MAF Marketing Accountability Foundation Vision & Long-Range Plan August 2007

Draft



The MAF Long-Range Plan outlines the Foundation's vision and fiduciary building blocks for long-term success of its standard-setting mission.

The Long-Range Plan is expected to enhance the effectiveness of the MAF and its standard setting Board and Advisory Council.

The MAF vision statement, organizational structure and functions, fiduciary building blocks and success criteria are set forth herein.

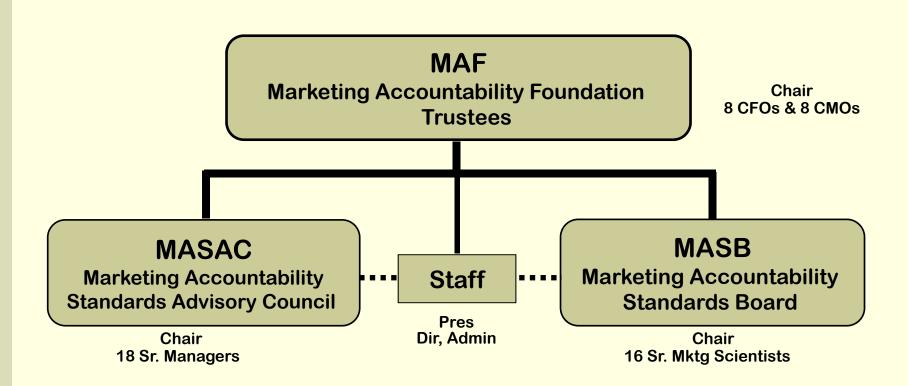


Vision

Laying the measurement foundations for marketing professionals to realize full accountability and strategic status in the Boardroom as reliable forecasters and achievers of consistent growth in customer revenues, earnings and cash flows quarter-to-quarter and year-to-year.



Organizational Structure





Marketing Accountability Foundation (MAF)

- MAF is the independent, private sector, self-governing organization authorized by it's membership constituency to
 - Establish & improve marketing metrics & accountability standards through transparent & open due process
 - Educate constituents about those standards
 - Provide oversight, administration, & finances of its standardssetting Board (MASB) & Advisory Council (MASAC), except technical issues
 - Select members of the Board & Advisory Council
 - Protect the independence & integrity of standards-setting process
- Trustees are C-Level members of major marketers who have an interest in marketing accountability & the marketing community as a whole
- Nominated by constituent organizations & Trustees-at-large chosen by sitting Trustees; Term is three-years with eligibility for a second term
- Founding Trustees are 6-8 CFOs and 6-8 CMOs who have become Charter Members of MASB; They meet face-to-face quarterly
- Foundation to be incorporated exclusively for charitable, educational, scientific, & literary purposes w/in meaning of Section 501(c)(3) of IRC



Standards Board (MASB)

- MASB is the operating organization
- Delegated authority by the MAF to establish standards for marketing metrics and accountability
- Board is comprised of 12-16 Senior Marketing Scientists from constituent organizations who
 - Collectively represent diverse backgrounds
 - Possess knowledge of marketing measurement & business
 - Have concern for the marketing community as a whole
- Members of the Board guide the standards projects & resolve technical & other issues from project start through adoption
- Board meets monthly: 10 virtual, 2 face-to-face (projects as necessary to complete)
- Appointed by The Marketing Accountability Foundation (MAF) for three-year terms, eligible for a second term
- Members of The Boardroom Project body who have become Charter Members of MASB sit on the Founding Board

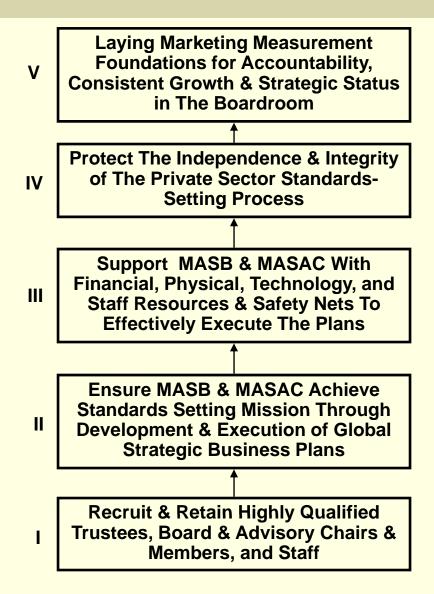


Standards Advisory Council (MASAC)

- MASAC broadens involvement & participation to all constituencies
- Delegated authority by the Foundation (MAF) to consult with the Board on project priorities, technical issues, and selection and organization of advisory and project committees
- Council is comprised of 12-18 senior managers of constituency organizations who collectively represent diverse backgrounds, possess knowledge of marketing measurement and business, and have concern for the marketing community overall
- Appointed by MAF for three-year terms, eligible for second term;
 Face-to-face meetings are held quarterly
- MASAC appoints sub-advisory committees to ensure all are served
 - Global businesses
 - Small business
 - Users w/specific interests (verticals, channels, etc)
 - Metric providers w/specific interests



Fiduciary Building Blocks





Fiduciary Building Blocks & Success Criteria

- **Laying Marketing Measurement** Foundations for Accountability, V Consistent Growth & Strategic Status in The Boardroom **Protect The Independence & Integrity** of The Private Sector Standards-IV **Setting Process Support MASB & MASAC With** Financial, Physical, Technology, and Ш **Staff Resources & Safety Nets To Effectively Execute The Plans Ensure MASB & MASAC Achieve Standards Setting Mission Through Development & Execution of Global Strategic Business Plans Recruit & Retain Highly Qualified** Trustees, Board & Advisory Chairs & Members, and Staff
- A. CMO Tenure Increases-Globally (2010+)
- B. Organic Growth Targets Met More Often (2010+)
- C. CMOs On More Boards-Globally (2010+)
- A. Opinion Leaders Developed & Informed (2009+)
- B. Independent Funding Sources Maintained (10/07+)
- C. Intervention Into Board's Work Prevented (10/07+)
- D. Trustees are Committed to Vision & Mission (10/07+)
- A. Adequate Funding to Achieve Plans (10/07+)
- **B.** Incorporated NFP 501(C)3 (3/08)
- C. Financial Processes & Controls in Place (1/08)
- D. In-Kind Network & Other IT Support (6/08)
- E. Reserves Invested/Managed Prudently (9/07+)
- A. MASB Strategic Plan Approved (10/07)
- B. MASAC Strategic Plan Approved (9/08)
- C. Plan Success Criteria Reviewed Quarterly (2/08+)
- D. Budgets Reasonable, Transparent, Credible (10/07+)
- A. Interim Pres & Director (10/07); Admin (3/08)
- B. 2/2 CF/MOs (10/07); 4/4 (1/08); 6/6+Chair (4/08); 8/8 (7/08)
- C. MASAC Chair (7/08); Members (7/08-2011)
- D. Board Chair +12 (12/07); Chair +16 (7/08)
- E. C & B Structure for Attraction & Retention (10/07+)
- F. Permanent MASB C-Level (s) Hired (10/09-10/10)



MAF Projects

	<u>AREA</u>	PJC TYP	<u>2004-6</u>	<u>2006/07</u>	2007/08
	Org Dvlmp	MAF		1	15 (16+1)
		MASB		8	9 (16+1)
		MAC			1
		Staff			3
	Mbr Dvlmp	MK		1	16 (16+1)
		MM		1	2 (3)
		MA		1	0 (1)
		AA			0
		BS		2	2 (4)
		IA		3	2 (5)
	Process/Cntls	Mbrshp		Tgts/Unv	Glb B-S
				Data Base	
		Financial		Billing	AP/AR
				Budgets	Payroll
					C&B
					501
					Invst
		Admin		BOD Mtgs	MAF Mtgs
				Adm Mtgs	MASB/MAC
				Planning	
NAAC	AO Res	Tech		GoToMtg	Network
IVA)D			Web Pres	10

Overall P&L

	2007/08	Annualized	<u>2008/09'</u>	<u>2009/10'</u>
REVENUES				
Membership Dues	\$774,584	\$1,186,667	\$1,790,000	\$2,730,000
Projects, Auditing & Advisory Services	<u>48,000</u>	<u>796,000</u>	<u>1,744,000</u>	<u>2,288,000</u>
TOTAL REVENUES	822,584	1,982,667	3,534,000	5,018,000
EXPENSES				
Selling, General, Administrative (SG&A)	\$610,812	\$829,088	\$1,302,903	\$2,197,373
Cost of Projects/Services Provided (CSP)	<u>24,000</u>	<u>748,000</u>	<u>1,672,000</u>	<u>2,144,000</u>
TOTAL EXPENSES	634,812	1,577,088	2,974,903	4,341,373
REVENUES minus EXPENSES	\$187,772	\$405,579	\$559,097	\$676,627



Thank-you!



Marketing Accountability Standards Board of the Marketing Accountability Foundation

Constituent Organizations

- Marketers
- Marketing Measurement Providers
- Media and Advertising Agencies
- Academic Institutions (Business Schools)
- Marketing Industry Associations
- Marketing Consulting Firms



Constituency Organization Target/Universe

- Marketers (MK): Top 100 Global + Top 200 Brands (Ad Age)
- Measurement Providers (MM): Top 25 Global Res (Honomichl)
- Media Agencies (MA): Top 10 Global (Ad Age)
- Ad Agencies (AA): Top 10 Global (Ad Age)
- B-Schools (BS): Top 100 Global (Financial Times)*
- Industry Association (IA): Selected 10
- Consulting Firms (CF): No targets
- Press (PR): No targets yet



^{*} Data Base currently has Top 50 US (USNews) but will be replaced w/Top 100 2007/08

Funding Sources

- Membership
- Projects
- Workshops
- Technical Services
- Publications
- Advising Services*



^{*} Will be spun out to stand alone status once processes have been fine-tuned.