

*Unlock the Value*

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**NEED/OPPORTUNITY** / Barrick is the world's preeminent gold mining company with 27 operating mines and 20,000 employees worldwide. Headquartered in Toronto, Barrick shares are traded on the Toronto and New York stock exchanges.

At Barrick's Veladero gold mine in Argentina, there are 180 million ounces of silver contained in the gold reserves, but the silver particles are encapsulated in silica and recovery is only about 6.7 percent. Barrick's metallurgical experts researched the problem without finding a practical solution. Looking for a breakthrough, Barrick Research and Development (R&D) initiated the *Unlock the Value* program, which challenged scientists worldwide to propose a solution through the web site [www.unlock-thevalue.com](http://www.unlock-thevalue.com). Scientists could register online and submit a proposal for review by an expert panel. For ideas with merit, Barrick offered to fund further research, and for an idea successfully implemented at Veladero, Barrick will pay a performance bonus of US\$10 million. In developing the program, R&D staff (themselves scientific researchers) studied trends for using the Internet to outsource research, and determined the key drivers that would motivate the scientific audience to participate. The program reflected a broader company strategy to build relationships with the outside scientific community in search of innovation. It also reflected a trend for corporations to use the Internet to generate ideas and encourage applied research, as outlined in Don Tapscott's book *Wikinomics: How Mass Collaboration Changes Everything*.

The program was launched on 19 September 2007, with the deadline for preliminary proposals 30 April 2008.

**INTENDED AUDIENCES** / The primary audience was the global scientific/inventor community, including chemists, engineers, physicists, metallurgists, researchers, graduate students and innovation organizations (such as universities and research institutes).

Secondary audiences included:

- ▶ Media (as a conduit to generate awareness in the target audience), including science trade publications, science reporters and columnists, and business and mining reporters.
- ▶ Barrick's 20,000 employees worldwide (employees, with some exceptions, were eligible to participate).

Scientists love to solve difficult problems, so Barrick enticed them to solve "an earthly conundrum." The campaign focused on the US\$10 million bonus for success—a substantial incentive to participate. Scientists often have difficulty finding research funding, so the team highlighted Barrick's plan to fund their research and communicated that the organization was looking for other opportunities to collaborate with them.

## GOALS AND OBJECTIVES

BUSINESS OBJECTIVES	ALIGNED COMMUNICATION OBJECTIVES
<p>Generate proposals from scientists for increasing silver recovery at Veladero.</p> <p><b>Target:</b> 50 preliminary proposals by the deadline.</p>	<p>Reach a broad scientific/inventor audience, both within and beyond the mining industry, to drive web traffic and achieve the business objectives of online registrations and submissions.</p> <p><b>Measures:</b> volume and type of media coverage, web site statistics, and the number of proposals submitted by the deadline.</p>
<p>Establish relationships with the scientific community.</p> <p><b>Target:</b> 1,400 scientist inquiries and 400 registrations on the web site.</p>	<p>Position Barrick as a progressive company that engages in research and development and is open to new ideas and using Internet technology to find solutions.</p> <p><b>Measures:</b> response from target audience, the number of registrations on the web site and the innovation message carried in the media.</p>

### SOLUTION OVERVIEW / ENTRANT'S ROLE IN THE PROJECT

The director of communications developed the launch concept, wrote or edited all materials, and managed the launch, advertising and suppliers. She worked closely with the R&D program manager and Barrick's creative director, web specialist and other support staff. The team contracted public relations agencies to implement launch events and assist with media relations, an ad agency to place global advertising, and a web developer to build the web site.

### COMMUNICATION STRATEGIES

- ▶ Create awareness and interest, using a mix of communication vehicles to drive target audiences to visit the program URL, [www.unlockthevalue.com](http://www.unlockthevalue.com).
- ▶ Generate widespread awareness immediately with a creative launch event.
- ▶ Reinforce the launch with advertising in selected trade/science publications and events in selected markets.

### THEME AND IMAGE

A silver bar wrapped in chains symbolized the idea of silver being "locked up" and needing to be unlocked.

### KEY MESSAGES

- ▶ Attention scientists—"unlock the silver" at Veladero and earn US\$10 million from Barrick!
- ▶ Barrick's *Unlock the Value* challenge invites proposals from scientists and researchers worldwide.
- ▶ For proposals with merit, Barrick will fund your research.

- ▶ Barrick is actively looking for innovation, new ideas and new technology worldwide.

#### COMMUNICATION TACTICS

- 1. Web site:** The web site ([www.unlockthevalue.com](http://www.unlockthevalue.com)) was the platform for managing the program and gathering submissions. The site was consistent with Barrick's visual identity, and had easy links to and from the corporate site ([www.barrick.com](http://www.barrick.com)). The site outlined the opportunity, rules and process; provided technical information; and let scientists pose questions. It also allowed scientists to register online and submit their proposals. It tracked proposals and provided an audit trail for executed legal documents that protect intellectual property. The web site and program model for *Unlock the Value* were developed so they can be used for other potential scientific challenges in the future.
- 2. "Unlock the Silver" launch event:**
  - ▶ A launch press conference was held at the Toronto StockExchange Broadcast Centre, which was chosen for its high-tech atmosphere and its proximity to universities, research institutes and key business media. The invitation showed a vault opening up and hinted at research funding, but did not reveal any details before the official announcement.
  - ▶ The room was decorated with silver accessories (tablecloths, refreshment containers, napkins, etc.). Photos of the mine, researchers at work, and silver bars and coins flashed on the monitors around the room. Ore samples from Veladero were on display. Signage featured the silver bar-and-chains image and the web address.
  - ▶ Invitees were university professors, researchers, engineering consultants and members of the media.
  - ▶ The visual focal point was a table in front of the stage. On top of the table sat a clear plastic-case containing pure silver bullion. The case was wrapped in chains with a padlock, waiting to be unlocked.
  - ▶ Upon arrival, attendees received information about the program and an envelope containing a key.
  - ▶ The president announced the program; he and the R&D manager took questions from scientists and the media.
  - ▶ All attendees were invited to try their keys in a symbolic "unlocking the silver" event. One key opened the lock, and that lucky scientist took away the silver bullion.
  - ▶ This successful format became the model for three more promotional events held later in New Delhi, India, on 25 February 2008; Moscow, Russia, on 28 February 2008; and Beijing, China, on 12 March 2008. The team used research spokespeople who are fluent in the relevant languages and provided them with media training and presentation materials.
- 3. Information/media kit:** This comprehensive kit included a news release and fact sheets. All materials were produced on a special template letterhead using the *Unlock the Value* graphic. The kit was later translated into Russian and Chinese for the events held in those countries.
- 4. Media relations:** The news release and program fact sheet were distributed globally via several newswires and in multiple languages—English, Spanish, German, Chinese, Russian, Japanese,

Italian and French. The marketing team issued several updates as proposals were selected to advance through the various phases of the process.

5. **Video news release:** The launch news conference was videotaped. Clips of the event and photos of the mine were posted that afternoon to a web site for download by TV stations, along with a suggested script.
6. **E-mail blast:** The news release was pushed to a compiled list of 8,000 people in the scientific community worldwide, advising them of the opportunity and referring them to the web site for more details. The list included science and engineering department heads at universities as well as research institutes around the world.
7. **Advertising support:** The team placed targeted advertising in scientific and mining trade journals in various countries, selecting those with the largest scientific readership. In markets where trade journals did not exist, they used online or newspaper ads.
8. **Employee communications:** Stories on the company intranet and in the company newsletter informed employees about the program.
9. **Flyer distribution:** The advertisement was produced as a handout and distributed at mining and investor conferences.

**IMPLEMENTATION AND CHALLENGES** / The total budget was CDN\$410,000, including the global advertising program; the launch event in Toronto; media relations and monitoring; PR events in India, Russia and China; translations; printing; and other expenses. The team planned carefully and monitored expenses regularly to stay within the budget.

Development of the technical program aspects, web site content and design, and the legal documents started in 2006. Communication planning for the launch and advertising program began in May of 2007, in anticipation of a September 2007 launch. In the planning phase, the team used checklists and status meetings to monitor progress, and used a critical path checklist to track tasks, progress and responsibilities for the launch event.

The team addressed several challenges:

1. They wanted to make science fun but also needed to communicate that this was a serious scientific endeavor, not a publicity stunt; therefore, the words “contest” and “prize” were never used in the materials.
2. They needed to give scientists technical information but also needed to communicate simply and protect Barrick’s proprietary information. They accomplished this by asking scientists to register before receiving detailed technical documents.

3. To reach a globally dispersed scientific audience with a relatively modest budget, the team created widespread awareness quickly using media relations, and maintained momentum with staged, strategic advertising placements and announced a deadline extension.
4. Scientists are naturally concerned about ownership of intellectual property; therefore, Barrick's legal department created detailed documents outlining all the terms and conditions, and posted these on the web site.
5. Barrick, like all mining companies, is sometimes criticized by antidevelopment or environmental organizations. The team anticipated this and incorporated information about Barrick's responsible mining practices into the speeches. As the ore is already being excavated, increasing the recovery is both environmentally responsible and beneficial for shareholders, employees and local communities. The marketing team provided media training and preparation for the spokespeople.
6. Barrick had not previously reached out to the scientific audience, so the team needed to create contact lists and use multiple media channels to reach them. To help scientists who are outside the mining industry, a glossary of mining terms was included on the web site.
7. The regular media monitoring service captured news coverage from major English media around the world but did not capture coverage in other languages. The team added more detailed monitoring of Canadian coverage by the PR agency for one month, and drew on the resources of regional communication colleagues in South America to capture Spanish coverage from that region. However, international media coverage was limited.

## MEASUREMENT/EVALUATION

BUSINESS OBJECTIVE NO. 1	ALIGNED COMMUNICATION OBJECTIVES
<p>Generate proposals from scientists for increasing silver recovery at Veladero.</p> <p>The target of 50 preliminary proposals was achieved with 238 proposals and wide global participation.</p>	<p>Reach a broad scientific/inventor audience, both within and beyond the mining industry, to drive web traffic and achieve the program goals of online registrations and submissions.</p> <p><b>Measures:</b> volume and type of media coverage, web site statistics, and number of proposals.</p>
BUSINESS OBJECTIVE NO. 2	ALIGNED COMMUNICATION OBJECTIVES
<p>Establish relationships with the scientific community.</p> <p>The target of 1,400 inquiries and 400 registrations was achieved with 65,000 visitors and 2,018 registrations.</p>	<p>Position Barrick as a progressive company that engages in R&amp;D and is open to new ideas and using Internet technology to find solutions.</p> <p><b>Measures:</b> response from the target audience, the number of registrations on the web site and an innovation message carried in the media.</p>

*Unlock the Value* exceeded all program objectives, generating 238 proposals, more than four times its target of 50. Proposals came from 26 countries. The web site drew 65,000 unique visitors, and a total of 2,018 scientists from 46 countries registered with Barrick for future innovation activities. Proposals were reviewed by an expert panel, and 16 with high technical merit were advanced to Phase 2 (detailed proposal). After detailed review, a total of nine are currently in Phase 3 (concept testing).

Barrick achieved extensive media coverage *immediately* worldwide. Major media the day after the launch event included *The New York Times*, *The Globe and Mail*, *National Post*, *The Toronto Star*, CBC National Radio, *CBC TV* news and BNN Television, and key online web sites like Forbes.com, Bloomberg and the Canadian Press. In the weeks following the launch mining and science trade journals carried the story as well. Later events gained coverage in *The Telegraph* (India), *China Mining Journal*, *Economic Daily*, *China Business Times*, *World Metals* and many others. The program was praised in various blogs as an innovative approach to research.

There were 203 downloads of the NTSC and 75 downloads of the PAL versions of the video news release, indicating usage by TV stations in North America, Europe and/or Asia.

The launch and media relations generated traffic to the web site *immediately*. Within just two days, 6,500 people visited the site, 190 scientists registered, and two sent proposals.

One month after launch, a media relations rating points (MRP) analysis tracked 77 stories reaching 21 million people. The reach is understated as MRP software had no circulation figures for many of the international papers (16 of the 77 stories were assigned a reach of only one). Even so, it calculated a cost per contact of only 0.00251 against the media relations budget and an MRP score of 59 percent. No stories were negative; 23 percent were openly positive. The company name was in every clip, 52 percent quoted the Barrick spokesperson and 39 percent had an open call to action. The key message of US\$10 million was effectively delivered.

Advertising effectively maintained momentum. Tracking shows a steady level of participation every week following the launch, with a big spike in the final few days before the deadline.

By December 2007, Barrick had surpassed the target of 50 proposals. On 14 December, Barrick announced that the deadline (originally set for 21 January 2008) would be extended to 30 April 2008. This generated more media coverage. A Google search found the extension announcement appeared on more than 1,000 web sites and blogs the following day.

Events in India (Delhi, 25 February), Russia (Moscow, 28 February) and China (Beijing, 12 March) established direct contact with 92 more scientist attendees in those engineering-rich countries, and generated additional media coverage. The China event alone generated 88 placements in media and news web sites.

As of 30 April 2008, the web site had more than 65,000 unique visitors. A total of 2,018 scientists formally registered on the site, establishing an innovation base for the future and greatly exceeding the target.

Links between the program web site and the corporate site helped scientists relate the company to innovation. There were more than 4,000 referrals from [www.unlockthevalue.com](http://www.unlockthevalue.com) to the corporate site at [www.barrick.com](http://www.barrick.com).

This program opened a dialogue with scientists and researchers. R&D has received numerous invitations to visit research institutes and speak at conferences. By raising Barrick's profile in countries where the company does not have operations and is not well known, this program created interest that may boost recruiting for engineers and technical staff. The successful web site and launch model are now available for future scientific challenges.