

*Testimony
Of
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*Information Policy, Census, and National Archives Subcommittee
Oversight and Government Reform Committee*

Monday, March 23, 2009

2154 Rayburn HOB

10:00 A.M.

*“2010 Census: Using the Communication Campaign to Effectively
Reduce the Undercount”*

The Information Policy, Bureau of The Census, and National Archives Subcommittee, Oversight and Government Reform Committee have asked DraftFCB to provide comment concerning the Integrated Communications Campaign for 2010 Census in the following areas:

- *Specific details about the accomplishments of DraftFCB and its sub-contractors to date*
- *How the various components of the campaign will be tested to ensure they resonate with traditionally undercounted groups*

Background

DraftFCB and its sub-contractors are seventeen months into a 4-year contract for the 2010 Census Communications Campaign. We are one of the largest global integrated marketing communications firms focused on communications in all media (broadcast, print, internet and emerging technologies). Our sub-contractor partners, with specialties in areas that complement our expertise, include:

- Weber Shandwick: Public Relations (Earned Media) and Partnerships
- Jack Morton: Events Marketing, Promotional Items
- GlobalHue: Black Audience (Minority Owned)
- GlobalHue Latino: Hispanic Audience (Minority Owned)
- D'Exposito & Partners: Hispanic Audience (Small, Woman Owned, Minority Owned)
- DraftFCB Puerto Rico: Integrated Communications for the Commonwealth of Puerto Rico
- IW Group: Asian Audiences (Minority Owned)
- Zona Design: Design (Small, Disadvantaged, Minority Owned)
- Allied Media: Emerging Markets - Arabic, Russian, Polish (Small, Minority Owned)
- G&G Advertising: AI/AN, NHOPI (Small, Disadvantaged, Minority Owned)
- MarCom Group: Recruitment (Small, Disadvantaged, Minority Owned)
- PLUM Agency: Multi-Cultural Advertising & Design (Small, Disadvantaged, Minority Owned)
- Scholastic: Educational Marketing/Census in Schools

Scholastic, PLUM and D'Exposito are the most recent additions to the contract.

DraftFCB and our partner sub-contractors are fully committed to delivering the goals of the census:

- Increase overall mail response
- Increase accuracy and reduce the differential undercount

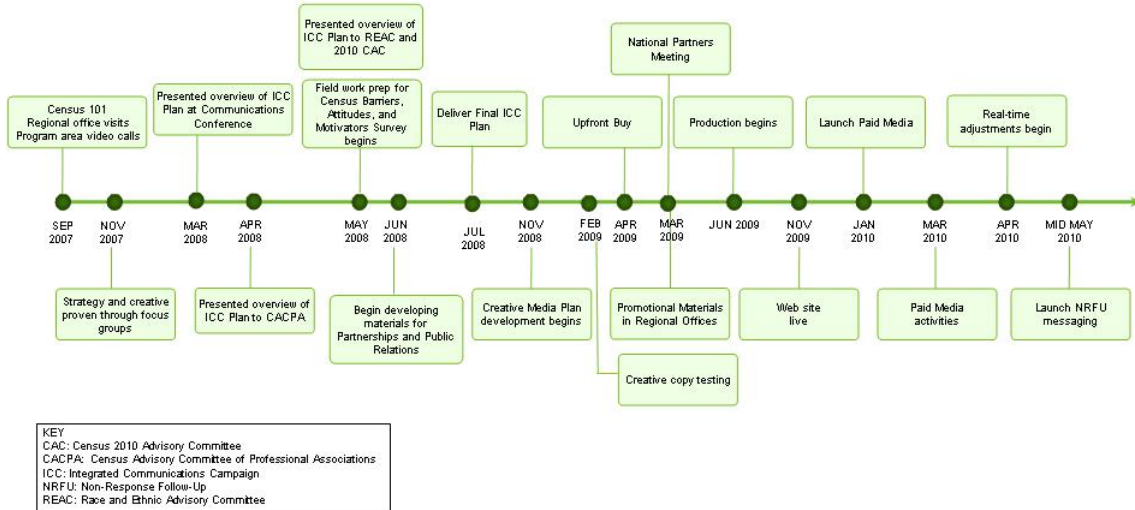
- Improve cooperation with enumerators

We continue to be on track to deliver the Campaign to the marketplace on time and on budget. During our first seventeen months we have maintained an on-time standard and intend to continue that standard throughout the contract's lifecycle. We understand there is only one chance to do census correctly.

Campaign Timeline

The Campaign Timeline we have developed jointly with our partners and shared with the Bureau and stakeholders continues to function as the overall timeline for developing and researching the messaging and materials for the Campaign, planning and buying the media, disseminating and deploying the materials in market and developing and implementing the plan for tracking and optimization. This timeline, and the many sub-schedules that are linked to it, is used both to track our performance and chart our course forward.

2010 Census Timeline



Reviews

We continue to have frequent, ongoing communication with the Bureau that includes our sub-contractors regarding progress and review of the work of the contract. In addition, there are key points when more formal review and approval of work by the Bureau and Stakeholders is required. These have included:

- CBAMS (Census Barriers, Attitudes & Motivators Study) Findings
Fall 2008
- Media Plans
Late Winter 2009
- View Proposed Ad Ideas in rough form such as storyboards or scripts
December/January
2008/2009

Important, upcoming reviews and approvals are as follows:

- Findings of Copy Testing of Proposed Ads
March/ April 2009
- Upfront Media Buy Proposals (Phase I Buy)
Spring 2009
- Production of Advertising
Summer 2009
- Remainder of Media Buy Proposals (Phase II Buy)
Fall 2009

The timeline is built around securing approvals at these junctures in order for the work on the Campaign to move to the next phase.

Accomplishments to Date

The accomplishments to date have been significant and have occurred in every key area of preparation activity for the Campaign:

- Research, including messaging development and testing
- Media
- Partnership Program Support
- Census in Schools
- Public Relations

- Web sites
- Measurement, Metrics and Tracking
- Small Business Sub-Contracting

What follows summarizes key accomplishments and upcoming work by preparation area with particular focus on how these activities will enable the Census to reach hard-to-count populations effectively and motivate them to participate.

Research

Research is the foundation of the Campaign and a critical guide for all of its activities. To start the process of developing messaging and media plans, an extensive review was conducted of available learnings from the 2000 Campaign as well as meetings with each of the 12 Regional offices and briefings with census employees, members of REAC and other Advisory Committees.

Once this foundation was laid, four separate phases of research were conducted and have now been completed.

Audience Segmentation

While the goal of the Campaign is to reach everyone, an audience segmentation model is necessary to ensure that the most-difficult-to-motivate populations could be targeted effectively by communications. So the population was segmented into eight clusters based upon mail-back behavior in Census 2000. The clusters were further refined and validated with 2006/2007 American Community Survey data. Five of the clusters have high percentages of hard-to-count populations. These are:

- Single Unattached Mobiles
- Ethnic Enclave I
- Ethnic Enclave II

- Economically Disadvantaged I
- Economically Disadvantaged II

These clusters will receive more emphasis in the Campaign.

The remaining three clusters: Advantaged Homeowners and All Around Average I and II will receive less emphasis. All of the clusters are inclusive of race so they are non-race specific.

This segmentation model enables the Campaign to allocate resources and funnel messaging relative to each cluster's propensity to respond to the census.

Focus Groups for the Unifying Idea

The next phase of research for the Campaign was the development and testing of the idea that would power and unite all elements of the 2010 Census Campaign. DraftFCB and our partner agencies collaborated to develop several unifying ideas. The Bureau selected three of the ideas presented for further development. The platform idea and a creative expression of each were exposed in focus groups to determine if they would resonate and motivate across all racial and ethnic audiences. The most successful idea, "The 2010 Census, It's in Our Hands," became the inspiration and unifying idea for the development of all communications.

CBAMS (Census Barriers, Attitudes and Motivators Survey)

While the audience clusters provided data on where hard-to-count populations lived for effective targeting, the data did not provide insight into *why* these audiences had a low propensity to participate in the census. This information would be critical to the development of motivating messages. The reasons behind low intent to participate, and the potential motivators to overcome them, were the goals of CBAMS.

CBAMS was fielded in the late Summer/early Fall of 2008. The study was designed to ensure full and effective representation of all populations. Special efforts were

made to include personal interviews when populations could not be surveyed by either landline or wireless phone. All audience clusters were fully represented in the CBAMS survey as well as all race and ethnic groups.

All of our partner agencies participated in the design, analysis and findings of CBAMs. The study revealed five distinct mindsets about the census in the population.

Those mindsets are:

The Leading Edge: (26% of population) – are well-informed about the census, value it and are highly committed to participating in it because they fully believe it will positively impact their communities.

The Head Nodders: (41% of population) - are very positive about the census, but not well-informed about its uses/benefits, which makes them highly impressionable and vulnerable to negative word-of-mouth and publicity.

The Insulated: (6% of population) - have heard of the census but don't know very much about it and are indifferent towards it because they believe they have seen little evidence of the worth of the census in their lives and communities.

The Unacquainted: (7% of population) - often peripheral -- linguistically or culturally isolated -- they have never heard of the census, know nothing at all about it, and are least likely participate in it.

The Cynical Fifth: (19% of population) - despite their claimed unfamiliarity with the census, they actually know a lot about it and are resistant to it based on their ideological belief that the census is an invasion of privacy and may be misused.

Copy Testing of Creative

In order to conduct and complete this fourth phase of Research, DraftFCB and its partners began and completed an extensive phase of creative development of potential messages in rough execution format (television, radio, print) for all audiences in the Campaign, between November 2008 and March 2009. The kick-off of that work was the development of a creative brief for each of the Campaign's audiences: the diverse mass for people who consume messages in English, and all the overlays to the Campaign consisting of the 13 other languages of Campaign representing audiences such as Hispanic, Arabic or Chinese speaking, etc., as well as other English-Speaking audiences such as Blacks, American Indians and Pacific Islanders who will receive in-culture messaging. This is an important, industry-standard practice to ensure that all creative executions are focused around the most motivating message strategies. Customized briefs were developed for each race and ethnic audience as well as for the diverse mass communications base plan. Each brief also incorporated learning about attitudes, barriers and motivators from CBAMS.

For each audience, DraftFCB and the partner agency expert for a specific race and ethnic group developed a full communications campaign covering the core motivating messages from the creative brief, all media types and all phases of the Campaign: awareness, motivation and non-response follow-up. A broad-ranging team of Census Bureau reviewers participated in shaping and choosing the messages and executions for testing. DraftFCB and its partners then produced in rough form (drawings and sketches, video-storyboard treatments, etc.) all the materials for testing.

The testing methodology consisted of group sessions, employing both qualitative and quantitative techniques, with respondents representing the 14 languages of the Campaign, from all audience clusters and mindsets. Each execution was evaluated

among its intended audiences as well as in some cases, among audiences who may see it in the marketplace by virtue of their media consumption habits. The goal of the focus groups was to obtain reactions to the messages in order to optimize the creative and ensure that it resonated with and motivated its intended audiences. DraftFCB and our partner agencies conducted a total of 78 sessions in 21 cities in the contiguous United States as well as Hawaii, Alaska and Puerto Rico. Approximately 1,400 consumers participated in the groups. Participants were carefully recruited to ensure representation of the different races and ethnicities as well as hard-to-count and undercounted populations. The initial presentation of copy-testing findings will be made in late March 2009.

Media

DraftFCB and our partner agencies are in the process of developing Paid Media plans designed to make 2010 Census the most pervasive message in the marketplace, especially during mail-out/ mail-back phase (March/ April 2010). The resulting final media plan will culminate from the work of our partner agencies, developing paid media plans across 14 languages that will reach into every market across the United States and Puerto Rico.

The Paid Media Planning and Buying Timeline is as follows:

Dec. 2008 – Media Strategy Recommendation Issued

Jan. 2009 – Paid Media Recommendation Issued

Apr. 2009 – Stimulus Media Recommendation to be Issued

Spring 2009 – Buying Phase I - Census Upfront Negotiation/ Buying to Commence

Census Upfront – The Upfront occurs when advertisers secure a select group of television shows and networks months before the start of the season, at set, typically discounted, prices. The Census Upfront will magnify that structure to encompass multiple media types. We will negotiate multi-platform deals with large companies such as Time Warner, Disney ABC, BET, etc. to negotiate the best

pricing, placements and added value for the Campaign. We will begin these negotiations earlier because of the ability to negotiate discounts, as well as the long lead times required for integration and implementation.

As part of the negotiations, these companies generally bring added-value offers to the table to increase the odds that inventory in their properties will be chosen. The added value can range from announcements about the census that they produce and run at their expense to bonus inventory and promotional items. During the negotiation we will share at the appropriate time information about the Campaign to enable them to provide the most advantageous added-value packages.

Summer 2009 – Census Upfront Period to Conclude

Summer 2009 – Buying Phase II to Commence

Buying Phase II – We will negotiate media buys with other vendors in Phase II. Commitments for media such as local TV and radio, magazines, newspaper, internet and outdoor, including ethnic media, are typically made with shorter lead time. Industry -standard practice is to negotiate these media with shorter buying windows without incurring higher rates. This aligns with how Census Media was purchased in 2000.

Fall 2009 – Begin committing to Phase II-negotiated Media

Jan. 2010 – Execute and upgrade schedules as plan is implemented based on marketplace conditions

Mar. 2010 – Devise and Implement Rapid Response Media Plans based on early mail return rates

The 2010 Census Media Plan will consist of both National and Local Media. National Media, such as Network and Cable TV, will provide reach into every market across the country. Local Media, such as Newspapers and Outdoor, will provide concentrated incremental reach into specific markets and even neighborhoods. Local Media markets were selected based on their prevalence of

“Hard-to-Count” populations, as defined by census data, and/or the need for in-culture and in-language communications as a means of reducing the differential undercount.

It should be noted that releasing projected allocations at the individual market level prior to the conclusion of both Buying Phases is undesirable for the following reasons.

It hinders our ability to negotiate effectively. If in-market spend levels are public knowledge, vendors have less incentive to provide their most aggressive rates and proposals.

All individual market spending remains provisional, since media plans have been built based on planning costs, or assumptive rates. As market conditions vary, we may spend more or less in a market than anticipated to buy the desired media. As such, we will be unable to provide accurate spending figures by market until negotiations conclude.

In addition, numbers released before the end of the campaign will be understated because they will not include any potential in-market spending as part of Rapid Response and NRFU efforts. These efforts constitute more than 10% of the overall media budget.

The following provides a summary of Planned Paid Media spending. These are planned estimates that will likely change once media is purchased:

By Audience/Media Type: (Base, Stimulus, Total Budget)

Base - \$212MM Allocation

Media Type	Total	Diverse Mass	Hispanic	Black	Asian	NHOPI	AI/AN	Emerging Markets	Puerto Rico	%
			Audience	Audience	Audience	Audience	Audience	Audience	Audience	Audience
TV	\$ 49,037,804	\$ 34,137,804	\$ 5,700,000	\$ 5,400,000	\$ 1,700,000	\$ -	\$ 900,000	\$ 300,000	\$ 900,000	54%
Radio	\$ 14,940,000	\$ 4,700,000	\$ 2,700,000	\$ 6,000,000	\$ 500,000	\$ 300,000	\$ 400,000	\$ 40,000	\$ 300,000	16%
Newspaper	\$ 10,180,000	\$ 2,500,000	\$ 3,500,000	\$ 1,100,000	\$ 1,900,000	\$ 300,000	\$ 400,000	\$ 180,000	\$ 300,000	11%
Online	\$ 6,270,000	\$ 4,700,000	\$ -	\$ 1,000,000	\$ 400,000	\$ 70,000	\$ -	\$ 50,000	\$ 50,000	7%
Magazine	\$ 1,200,000	\$ -	\$ 500,000	\$ 500,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	1%
Out-of-Home	\$ 7,960,000	\$ 5,900,000	\$ 800,000	\$ 500,000	\$ 500,000	\$ 10,000	\$ 70,000	\$ 80,000	\$ 100,000	9%
Unallocated NRFU	\$ 1,500,000	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2%
Media Subtotal:	\$ 91,087,804	\$ 51,937,804	\$ 14,700,000	\$ 14,500,000	\$ 5,200,000	\$ 680,000	\$ 1,770,000	\$ 650,000	\$ 1,650,000	100%
Production	\$ 23,195,450	\$ 8,455,446	\$ 5,345,518	\$ 5,305,199	\$ 1,871,855	\$ 335,413	\$ 932,261	\$ 270,758	\$ 679,000	
Labor	\$ 52,019,288	\$ 24,435,708	\$ 6,435,309	\$ 6,493,845	\$ 6,874,770	\$ 1,256,933	\$ 1,962,451	\$ 2,145,230	\$ 2,415,042	
Other*	\$ 12,436,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Paid Media Total	\$ 178,738,551	\$ 84,828,958	\$ 26,480,827	\$ 26,299,044	\$ 13,946,625	\$ 2,272,346	\$ 4,664,712	\$ 3,065,988	\$ 4,744,042	
Partnership Total	\$ 14,431,089									
Public Relations/Events Total	\$ 10,610,360									
Census-in-Schools Total	\$ 8,320,000									
GRAND TOTAL:	\$ 212,100,000									

Notes:

* Other: Rapid Response, Management Reserve, Travel, Research

Updated: 3/20/09

Stimulus - \$100MM Allocation

Media Type:	Total	Diverse Mass	Hispanic	Black	Asian	NHOPI	AI/AN	Emerging Markets	Puerto Rico	%
			Audience	Audience	Audience	Audience	Audience	Audience	Audience	Audience
Media	\$ 54,000,000	\$ 11,000,000	\$ 13,000,000	\$ 10,000,000	\$ 13,000,000	\$ 1,500,000	\$ 1,500,000	\$ 2,000,000	\$ 2,000,000	100%
Production	\$ 5,000,000									
Labor	\$ 17,000,000									
Other*	\$ 4,000,000									
Paid Media Total**	\$ 80,000,000	\$ 11,000,000	\$ 13,000,000	\$ 10,000,000	\$ 13,000,000	\$ 1,500,000	\$ 1,500,000	\$ 2,000,000	\$ 2,000,000	
Partnership Total	\$ 2,000,000									
Public Relations/Events Total	\$ 15,000,000									
Census-in-Schools Total	\$ 3,000,000									
GRAND TOTAL:	\$ 100,000,000									

Notes:

* Other: Rapid Response, Management Reserve, Travel, Research

** Audience totals are under-represented because Labor and Production has not yet been determined

Updated: 3/20/09

Total Budget - \$312MM Allocation

Media Type	Total	Diverse Mass	Hispanic	Black	Asian	NHOPI	AI/AN	Emerging Markets	Puerto Rico	%
			Audience	Audience	Audience	Audience	Audience	Audience	Audience	Audience
TV										
Radio										
Newspaper										
Online										
Magazine										
Out-of-Home										
Unallocated NRFU										
Media Subtotal:	\$ 145,087,804	\$ 62,937,804	\$ 27,700,000	\$ 24,500,000	\$ 18,200,000	\$ 2,180,000	\$ 3,270,000	\$ 2,650,000	\$ 3,650,000	100%
Production	\$ 28,195,450									
Labor	\$ 69,019,288									
Other*	\$ 16,436,009									
Paid Media Total**	\$ 258,738,551	\$ 95,828,958	\$ 39,480,827	\$ 36,299,044	\$ 26,946,625	\$ 3,772,346	\$ 6,164,712	\$ 5,065,988	\$ 6,744,042	
Partnership Total	\$ 16,431,089									
Public Relations/Events Total	\$ 25,610,360									
Census-in-Schools Total	\$ 11,320,000									
GRAND TOTAL:	\$ 312,100,000									

Notes:

* Other: Rapid Response, Management Reserve, Travel, Research

** Audience totals are under-represented because Labor and Production has not yet been determined

Updated: 3/20/09

By Campaign Phase: (Base only)

	MCBP	Asian Audience	Black Audience	Hispanic Audience	NHOPI Audience	AI/AN Audience	Arabic Audience	Eastern European Audience	Puerto Rico Audience	Total	% Allocation
Awareness	\$17.5MM	\$2.3MM	\$3.6MM	\$6.6MM	\$0.3MM	\$0.9MM	-	-	\$0.6MM	\$31.8MM	35%
Motivation	\$29.3MM	\$2.4MM	\$9.4MM	\$6.5MM	\$0.4MM	\$0.7MM	\$0.3MM	\$0.4MM	\$0.8MM	\$50.2MM	55%
NRFU	\$5.2MM	\$0.5MM	\$1.4MM	\$1.5MM	\$0.07MM	\$0.2MM	\$0.03MM	\$0.05MM	\$0.2MM	\$9.1MM	10%
Total	\$52.0MM	\$5.2MM	\$14.4MM	\$14.6MM	\$0.7MM	\$1.8MM	\$0.3MM	\$0.4MM	\$1.6MM	\$91.1MM	100%

	MCBP	Asian Audience	Black Audience	Hispanic Audience	NHOPI Audience	AI/AN Audience	Arabic Audience	Eastern European Audience	Puerto Rico Audience	Total	% Allocation
National	\$38.7MM	\$1.1MM	\$8.7MM	\$5.3MM	-	-	\$0.2MM	\$0.3MM	\$1.6MM	\$55.9MM	61%
Local	\$13.3MM	\$4.1MM	\$5.7MM	\$9.3MM	\$0.7MM	\$1.8MM	\$0.1MM	\$0.2MM	-	\$35.2MM	39%
Total	\$52.0MM	\$5.2MM	\$14.4MM	\$14.6MM	\$0.7MM	\$1.8MM	\$0.3MM	\$0.4MM	\$1.6MM	\$91.1MM	100%

Partnership Program Support

Beyond supporting the Paid Media effort, we are also working to ensure a fully integrated effort through our work on other elements of the Campaign such as the Partnership Program. This entails developing and producing up to 200 different promotional materials including brochures, fact sheets, posters, newsletters and partner toolkits and promotional items in up to 19 different languages. Delivery of items to regional offices and headquarters began in Spring 2008 with the development of interim materials. From February to November 2009, there will be a steady stream of materials and items delivered on a flow basis.

Materials will be available in both printed and electronic formats. DraftFCB and its sub-contractor Weber Shandwick have developed a Partnership Communication Area on the 2010 Census site that will house electronic versions of materials for Partnership Specialists and partner organizations. The “site” is planned to go live in March and, in addition to housing materials, it will enable partners to obtain the latest information about the Campaign.

In addition, DraftFCB has been assisting the Bureau in organizing and preparing for the National Partnership Kick-off meeting in Washington scheduled for late March 2009.

Census in Schools

As one of our newest partners on the contract, Scholastic began working on the 2010 Census in Schools program in August 2008. Their work builds upon the knowledge and expertise they developed in managing the program in the 2000 Census and complements the Bureau's efforts in schools.

The Census in Schools program overall builds literacy about the census and encourages students to tell their parents about it in order to encourage them to participate. The program is an important participation driver in hard-to-count communities. While their children are likely to be in the cultural mainstream, parents sometimes are not and can be encouraged by their children to complete the census form and mail it back.

So far Scholastic has developed the plan for Census in Schools for 2010. They are working with the Bureau to develop and distribute materials (both printed and electronic) for K-12 schools that include teaching guides, lesson plans, maps, brochures and take-home materials in both English and Spanish. Electronic materials will be available free of charge for anyone to download on both the Census in Schools Web site and Scholastic.com, where unique space will be carved out for the census. In addition, printed materials such as mini-teaching guides, maps and brochures are planned for distribution in 50 states for grades K-12 and in Puerto Rico and each Island Area for grades K-8.

Public Relations

The goal of Public Relations (earned media) in the Campaign is to surround every household with credible, accurate and timely messages through trusted conversations that motivate people to complete and mail back their census form.

DraftFCB and its sub-contractor Weber Shandwick's primary role is to support the Public Information Office in achieving this goal. Key accomplishments to date include:

- Development of key messaging (Summer 2008)
- Participation in New America Media event (Summer 2008)
- Seven media training podcasts (September 2008-March 2009)
- Media training sessions for Field staff (February 2009)
- Weekly Media Relations and Issues Monitoring (Ongoing)

In addition, upcoming activities include:

- Compiling of more than 500 media lists for use by Headquarters and Regional/Local offices. To be completed by end of March 2009.
- Storymining: support PIO in developing Census Mission and target top 10 proactive story pitches, Spring 2009 and beyond.
- Provide point of view on emerging opportunities in the marketplace, ongoing
- Participate in briefings throughout the country in conjunction with New America Media to raise the profile of the census among minority and ethnic media, March 2009 through February 2010.
- Work with Bureau to build out the online newsroom area of census.gov, on-going

Web sites

The Web will play a significant role in the 2010 Integrated Communications Campaign. It will serve as the 24/7 presence to ignite participation in the census. All messaging and look and feel will be thoroughly integrated with the Communications Campaign. There will be extensive online advertising (mentioned under Research/Creative Development and Media) including participation in social networking sites to spark conversations about and participation in the

census. There have already been enhancements to census.gov, e.g., the Partnership Communications Area, that are the result of this contract. The online newsroom is another example of this work. But the most significant effort is the development and build out of the 2010 Census area on census.gov. It is our intent to make this area an inspiring and easy-to-navigate area for anyone seeking information about the census. The URL will be featured in both online and offline paid media.

Currently DraftFCB is working with the Bureau to specify final requirements. These will be informed by research conducted to understand the desired functionality of the site's current and potential users. The site is planned to "go live" in November 2009.

Measurement, Metrics and Tracking

There are two components to the measurement and tracking of the Campaign. They are: 1). A continuous tracking study, and 2). Smart Suite.

While the Campaign is in the marketplace, we will be conducting a continuous tracking study to gather data about the Campaign's effectiveness. This study will provide the information necessary to guide real-time adjustments in the deployment of media and messaging. We will shortly begin work on selecting a vendor to design and implement the study.

In addition, we have utilized our Smart Suite technology to organize the many different data sets surrounding the campaign into useful insights for driving decision-making both in deploying and optimizing the Campaign. Smart Suite consists of eight Web-based screens, each representing a specific theme. Together they convey a powerful story of the data and insights that drive the Campaign's strategies as well as capture learning for the next decennial. Smart Suite will be available for internal Census Bureau and DraftFCB team use.

Small Business Sub-Contracting

Alongside meeting the overall goals of the Campaign itself, the Census 2010 Integrated Communications Campaign is thoroughly committed to providing opportunities for Small Businesses throughout its lifecycle.

Commitment to 40% of Spending to Small Business

Upon contract award, we committed to spending 40% of the contract's disbursements through small businesses. To facilitate the identification of opportunities, we developed an extensive list of service areas where small business could readily participate:

- TV and radio production (editorial services, music, recording, artwork/photostats/type, color correction, VTR transfer services, storyboards, cassettes, film crew)
- Print production (photography, artworks, photostats, engraving, typography, lettershop services, illustration, dye transfers, retouching, mechanicals, shipping, messenger services, photo-platemaking)
- Media outlets (broadcast TV, national and regional periodicals, daily and weekly newspapers, national and local radio, outdoor billboards, transit posters, etc.)
- Media placement services
- Casting/talent agents/agencies
- Web design/digital communications/interactive production services
- Entertainment/sports marketing services
- Catering services
- Specialty marketing/advertising services
- Public relations services
- Research services, including copy-testing
- Training services
- Translation services
- Recruitment Services

- Event services (space, planning, logistics)
- Fulfillment/ distribution services
- Promotional items sourcing and manufacturing

On Track to Achieve Goals

Since award, 45.4% of the contract's disbursements have gone to small businesses.

The following small businesses have already received sizable opportunities:

D'Exposito & Partners (Hispanic Advertising)

The Maya Group (Research)

G&G Advertising (American Indian, Alaska Native, Native Hawaiian,
Pacific Islander Advertising)

MarCom Group (Recruitment Advertising)

Allied Media (Emerging Mkts. - Russian, Polish, Arabic - Advertising)

PLUM Agency-Research Associates (Multi-cultural Advertising & Design)

Zona Design

Harry J. Rodas, Inc.

Bluerock (Broadcast Production)

Market Analytics (Research)

Significant Opportunities to Come

Because as of today (2/28/09) only 5.34% of the contract's total spending has occurred, the bulk of opportunities for small businesses is yet to come, occurring in FY '09 and '10. These will principally involve media placement services, media outlets, promotional items, broadcast and print production services.

Outreach Support

To ensure that small businesses offering these capabilities are aware of opportunities, we have and are continuing to provide significant outreach to the small business community through:

- Small Business Fairs
 - DraftFCB conducted a small business fair in July 2008 in New York
 - Future fairs are planned for May 2009 in New York, Summer 2009 in Chicago and the Fall of 2009 in San Francisco.
 - DraftFCB has also attended the AAF's (American Advertising Federation's) Fair in April 2008. The AAF offers services to the advertising industry. DraftFCB will be attending the AAF's fair in September 2009.
 - In addition, The AAF will attend DraftFCB's May 2009 Fair.
- Promotion on the SBA Web site
 - Our RFP for Hispanic and Black audience advertising services was posted in the Summer of 2008
 - Our RFPs for media will be posted this Spring, Summer and Fall
- Promotion on census.gov
 - We have an on-going contact listed for businesses to reach us through the census Website.
 - Our media RFPs will be posted here as well.
- Referrals from Census Bureau, Members of Congress, employees at DraftFCB, employees at our sub-contractors, Advisory Committees.

Once a business makes contract through one of these channels, we enter the business in our database. This database becomes an easy-to-access tool for ourselves and our sub-contractors to find potential small businesses. In fact, we are finalizing a "Purchasing Policy Document" for all of the departments in our company as well as our subs that clearly lays out the contract's small business spending requirements as well as step-by-step instructions for compliance with the FAR in competitively bidding and adding small businesses to the contract.

Mentoring

We recognize that many small businesses are not experienced in working with Government contracts. So we are fully committed to helping them participate through mentoring programs. We assist small businesses to register in ccr.gov. We have conducted seminars entitled "Contracting 101" and "Marketing to the Federal Government." And we plan to offer an additional seminar entitled, "How to Write an Effective Response to an RFP."

"A Ripple Effect"

We are encouraged that the contract's efforts to seek small business participation is benefiting small businesses well beyond the 2010 Communication Campaign. For example, one of our private sector clients, Merck, has expressed interest in attending our Spring 2009 Small Business Fair. Our parent company, The Interpublic Group, is using the approach we have developed on the census contract in its own procurements and has encouraged the other marketing services companies it owns to adopt similar practices.

Summary

Preparation for the 2010 Campaign is a Herculean effort. It involves the precise coordination of many organizations, stakeholders and activities coupled with the ability to remain flexible in order to accommodate unforeseen opportunities and challenges. But we can never lose site of the deliverable: the Campaign must be deployed in the marketplace on time and must meet its goals.

As prime contractor, DraftFCB is pleased to reiterate that the work remains on time and on budget. We have made a significant investment in the coordination and integration of our partners through weekly leadership calls, joint in-person meetings at key junctures to develop recommendations on budget, approach and strategies, and to ensure a unified point of view on key topics to the Bureau and its stakeholders. We have also conducted an Executive Leaders Summit Meeting for

the “CEOs” of our partners to keep them informed and involved in the effort. The next meeting will take place on March 25, 2009.

We are also pleased that the issues and concerns we previously raised have been addressed satisfactorily, with the addition of Stimulus Funding to target the hard-to-count with even more aggressive overlays to the base plan and the Bureau’s efforts to tame the administrative burden of this contract through more transparent and timely program and funding approvals.

Bottom line: Today we are exactly where we should be. But we know the world is more unpredictable than ever, so we remain vigilant to address whatever challenges come our way.