again with our sister organization AWO, who made a media buy on the very popular Hill web site Politico.com, we shortened the 30-second spot to 15 seconds and are getting 200,000 impressions of the video and 400,000 impressions of the AWO ads over the course of a four-week run throughout 2010.



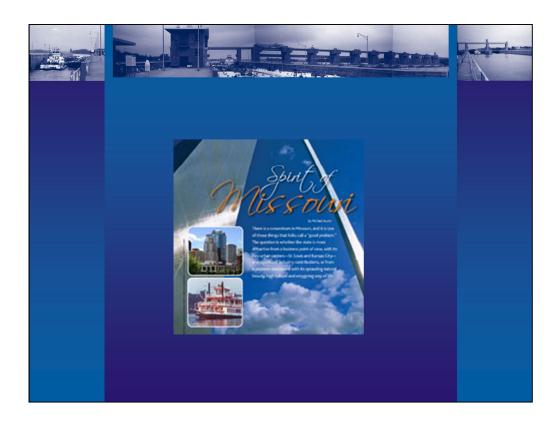
Feedback is very important to the success of any effort and so we have received some in a variety of ways. First, during Capitol Hill fly in meetings the first day the commercial aired back in February, our chief lobbyist reported that a senior staffer in an important office and the member of congress told him they had seen the commercial and it was great, very informative. As well, a WCI member reported that EPA Administrator Lisa Jackson told him that she saw the commercial and 'never knew the green facts' included there. Lastly, we also are paying for Comcast's interactive service that tracks our click thru rate and other things and reported that In the first month of airing the commercial our click through rate.

Click-through rate or CTR is a way of measuring the success of an online advertising campaign. A CTR is obtained by dividing the "number of users who clicked on an ad" on a web page by the "number of times the ad was delivered" (impressions). For example, if a banner ad was delivered 100 times (impressions delivered) and one person clicked on it (clicks recorded), then the resulting CTR would be 1 percent.

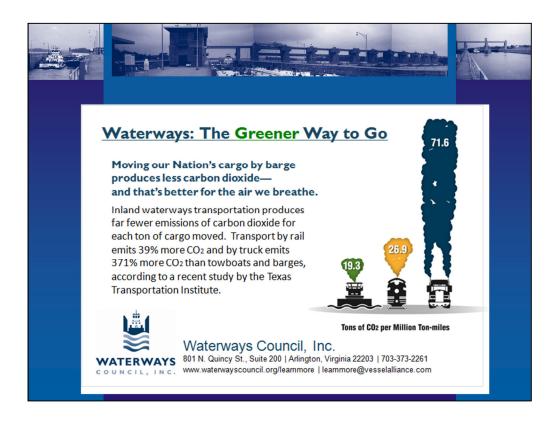
... Our CTR was 33% higher than the national average in the first month of airing. 1,474 people viewed the commercial and 400 may have watched it twice in its entirety over the first month. This feedback also let us determine how many impressions we were receiving over the month...62,000 online. We will receive these reports each month for the life of the campaign. We may also retain the research firm again to do follow up "exit" interviews with folks to see if their impressions had changed from their early interviews and see what they remembered and learned from the commercial.



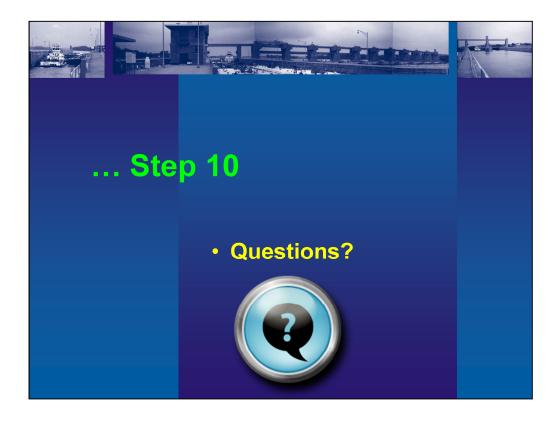
As I said, the focus groups helped us determine that running a series of print ads in Hill publications would be a great idea, so we are looking at the costs for that now, to focus on one message ...traffic congestion for example...at a time in Politico and Roll Call, the two most influential publications right now. Full page, 4 color ads range around \$9,500 if you are considering that option in your own work.



We are, however, running a half-page ad in Southwest Airlines' Spirit Magazine for the July issue, as a way of further spreading our environmental message.



Here is our ad for that publication.



So with Step 10, that concludes my presentation. Thank you for your attention and this invitation. Are there any questions I haven't addressed here? Thank you!



With that, I will conclude. Are there any questions? I also want to tell you that both the commercial and videotape are on WCl's web site, so feel free to visit the site and view the commercial and the video at any time. Thank you.