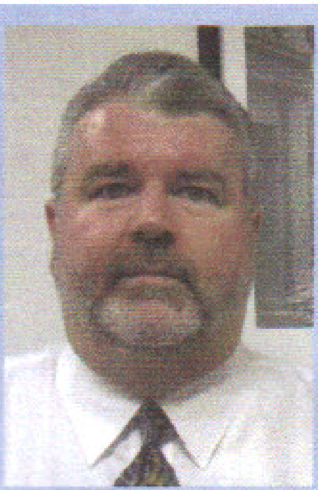
**REACHING OUT TO EMPLOYEE INVESTORS:** ***Some practical tips on reaching out – and on getting employees to respond – from Ellen Philip, of Ellen Philip Associates:***

"Employee investors should be among a company's best friends and most steadfast and reliable voting blocs – and the easiest of all votes to garner. It's not at all unusual for employees to hold 6% or even 10% or more of the total voting power. But many times, rounding up their votes is not seen as terribly important...until a crisis arises. Here are a few tips: First and foremost, get your employee owners to form a habit of voting. Let them known their vote is important. Email reminders to them. Technology should truly be your friend here – as well as a huge cost-saver. Make sure that yours is easy to use. Provide multiple technologies, to accommodate employee preferences, such as phone, web-based, and yes, paper voting. If you have multiple employee plans, be sure that you give them an employee-friendly "one-stop polling place." Consider a personal message from the Chairman...whether in print, via email or in an easily emailed video clip. Another very important thing to know: guaranteeing to employees that their votes will be entirely confidential will definitely increase employee voting."

**REACHING OUT to FOUNDING FAMILIES and OTHER VERY LONG-TERM INVESTORS:**



***Here's another investor category where, ironically, some Very Important People are often taken for granted and not reached out to at all...until trouble arises...So we reached out to Artie Regan, President of Regan Associates – who we call "The King of the Community Proxy Fight" for some advice:***

"A huge number of the proxy fights I've been involved in over the years have arisen among founding families and other of the original investors. This should not be a big surprise if you think about it: By the third generation, there's a whole new cast of characters, and often they have conflicting ideas about what should be done with the "family business" – or they simply have new investment objectives or financial needs of their own. The biggest and baddest fight I was involved in was between a father – who was sort of 'losing it' but who held a ton of stock – and his son, whom the board ended up supporting after a lot of handwringing. Another very common thing that generates proxy fights is when a father passes the business along to a son – who some investors feel is not up to the job.

The most common "trigger" by far is the ex-CEO who tries to come back if the business suffers a bad year or two, and who can often win a lot of community support. Recently, we were engaged in a literal war – between a very prominent "mentee" – the CEO of a regional bank – and his original mentor, the CEO of another, larger regional bank; one that was set to become much smaller if the merger of the mentee's bank with a third bank went through.

Another very important thing to know about proxy fights – especially when the company has a strong local presence, and where there are a lot of long-term owners – is that, typically, the voting comes down to an essentially 50-50 split: Half the ownership wants a merger to go through, so they can cash in, while the other half is concerned about job losses and loss of support for local charities and local events within the community – and often, is not too keen on taking a big capital gains hit either.

So what should smart companies be doing if they have a strong base of founding-family members, long-term employees and retirees and other local owners in terms of 'reaching out'? My number-one suggestion is to be sure you do reach out...and not at the last moment, after the storm clouds have gathered. Be proactive: Be sure to extend a special welcome to long-termers at your annual meeting, of course. And make it a 'special event.' But more important if you have a large base of older and/or local investors – and it's something that can be done for just a few hundred dollars at the local civic center or VFW hall – host an interim shareholder meeting, midway through the year, so there are no surprises. I can't tell you how many fights I've been involved in that started when a bad year or a dividend cut took investors totally by surprise. Another thing; founding-family stock often ends up in some "interesting" and not always friendly places, so keep an eye on that too. Most important of all, remember that reaching out successfully to long-term individual investors is a totally different thing than communicating with Wall Street types."