LIA Advertising, etc.

Notes Regarding

the Servicing of AZI/LIA

by Edward H. Weiss, New York

October 1968

Argument for Separate Agencies

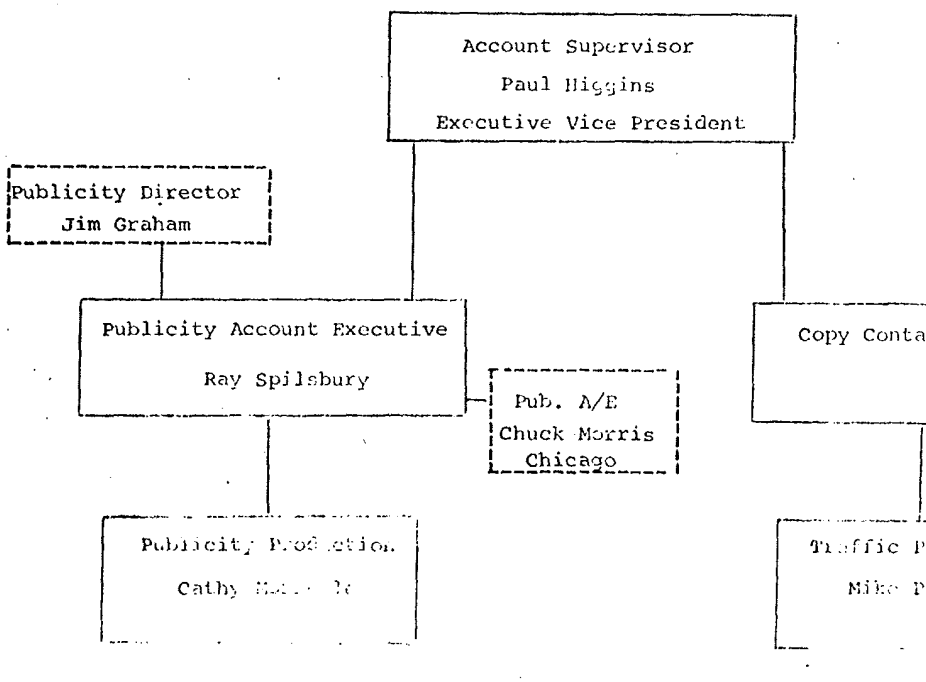
1. The concept of separate agencies for Zinc and Lead has proved itself in providing effective communications programs for more than ten years.

2. It is recognized on both sides that the primary reason for this agency effectiveness has been people: people who have been trained by your Association over a period of years and have thereby developed a knowledge and understanding of your objectives and needs and how to implement them.

3. There are areas of competition as between the two metals, in anti-corrosion paints and battery systems, where separate agencies may provide more objective counsel.

4. Almost all major advertisers follow this pattern (i.e., of using more than one advertising agency). A major Weiss client, Mobil Oil, also uses Ted Bates and Doyle, Dane, Bernbach.

AGENCY TABLE OF ORGANIZATION FOR SERVICING LIA



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LIA Compensation Plan

1. Standard commission basis under which we are now operating:

   - 15% media commission to agency
   - 17.65% on production
   - Publicity on fee
   - Travel and out-of-pocket expense billed at cost

2. An annual fee of $72,000 (payable in equal monthly fees) to cover all activities as programmed for LIA 1969. Agency remits media 15% to LIA. Production and out-of-pocket expenses are billed to you at cost.

   A quick look at the 1969 program reveals this could mean for LIA a return of

$34,000	Space Commission
6,000	Ad Production
33,600	PR Fee
5,000	Lead Magazine
$78,600	

   The actual dollar yield should prove, in relation to total activities, slightly better than $6,600 advantage indicated here.

Notes Regarding Consolidation at Weiss

Should you elect to consolidate the AZI/LIA programs at one agency, here are the reasons why I believe E. H. Weiss will do a better job:

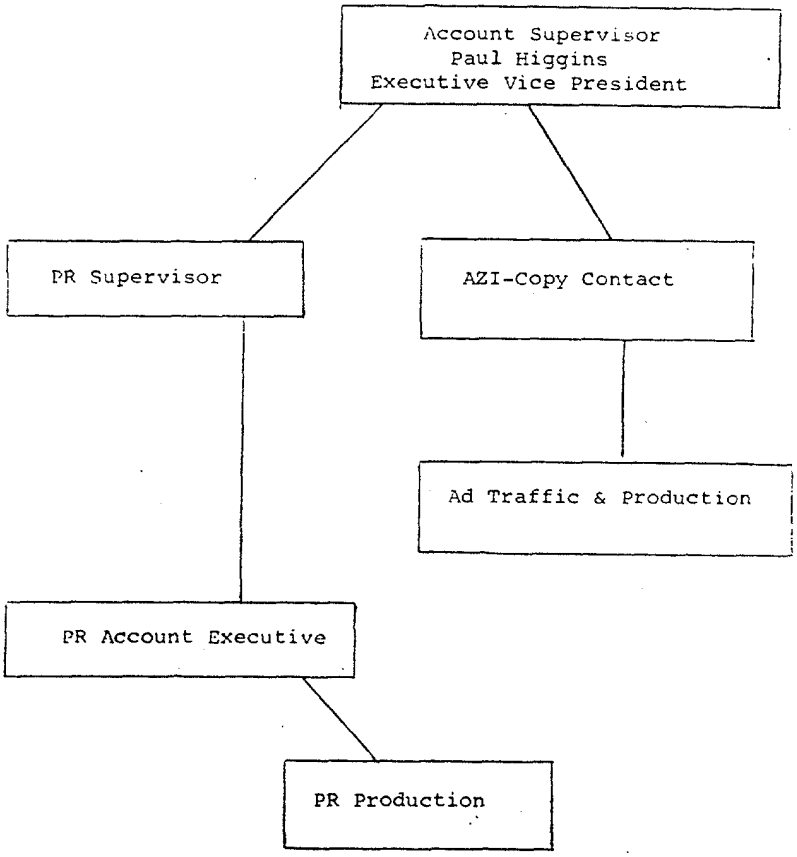
1. Our analysis of the time/manpower requirement leads us to counsel a fee basis for the joint AZI/LIA program which involves a savings for you of $13,600. Details are discussed later.

2. The senior man on the LIA account is an executive vice president, a generalist with in-depth involvement in both advertising and PR. As director of all New York operations, he has more authority within his own company to be responsive to an emergency or rapidly-changing situation.

3. Were the account to be consolidated at Weiss, we should certainly offer positions to key personnel whom AZI should like to retain. It is part of my management philosphy to expose PR personnel to the total communications requirement (space advertising, trade shows, collateral literature, direct mail, etc.). I believe this penetration of specialized compartments produces a better product for the client.

4. Because of its more complicated marketing problem and the role of the LIA staff specialists, it is more difficult to develop an LIA agency team than it is an AZI one -- a factor that comes into play in determining whether to consolidate with the LIA agency or the AZI one.

AGENCY TABLE OF ORGANIZATION FOR SERVICING AZI



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AZI Compensation Plan

We have pointed out that savings might be effected by Lead Industries by choice of a fee rather than the standard 15% income on space. A similar fee arrangement makes good sense for AZI.

A careful analysis of the time/manpower requirement for the AZI 1969 program has been made by me. It is keyed to the table of organization for staffing the AZI account which you have just read. A fee of $78,000 per year (or $6,500 per month) should cover all time and overhead factors.

Your current method of agency compensation would yield $85,000 to your agency:

	Budget	Gross Income
PR	$74,000	$65,000
Spotlight	19,000	5,000
Space Advertising	100,000	15,000
		$85,000

Fee of $78,000 proposed here constitutes a saving of $7,000, or a combined LIA/AZI savings of $13,600.

LIA COMMUNICATIONS PROGRAM

1969

AUDIENCE	MESSAGE	ADVERTISING	PUBLICITY
Architecture	1. Role of lead in contemporary architecture.	Business Week (1,2,3)	How-to Article -- Installing Plenum Barrier
	2. Success of lead soundproofing installations.	Architectural Record (1, 2, 3, 4, 5, 6)	COOP City, Bronx -- Lead Bends
	3. Citation of lead use in pools and planters.	Arch. & Eng. News (1, 2, 3, 4, 5, 6)	Kennedy Plaza, Philadelphia -- Reflecting Pool
	4. Use of lead porcelain panels and shapes.	Eng. News Record (1, 2, 5)	Meeting Hall, Albany Lead Roof
	5. Applications of lead vibration pads.	Roofing, Siding & Insulation (7)	Meeting Hall, Albany Reflecting Pool
	6. Uses of terne in roofing.	Domestic Engr. (8)	ILZRO Study Publicity
	7. "How-to" examples of lead installation (RSI).	Plumbing, Heating & Cooling Bus. (8)	Calking
	8. Superiority of lead as a calking material. (Ref. ILZRO study)	American City (8)	Florentine Craftsman

LIA COMMUNICATIONS PROGRAM

1969

AUDIENCE	MESSAGE	ADVERTISING	PUBLICITY
Battery	1. The economics of battery-powered equipment in the minds of major buying influences--corporate management, the purchasing agent and materials handling engineers.	Business Week (1, 2) Steel (1, 2)	Aircraft Dynamics Portable Tools Garden Tractor
	2. Cite case histories to show reduced maintenance costs, in-plant problem solutions, narrow aisle capability of today's electrics.	Electrified Ind. (3) Handling & Shipping (1, 2)	Mushroom Mining Electric Trucks A Re-evaluation of the Electric Car
	3. Advise electrical industry of what LIA is doing to promote battery power and hence electric power sales.	Modern Manufacturing (1, 2) Modern Mtls. Hdlg. (1, 2)	Attachments Extend Electric Lift Truck Usage New Advances in Battery Technology Articles on International Competition Winners Supermarket Help Carts-Package Delivery to Cars in Parking Lot Roundup on Deep Submersibles

LIA COMMUNICATIONS PROGRAM

1969

AUDIENCE	MESSAGE	ADVERTISING	PUBLICITY
Product Design & Development	1. Inform design engineer of new advances in solders, techniques, soldering tools, new applications.	Materials in Design Engineering (1, 2, 3)	15% Leaded Steel - New Design Vistas for Bearings
	2. Communicate data about new battery designs, their economics and range of application.	Machine Design (1, 2, 3)	Leaded Steels for Higher Speed Machining
		Product Design & Development (1, 2, 3)	(others as they occur)
	3. Promote the advantages of terne as a fabricating material to design engineers involved in specifying materials.		Growth in Ultrasonics
		Appliance Manufacturer (1, 2, 3)	
	4. Exploit new advances in design applications so as to convey to business management and design engineers the role of lead in our technological society.	Business Week (4)	
		Steel (1, 2, 3)	

LIA COMMUNICATIONS PROGRAM

1969

AUDIENCE	MESSAGE	ADVERTISING	PUBLICITY
Pigments & Chemicals	1. Advantage of lead based paints in anti-corrosion.	American City (1, 2)	Lead Lined Scrubber H_2SO4 - Kennecott Copper-Utah
	2. Role of chrome yellow paints as a traffic marking medium.	Engineering News-Record (1, 2)	Lead Lined Electronic Precipitator-Avondale, U.K.
	3. The function of lead oxide in glass and ceramics.	Ceramic Industry (3)	How to Use Laminates for Chemical Tanks - Veneered Metals
		Marine Engineering/ Log (1)	Lead Lined Chemical Tanks - Bill Leonard
			Delaware Memorial Bridge-Lead Pigments

LIA COMMUNICATIONS PROGRAM

1969

AUDIENCE	MESSAGE	ADVERTISING
Cable	1. Inform power and manufacturing industries of the advantages of lead sheathed cable, stressing reliability and impermeability.	Electric Light & Pow (1) Electrical World (1) Electrified Industry (1)