

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, dissemination report, copy of political propaganda or other document or information filed with the Attorney General under this act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, D.C. One copy is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of such documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. Finally, the Attorney General transmits an annual report to the Congress on the Administration of the Act which lists the names of all agents and the nature, sources and content of the political propaganda disseminated or distributed by them. This report is available to the public.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Criminal Division, U.S. Department of Justice, Washington, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

*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	The Schmertz Company, Washington 555 13th Street, NW - Ste. 1280 East Washington, DC 20004	2. Registration No. pending 4/6/88
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3. Name of foreign principal	Electronic Industries Association of Japan	4. Principal address of foreign principal 2-2, Marunouchi 3-chome Chiyoda-ku, Tokyo 100, Japan
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5. Indicate whether your foreign principal is one of the following type:

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

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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. n/a

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

- a) Principal address n/a
- b) Name and title of official with whom registrant deals.
- c) Principal aim

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

EIAJ is a nonprofit trade association founded in 1948 which encourages international dialogue, sponsors meetings and sponsors exhibits. It represents about 600 member companies including Japanese affiliates of foreign companies.

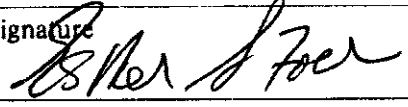
b) Is this foreign principal

- 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.)

n/a

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. The organization is a trade association which includes over 600 members, including some Japanese affiliates of American companies. It is financed and governed by its members.

Date of Exhibit A	Name and Title	Signature
August 6, 1993	Esther J. Foer / V.P. Esther Foer, V.P.	

**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 triplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

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**Public Reporting Burden.** Public reporting burden for this collection of information is estimated to average .33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Criminal Division, U.S. Department of Justice, Washington, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

Name of Registrant	Name of Foreign Principal
The Schmertz Company, Washignton	Electronic Industries Association of Japan <i>4/6/89</i>

Check Appropriate Boxes:

- The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach three 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 three 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 the 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

*see attached contract*

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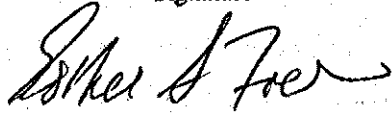
5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Compile a mailing list of about 4,000 names and distribute a quarterly newsletter and three other booklets to the names on that list. One booklet may be offered for a fee. Surveys and phone calls may be done later to assess the accuracy of the lists and the value of the publications to the recipients.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?

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
August 6, 1993	Esther Foer Vice President	

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.

# THE SCHMERTZ COMPANY

March 23, 1993

Mr. Tamotsu Harada  
Electronic Industries Association of Japan  
Tokyo Chamber of Commerce and Industry Building  
2-2 Marunouchi 3-chome  
Chiyoda-ku, Tokyo 100, Japan

Dear Mr. Harada:

This letter of agreement confirms the terms and nature of the services The Schmertz Company (TSC) will provide to the EIAJ in relation to the distribution of their English language publications.

The Schmertz Company has agreed to undertake the activities set forth and budgeted in Attachment A, to be implemented during the term of this agreement, for a one year period beginning April 1, 1993.

TSC understands that all expenditures for time and expenses for the 1993 - 1994 year are not to exceed \$50,000 without Client's advance written approval.

The Schmertz Company will maintain accurate records of all staff time work and all out-of-pocket expenses incurred on behalf of EIAJ and will supply any supporting detail requested by EIAJ.

Payment for Schmertz Company time and expenses will be made by EIAJ as follows:

- a. \$10,000 on July 1, 1993
- b. \$20,000 on September 1, 1993
- d. \$20,000 on January 1, 1994

TSC is retained by EIAJ only for the purposes described in this agreement, and TSC's relation to EIAJ shall, during the period of this agreement, be that of an independent contractor.

The Schmertz Company agrees to hold in strict confidence all confidential information that may be disclosed to The Schmertz Company and its employees by EIAJ, or its members.

The foregoing contains the entire agreement of the parties, and no modification shall be binding unless agreed to in writing, signed by both parties.

555 13th STREET, NW • SUITE 1280 EAST TOWER • WASHINGTON, DC 20004  
TELEPHONE: 202/637-6680 • FAX: 202/637-5910

1185 AVENUE OF THE AMERICAS • 8th FLOOR • NEW YORK, NY 10036  
TELEPHONE: 212/819-3876 • FAX: 212/840-7315

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SECTION  
REGISTRATION

This letter of agreement shall be constructed in accordance with the laws of the District of Columbia.

Please sign both originals of this letter, retain one copy for your files and return the other copy to TSC.

On behalf of the entire staff of The Schmertz Company, we look forward to continuing our work with the Electronic Industries Association of Japan.

Best wishes,



Esther Foer

Vice President

THE SCHMERTZ COMPANY WASHINGTON, INC.

January 28, 1993

ACCEPTED BY:



Electronic Industries Association of Japan  
Tokyo Chamber of Commerce and Industry Building  
2-2 Marunouchi 3-chome  
Chiyoda-ku, Tokyo 100, Japan

March 30, 1993  
Date

## **ATTACHMENT A**

(update of December 21, 1992 memo)

Plan for the distribution of the quarterly EIAJ Review and three EIAJ books including Profile of EIAJ, Facts and Figures and A Perspective on the Japanese Electronics Industry.

The critical ingredients necessary to create an effective direct mail program, which The Schmetz Company would implement in its efforts on behalf of EIAJ, are as follows:

- o procedures for distribution -- high quality lists and highly personalized approaches (personalized envelopes, live stamps rather than metered mail) to avoid a mass mail appearance
- o the packaging of the materials - graphics and message on the envelope to arouse enough attention to get the reader to open and evaluate the materials you are providing
- o targeting of the message -- segment audience by interest, with different messages to different audiences, i.e. a different message in content and format to a Member of Congress than to a national media reporter (this can be accomplished through attention getting cover letters or press releases with a different approach to different groups)

### **EXECUTING THE EIAJ ASSIGNMENT:**

#### **List Development**

On behalf of other similar projects we have explored the availability and applicability of purchasing lists from other organizations and list vendors. While this would be the simplest method of assembling a list, it is clear to us that what you need is a more specialized, specifically targeted, very current list that cannot be purchased in its entirety, and will need to be assembled.

Because we are implementing similar projects for other clients, we have the background and resources to assemble lists quickly and effectively.

It is important to target the right person within an organization. We would confirm, by phone if appropriate, the specific person in each organization who deals with Japanese electronic issues and interests.

We estimate that our list will include 3,000 to 4,000 names.

Among some of the specific categories, in addition to the names that EIAJ and JEB will provide, would be:

**MEDIA --**

- o Major US print media -- including, by name, specific national and regional reporters and editors who cover Japanese related issues
- o Major TV outlets -- particularly producers and commentators who cover business and trade, including, but not limited to the major networks, CNN and PBS, but also including regional network affiliates who often originate the stories reported on the national news
- o Major radio outlets -- national business program producers, network news programs and regional radio networks
- o Print and electronic media in areas around major EIAJ member company plants or other areas important to the success of the Japanese electronics industry in the U.S.
- o Specific newspaper, radio and TV columnists who are likely to be interested in Japan, electronics and predisposed to your point of view
- o Japanese media, based and reporting from the U.S.
- o Major foreign media who cover Japanese issues and who report from the U.S.

**GOVERNMENT --**

- o Members of Congress, their personal staff, and appropriate committee staff who are involved in either Japanese affairs or the interests of the electronics industry
- o Administration and regulatory agency staff who follow Japan, electronics and trade, including the White House, USTR, State Department, Department of Commerce, etc.
- o State level politicians and interest groups, including governors, their personal staff, directors of economic development, local political leaders, chambers of commerce and specific organizations concerned with Japanese-American relations



#### LIBRARIES, THINK TANKS, SCHOLARS --

- o Selected think tanks and universities, identifying institution heads, as well as the specific scholars who follow Japan and Japanese electronics issues
- o Major national and university libraries (including specialized libraries such as business schools) which would maintain the EIAJ material in their permanent resource collection

#### TRADE ASSOCIATIONS --

- o Trade press in the electronics industry, and also in other industries where there is a major interest in Japan
- o Trade associations of industry groups interested in electronics

#### OTHER NAMES AND CATEGORIES --

- o Companies doing business in Japan and/or working with Japanese electronics manufacturers in the U.S.
- o New ideas and leads that will emerge as the project progresses and opportunities present themselves for expanding the list in other appropriate directions

For lists that you will provide us we can review every individual listing to assess if it should be included and updated.

It is critical that this list be updated quarterly using returned mail to indicate address changes, position changes, status changes, etc. More importantly, there will be a thorough review of the list, using a phone survey and/or other resources, on at least an annual basis. And, together with you we should continually add new names as we identify new companies, associations, individuals, scholars, and government officials who are involved in Japanese electronics issues.

Lists would be maintained on in-house computer systems and made available to EIAJ for your review.

These lists should become an important asset of EIAJ, available on a moment's notice for press releases, mailing of articles you want distributed, a letter on a specific subject, or for other purposes that may emerge.

### **Customized/Attention Getting Packaging:**

As mentioned, we would package all the EIAJ materials (the EIAJ Review, as well as the three brochures) in a way that would eliminate the mass mail appearance. We will also consider a cover "tease", if appropriate, that would arouse interest.

In addition to the external appearance, we feel that the three brochures -- Facts and Figures, A Perspective on the Japanese Electronics Industry, and the Electronics Industries Association of Japan -- should be presented in a format that emphasizes their value and encourages the reader to keep them as a future resource. One option we would explore is a 3 pocket folder, which would present all three publications as a unified group. It would also offer the reader a way to easily keep all three together in a file or on a book shelf.

### **Targeting:**

While the materials going to the entire mailing list will be identical, the message and its presentation will be varied from group to group.

The media on the list will receive a press release or media alert, highlighting points of interest that they might use, and presenting it in a format with which they are use to working. Regional media, where appropriate, will get localized information, making it even more likely that will use the materials.

Government officials may receive a cover letter emphasizing information relevant to them, while with scholars, libraries and trade associations we might use a slightly different approach.

Through format and message, we will attempt to arouse the interest of our audiences to make them receptive to the EIAJ message.

### **Further Distribution of EIAJ Facts and Figures:**

The goal should be the widest distribution of the EIAJ Facts and Figures book, rather than concern with possible profit. If it is to be sold to those not on our base list, we would suggest that it be sold at the lowest possible cost and would like to explore costs and goals with you.

For the distribution of the book we would promote it through a mailer to corporations not on our primary list as well as to other interested parties. We would also test advertising, primarily through the electronics trade press

and business press. We would attempt to get trade publications that do not carry advertising to mention its availability, i.e. through business and trade newsletters.

### **Quantitative Measures of Success:**

At least one of the mailings during the year will include a response card, inviting readers to tell us how they used the information and what additional information might be useful to them. In addition to giving us data on our mailings, it will also create new opportunities for EIAJ and JEB to interact with our target audience.

In addition to the response card we will also do a sample phone survey of our target audience (calling about 100 names on our list, from different audience segments) to seek their response to the mailings.

The results would be presented to EIAJ in a written report and in the annual meeting with the you.

### **Staffing/Timing:**

We will commit two staff members to develop the targeted, personalized lists described. They will personally confirm the names of specific staff members, titles, etc. to ensure that the list is exact and up-to-date.

Our designer, the same designer with whom we developed the TJFC poster, transcript and newsletter, has agreed to be available to design the envelopes and packaging of the materials.

All mailings would be handled in-house, by our own production staff to ensure quality control.

Because of our familiarity with Justice Department Foreign Agent filings we are prepared to file and comply immediately with all registration requirements.

### **Public Relations Perspectives:**

As we gain experience with the EIAJ materials, lists and responses, we would look forward to engaging in dialogues with you to define objectives and design additional strategies.

Just as in the Tennessee project, where we engaged in continuing dialogue and feed-back in a very successful joint effort where our collaboration resulted in ever-improving programs and events, we believe that we could work with you effectively to continually build and enhance this project to its maximum effectiveness.

**Budget:**

The Schmertz Company is prepared to work within EIAJ's budget of \$50,000 including development of new high quality lists, quarterly list updates, creative development of packaging materials, envelopes, and printing expenses, telephone, xeroxing, an audience survey, and a meeting in the U.S. with EIAJ.