FORM OBD - 67
JAN 1977

UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20530

OMB No. 43-R0216
Approval expires Oct. 31, 1981

EXHIBIT A

TO REGISTRATION STATEMENT

Under the Foreign Agents Registration Act of 1938, as amended

Furnish this exhibit for EACH foreign principal listed in an initial statement and for EACH additional foreign principal acquired subsequently.

1. Name and address of registrant
Development Counsellors Intl.
733 Third Avenue, New York, N.Y. 10017

2. Registration No.
1421

3. Name of foreign principal
The Italian Economic Corporation
U.S. Representative for Mezzogiorno Office

4. Principal address of foreign principal
25 West 51st St.
New York, N.Y. 10019

5. Indicate whether your foreign principal is one of the following type:

- [ ] Foreign government
- [ ] Foreign political party
- [x] Foreign or [ ] domestic organization: If either, check one of the following:
  - [ ] Partnership
  - [ ] Committee
  - [x] Corporation
  - [ ] Voluntary group
  - [ ] Association
  - [ ] Other (specify) _____
- [ ] Individual - State his nationality _____

6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant.

b) Name and title of official with whom registrant deals.

7. If the foreign principal is a foreign political party, state:

a) Principal address

b) Name and title of official with whom the registrant deals.

c) Principal aim

TERMINATED
DATE 12-31-80

8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

To assist in the industrial development of the Mezzogiorno (Southern Italy).

b) Is this foreign principal

Owned by a foreign government, foreign political party, or other foreign principal ..... Yes ☐ No ☒

Directed by a foreign government, foreign political party, or other foreign principal.... Yes ☐ No ☒

Controlled by a foreign government, foreign political party, or other foreign principal.. Yes ☐ No ☒

Financed by a foreign government, foreign political party, or other foreign principal... Yes ☐ No ☒

Subsidized in whole by a foreign government, foreign political party, or other foreign principal ..... Yes ☐ No ☒

Subsidized in part by a foreign government, foreign political party, or other foreign principal ..... Yes ☐ No ☒

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

Does not apply

Date of Exhibit A	Name and Title	Signature
Dec. 8, 1980	Ted M. Levine, President	Ted M. Levine

DOJ

Form OBD-65
Rev. 4-27-77
(Formerly DJ-304)

OMB No. [illegible]435
Appr[illegible] Expires Oct. 31, 1981

UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

EXHIBIT B

TO REGISTRATION STATEMENT
Under the Foreign Agents Registration Act
of 1938, as amended

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
Development Counsellors Intl.	The Italian Economic Corporation U.S. Representative for Mezzogiorno Office

Check Appropriate Boxes:

1. ☐ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.

2. ☑ There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.

3. ☐ The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

Short term promotion program to attract U.S. investments to Mezzogiorno (Southern Italy). Fully detailed in attached letter of agreement.

5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

All such activities are detailed in attached letter of agreement.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?[1] Yes ☐ No ☑

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Date of Exhibit B	Name and Title	Signature
Dec. 8, 1980	Ted M. Levine, President	Ted M. Levine

[1] Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

T. I. E. C.
U.S. REPRESENTATIVE FOR
MEZZOGIORNO OFFICE
25 WEST 51ST STREET — NEW YORK, N.Y. 10019

August 4, 1980

Mr. Ted M. Levine, President
Development Counsellors
International
733 Third Avenue
New York, New York 10017

Subject: Notice to proceed for
special Mezzogiorno project

Dear Mr. Levine:

This is a notice to proceed by The Italian Economic Corporation (T.I.E.C.) to Development Counsellors International (DCI) based upon a series of fact finding meetings as well as a preliminary proposal dated June 20, 1980.

Following are the terms and conditions of this notice:

1) DCI shall assist T.I.E.C. in a program of promotion in U.S. during the remainder of calendar year 1980 including the following services:

   a) Assistance in coordinating with U.S. Sponsors of a series of N.Y. based promotion meetings to take place in New York City on October 7th and 8th;

   b) Additional consulting assistance as required on other investment and promotion meetings in Washington and U.S. West Coast;

   c) Development of editorial placement and publicity program to assist T.I.E.C. in attracting interests in Mezzogiorno;

   d) Consulting assistance to T.I.E.C. in developing a marketing plan in the U.S. and attracting high quality investment inquiries;

TEL. (212) 581-3855 — TELEX 2-36012 TIEC WAT, NY

e) Additional services as directed by T.I.E.C. on an as-required basis.

2) The program shall begin immediately and terminate as of December 31, 1980;

3) As a fee for its time and talent DCI shall receive the amount of Forty two thousand Dollars ($42,000) according to the following three-phase schedule:

1. an initial payment of one third Fourteen thousand Dollars ($14,000) before 9/1/80;

2. a second payment of one third Fourteen thousand Dollars ($14,000) before 11/1/80;

3. a final payment of one third Fourteen thousand Dollars ($14,000) before 12/31/80.

These fee payments shall also cover all ordinary DCI secretarial, clerical and allied services. Additional out-of-pocket expenses (i.e.: out-of-town travel, photography, entertainment etc) shall be separately billable at no mark-up, and will be approved before billing in each case by T.I.E.C.

This notice to proceed shall be expanded into a more formal and detailed agreement should either of the two parties involved so require.

Best regards.

Very truly yours,

THE ITALIAN ECONOMIC CORPORATION

Development Counsellors International, Ltd.

733 THIRD AVENUE • NEW YORK, N.Y. 10017 • (212) MU 7-1383

June 20, 1980

Italo Piccolo
The Italian Economic Corporation
Banca Nazionale del Lavoro
25 West 51 Street
New York 10019

Re: Proposed Public Relations and Marketing Consulting Program on behalf of the Italian Economic Development Corporation by Development Counsellors International

Dear Mr. Piccolo:

First, speaking for my partner, Manny Ellenis, and myself I wanted to tell you how much we enjoyed our visitation with you at your offices on Friday, June 20. In 20 years of specialized economic development marketing work, I don't believe we have ever absorbed as much information as rapidly, and we must salute you for the great clarity with which you described the important program you are currently mounting.

The following very brief and informal proposal summarizes our meeting and covers the following constituent areas:

-- Objectives
-- Term of Contract
-- DCI Credentials
-- DCI Personnel
-- Program Elements
-- Summary Budget

Let us now move on to each of these elements:

(1) <u>Objectives</u>:

As discussed, we believe there are six prime objectives to the special public relations program we jointly talked about. They are:

a. Creating an "umbrella" of favorable press publicity in North America that will surround not only the upcoming October missions to Washington and New York but also the entire new program to focus on private investment opportunities in the Mezzogiorno.

b. To utilize the current descriptive booklets and reports (which incidentally are in general factual and very adequate for our purposes) as "bait" to elicit top flight investment inquiries especially in the specific designated areas of economic opportunity you so ably outlined.

c. To handle with and for you and your organization all of the details involved in making the upcoming special investment mission to Washington and New York in the fall of 1980 as successful as possible both in terms of impact upon leadership opinion and more important direct results in terms of investment interest.

d. To carry out on a continuing basis a practical consulting function with particular emphasis on helping you set up this new operation as cost/effectively and as competitively as possible in the U.S., something we have done for more than two dozen other development groups.

e. To provide you with a continuing flow of intelligence particularly on specific company opportunities that may represent investment prospects.

f. To develop a long term marketing plan for you with particular emphasis upon a series of investment seminars beginning in early 1980.

(2) Term of Contract:

This program would encompass a period of six months beginning July 1, 1980 and terminating at least in this phase as of December 31, 1980. As discussed, this would permit the important element of most careful follow-up as to the initial penetration accomplished through the fall visitations.

(3) DCI Credentials:

As we mentioned to you, the program we outlined was based neither on hope nor theory but on proved experience during the past more-than-20-years. As we mentioned, DCI is the largest firm in the world specializing in area development marketing and promotion, and, as our client list testifies, DCI has carried out these functions for more than 70 development groups including a number of major European areas including the Government of Ireland, the Government of France and the Government of the Netherlands in Western Europe. We would wish here to re-register just a couple of points made at our most

illuminating meeting: DCI specializes rather than sidelines in economic development and that means we can provide aid and assistance not only in the public relations area, which is the paramount assignment here, but also in all phases of making the program successful including actually developing with you leads, suspects and prospects.

(4) DCI Personnel:

It is important to have the right program and the right firm; but it is equally important to have the right people within that program who will handle it. As we discussed, and unlike our competitors, DCI insists that one of its two principals serve as account supervisor on each client. In this case because of the intensity of the job required and also the long range potential as we see it, we would provide joint account supervisory services by both myself as president of the firm, and Emanuel T. Ellenis, our executive vice president. You have of course met both of us so there are "no surprises."

In addition, we would provide one full time executive during this six-months who has worked with us on parallel assignments over the past 14 years. She is Miss Irene Cohen who has served as account executive and prime doer in the past on over a dozen DCI accounts. Also as part of this team would be a special Washington representative, who is well known in the field of international investment marketing, and our backup service staff of specialized economic development talent including writing, graphics, and economic research. One summary point should certainly be registered here: that DCI staff not only is well trained in a unique special discipline but has the experience of working together on the average of more than ten years. This is particularly important on an urgent, high pressure and high priority assignment of this kind.

(5) Program Elements:

We can now look at a little greater depth at the program elements outlined above:

-- Umbrella of favorable publicity: We believe a half dozen key publications are particularly important to us in announcing this program, even possibly in advance of the missions in October and therefore building a favorable climate of opinion for that mission. Among these top influence publications are

FORTUNE, TIME, NEWSWEEK, WALL STREET JOURNAL, HARVARD BUSINESS REVIEW, INDUSTRY WEEK and JOURNAL OF COMMERCE. We would begin immediately in terms of establishing special exclusive-angled stories with these publications as soon as we receive your go ahead.

-- Inquiry-aimed publicity: again, we want to stress the practical. As of July 1, we would begin utilizing the three reports you provided to us (for example, Foreign Industrial Investments in the Mezzogiorno) as articles for the professional, technical and trade press abstracting highlights of these reports and requesting that readers contact you about them. This isn't theory. It is in fact a technique pioneered by Development Counsellors and we would estimate will be productive of a number of high quality investment inquiries which can actually be followed up both by yourself and also by members of the mission. (For one DCI client, incidentally, this technique alone yielded over 1,000 top management investment inquiries and a number of these are now actual working manufacturing facilities in their particular client area.

-- Handling the planned October mission: This is of course the "heart of the job" and one in which we have been endlessly familiar. As discussed, we believe we should take advantage of the presence of this distinguished group led by Fiat's CEO, Mr. Giuseppe Agnelli, for a maximum of publicity exposure and results in both Washington and New York.

In Washington we propose a possibility of three major events: a "Newsmaker Breakfast" for Mr. Agnelli and also the top ministers at the National Press Club, a special luncheon for a larger group of press people, and a reception that would focus upon the international business and diplomatic community as well as certain key professional associations in the evening. We would also wish to arrange at least one major television appearance as part of this particular leg of the mission.

In New York we believe the central element might be a major scale investment opportunities luncheon that would include these classes of people: decision making site selectors, usually chief executive officers; pivotal advisors to such companies including bankers, consulting firms and certain international attorneys and certified public accountants, institutional

investor sources; companies already operating in Italy who are being "saluted" for their success; and a wide spectrum of the press representing all media.

As discussed, we would also like to see as part of the New York event a very small and intimate press conference at your offices for perhaps 20 to 25 press people so they would know where to go for future information.

As far as the two major luncheons are concerned, we think it could make great sense to have three speakers: Mr. Agnelli as the "superstar" as we discussed; one minister of government representing topmost official national policy; and one U.S. manufacturer briefly reporting on his particular success in operating in the Mezzogiorno.

-- I mentioned to you the metaphor of the iceburg: the one-seventh above the surface in economic development represents advertising, marketing, promotion and the like; the six-sevenths below the surface is the actual continuing selling process. Under our relationship with you we believe in all modesty that we could provide invaluable assistance in this all-important area and in a way that no ordinary, unspecialized public relations firm can accomplish.

-- Special intelligence: this is a related point. DCI is a central source of information on expanding companies, their problems and their objectives as well as on innovative procedures by development groups both inside and outside the U.S. (incidentally, there are an estimated 7,500 of these) and we would be in a position as part of this agreement to provide you with invaluable material in this regard.

-- Practical summary report and recommendations: At the end of this six month period we would be in a position at no additional cost to provide you with an objective analysis of the success of the program, as well as its operative problems and a clear, carefully phased one-year recommendation of future actions and their cost. This report would of course obligate you in no way to future action with this firm.

(6) <u>Summary Budget</u>:

It is now possible to translate the program described here in some depth into dollars-and-cents budget

figures:

Six-Month Public Affairs & Communications Budget: The Italian Economic Corporation U.S. Program by Development Counsellors International, July 1 - December 31, 1980:

. DCI fee for time and backup service costs $7,000 per month x 6 months	$42,000
. Estimated visual materials including photographic blowups and limited audio-visual presentations for both Washington and New York events including transportation of such materials	10,000
. Estimated DCI travel in connection with this contract	2,000
. Special expenses in connection with Washington representative operation	4,000
. Development of photographic, visual, graphic and printed materials	7,500
. Costs of invitation in connection with all events scheduled	2,000
. Washington "Newsmaker Breakfast" costs	500
. Washington luncheon based on 100 people at $40 each	4,000
. Washington reception based on 100 people at $20 each	2,000
. New York luncheon based on 250 people at $40 each	10,000
. Special press reception, New York	1,000
. Miscellaneous and contingency cost: New York, Washington and overall program	7,000
TOTAL:	$92,000

One marginal note should certainly be inserted here: these estimates are tentative and based upon a number of preliminary assumptions, so we believe it is important to have

the flexibility of shifting allotments within the designated sections, but we would also point out that the total budget would not exceed the bottom line figure shown here of $92,000.

In the perspective of 20 years in specialized economic development marketing work, we believe this is the right program, the right agency, the right time and the right price. We hope you and your associates agree. Since the time is very short, you or the appropriate official within your organization may wish to signify acceptance as simply and swiftly as possible, and perhaps the best way to do this is by signing and returning to us one copy of this letter which will serve as our signal to move ahead on what we believe will be a most successful and cost/effective program.

Respectfully submitted,

Ted M. Levine

Ted M. Levine
President

Accepted:_____

Date:_____