

ACHIEVING THE RIGHT MEETING MIX

IROs ARE TAKING A MORE VARIED
APPROACH TO INVESTOR MEETINGS,
SAYS ELIZABETH JUDD

When IROs think ‘investor outreach’, conferences and non-deal roadshows immediately leap to mind – and with good reason. Mary Turnbull, director of corporate access for institutional equity sales at Raymond James, characterizes both types of investor meetings as absolutely critical. That said, she is also convinced savvy IROs are increasingly using more creativity when mapping out the right meeting mix, considering industry investor tours, site visits and small lunches and dinners as additional ways to make a lasting impression.

‘There are many different audiences among the institutional investor community,’ says Turnbull. ‘Portfolio managers are looking for the 50,000-foot view so, for them, going to conferences and having non-deal roadshows in their offices is great. But for an analyst looking for the really deep dive, investor tours and smaller meetings may work better. There’s always a core group of investors that wants to be able to put together all the pieces of the puzzle.’

Because investors vary greatly in the information they desire – and how they want to receive it – Turnbull argues for a mix-and-match approach to investor meetings. She observes that with budgets less pinched than in the past few years, IROs are once again looking at investor meetings more broadly – a trend she applauds.

INVESTOR ROAD TRIPS

Earlier this year, when Joe Crivelli became senior vice president and director of investor relations at BOK Financial in Tulsa, Oklahoma, he knew he needed to employ some out-of-the-box strategies

to reach investors because he wouldn’t be operating from an investment center.

‘I’m a big fan of the road trips the sell side puts together,’ says Crivelli. BOK Financial will be one of roughly 10-12 banks to present during Raymond James’ Texas Bank Tour in November. Crivelli has tapped the president of BOK’s Texas bank, as well as the company’s CFO, to present to investors in Dallas. ‘These tours make it a lot easier for companies in the Midwest to meet with investors,’ he says.

Michael Rose, senior vice president at Raymond James, has organized the two-day Texas Bank Tour for the past several years. He charters a bus and schedules an initial day of meetings with banks in Houston before investors take a night flight to Dallas, where several additional publicly traded banking companies make presentations at a hotel conference room. Rose believes the small



MARY TURNBULL, RAYMOND JAMES

group setting is one of the strengths of investor tours. 'You may not have thought of a question another investor has generated,' he points out. 'Hearing other investors' questions has some genuine value-add.'

Turnbull points out that visiting headquarters can prove particularly illuminating for investors because they meet a much deeper bench of talent than they would at either an investor conference or a non-deal roadshow. 'At the headquarters, you'll have the head of different divisions and the leaders of key lines of business,' she says. 'Once you're getting into that second level beyond the C-suite, it really helps to understand what's going on at the company.'

Manufacturing and mining companies have historically organized site visits, but recently even those with less picturesque businesses are getting in on the act. 'Maybe there's nothing sexy about going to the home office of a company and sitting in a conference room all day,' says Turnbull. 'But if you get the right people in the room, it can be really interesting.'

A TACTILE EXPERIENCE

Mark DeRussy, director of finance for SBA Communications in Florida, is another advocate of meeting investors in as many different venues as possible. He participates in a mix of non-deal roadshows, sell side-sponsored conferences, industry conferences and meetings at headquarters. 'I think it's important to take advantage of a variety of different channels,' he says.

DeRussy praises sell-side conferences as opportunities to have 'maintenance conversations' with analysts and to meet many people in a short time period. The downside, he says, is that 'a conference can seem like speed dating', with the management team fighting to make an impression on investors that might be talking with a dozen other management teams on the same day. He is fond of non-deal roadshows because they bring the company in contact with portfolio managers, who usually function as their firm's decision maker. He also likes that the non-deal

roadshow meeting is typically an hour, instead of a mere 30 minutes.

For DeRussy, though, 'bringing people to headquarters is the best of all worlds because they're there to focus on you. To get somebody's undivided attention in a more relaxed atmosphere – sometimes for an hour and a half – is a terrific way to deliver a broader, more strategic message.'

Often, DeRussy schedules visits to headquarters to coincide with a half-hour tour of the company's communications towers. 'We're in the wireless industry and, by definition, that is somewhat hard to visualize,' he explains. 'Most investors have seen these towers driving along the highway, but we open up the fence and let them into the compound so they can walk around the towers and touch them. The tactile experience makes a great impression on investors.'

EXPERIMENT WITH OPTIONS

Although Turnbull acknowledges that 'there is no secret sauce' when it comes to mapping out a meaningful investor experience, she believes IROs should experiment with a variety of options in order to reach a broad audience. On August 7, for instance, she arranged to have Zillow CEO Spencer Rascoff discuss the housing market and the company's long-term prospects with roughly 30 investors that called in for a virtual 'fireside chat', which followed immediately on the heels of Rascoff's town hall meeting with President Barack Obama.

In September, when Turnbull learned that RJ Jones, Zillow's IRO, would be speaking in Manhattan, Raymond James organized a dinner for 20 with just a week's notice. 'If you're going to be in a city with a high concentration of investors, work with one of your broker partners and meet as many investors as possible,' Turnbull advises.

In the end, she emphasizes that conferences and non-deal roadshows are almost certain to remain the primary outreach vehicles for IROs. 'But if you have an extra hour or two in a city, use it,' she says. 'Why not take any and all opportunities to increase exposure without a lot of extra effort?' **CA**

ABOUT RAYMOND JAMES

Raymond James' corporate access team uses its global distribution network to facilitate meetings between company management and institutional investors. We host more than 600 corporate access events each year, with an emphasis on personalized service from start to finish, including investor targeting, seamless logistics and post-meeting feedback. Raymond James & Associates is a member of the NYSE and Securities Investor Protection Corporation.

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