

IAB BOARD OF DIRECTORS
President's Report
June 2, 2020
By David Cohen

Digital has always been the center of the IAB.

Today, in the midst of a pandemic, it's the center of the entire universe.

When I joined IAB in April, it was already clear the Coronavirus would have an extraordinary impact on our lives. But, like all of us, I did not fully comprehend what the next few months would look like, nor the role we would play in helping the digital media and marketing industries weather the storm.

Of one thing I am certain – we're living through an unplanned, unprecedented, unpredictable experiment: what happens when we turn the real world off and live-almost entirely online?

Digital is now the world's office and water cooler. It's where we get our news. It's where we buy nearly everything, from groceries to take out meals to the face masks we never imagined we'd need.

The major relevance of the pandemic – beyond the obvious catastrophic impact – is that nearly every trend that existed pre-coronavirus is now accelerating, reshaping, and resetting consumer behavior.

The great, industry leading, agenda-setting work IAB has been doing is more vital now than ever.

We're building more meaningful connections and working to expand IAB's total membership. We are working to ensure that we accurately reflect the full scope of the industry's composition, and ensure the organization continues to serve as a central force for collaboration, agenda-setting, and thought leadership in the industry.

The Brand Council has been meeting to discuss everything from business continuity to supply chain innovation – and, most recently, to discuss re-entry strategies and how to return to their new normal. The CRO Council has been meeting every week to connect, collaborate, and learn. We launched an Agency Leadership Council to provide a forum for agency leaders to connect and learn from one another. Across all of these gatherings, the typical competitive undercurrent has given way to a feeling of camaraderie and care for the collective good. It has been amazing to watch.

In order to focus our efforts on the strategic areas that matter most to our members, we have organized ourselves into campaigns. Campaigns are exactly as they sound, timely and episodic with dedicated campaign leads and teams to support. Our campaigns can be loosely divided into three

major areas: New Consumer Media Behavior, How 21st Century Brands Thrive in the New Economy, and Data, Measurement and Privacy.

New Consumer Media Behavior

- #TheNewMediaConsumer (how do we sell to this new behavior?)
- #Tele://Vision (we can no longer afford a 1960s approach to how video is bought and sold in this new world)
 - The New NewFronts (what does the new landscape of consumer media behavior look like, and how must advertisers adapt?)
- #AudioEverywhere (the explosion of podcasts, smart speakers and beyond)
- #NewsSavesLives (what do we do when the questions of brand safety and people's need for life-saving news collide?)

How 21st Century Brands Thrive in the New Economy

- #BrandDisruptionToday (what happens when the rise of DTC brands and shuttered retail collide?)

Data, Measurement, and Privacy

- #TheFutureOfAddressability (after Cookies, what?)
- #TheMeasurementImperative (how to manage as audience sizes shrink, and devices and complexity multiply)
- #PrivacyNow (While consumers want better privacy, they also want free content and free services personalized to them. The industry's job is to deliver that. We need to rebuild the digital ecosystem from the ground up to create a harmonized solution that works for everybody.)

We also continue our ongoing advocacy on the Hill, both at the Federal and state level through our IAB Public Policy Team in Washington DC, in conjunction with our Privacy and Compliance Unit. This unit represents legal, policy and technology experts from both IAB and IAB Tech Lab. And IAB also keeps monitoring the pulse of the industry, providing analysis on the current trends with ongoing research and the latest IAB/PwC Internet Advertising Spend Report, just published at the end of May.

Underpinning all of our initiatives is a commitment to diversity and inclusion. The reason is simple: everything begins and ends with consumers, and that has to mean *everyone*. IAB launched its Inclusive Leadership Training Series, a series of virtual workshops focused on diversity and inclusion, on May 20. It sold out on the first day it was offered, with over 1,000 registrations.

The following represents the most significant work we have accomplished since our Annual Leadership Meeting in February.

New Consumer Media Behavior

Initiative	Description
<p>IAB Impact of Coronavirus on Ad Spend and Consumer Trends</p>	<p>Ongoing pulse of buy side and sell side research documenting “The Impact of Coronavirus on Ad Spend”. Each study, with hundreds of respondents each, represents the most timely and comprehensive research available. Additional consumer research was conducted with the USC Center for the Digital Future.</p> <p>So far, the following has been published:</p> <ul style="list-style-type: none"> ● Coronavirus Ad Spend Impact: Buy Side – March 27 ● Coronavirus Ad Revenue Impact: Sell-Side – April 15 ● Study of the Coronavirus’ Impact, with the USC Center for the Digital Future – April 29 ● Coronavirus Ad Spend Impact: Buy-Side Trends, March vs. April – April 30 ● Coronavirus Impact on Ad Pricing Report – May 28
<p>“Don’t Block the News” Op-Ed</p>	<p>IAB President David Cohen published an impactful Op-Ed in Business Insider headlined “Brands can save American lives during the coronavirus crisis by running ads next to news coverage of the pandemic.”</p>
<p>#NewsSavesLives Town Halls</p>	<p>On April 17, IAB led a closed Town Hall bringing together Double Verify, Google, IAS, Moat, multiple publishers, IAB, and IAB Tech Lab for an information-sharing and best practices session on how to support crucial coronavirus news through education and technical standards. Then again on April 28, we led a larger open forum with DoubleVerify, Verizon Media, and timely research from Magid.</p>
<p>IAB THERE Videocast Launches</p>	<p>Under the auspices of Editor-in-Chief Brad Berens, we launched IAB THERE, a daily half-hour videocast on hot topics of immediate business use to our stakeholders. Guests have included a wide range of luminaries including: Jeffrey Cole, Carolyn Everson, David Kenny, Kirk McDonald, Sir Martin Sorrell, and Rishad Tobocawala, to name a few. Visit iab.com/there to watch the webcasts on demand.</p>
<p>IAB Chief Revenue Officers Council becomes one of</p>	<p>A week after 100+ CROs showed up for our conversation with top buyers, the first weekly check-in drew over 50, including multiple Board members, and each subsequent gathering has been similarly powerful. This has been</p>

our most active bodies	an open discussion that elicited some useful information on branded content sales, the power of insights to drive home-bound business conversations, working with influencers to produce branded content, and the future of sports inventory.
IAB informs industry about our #Tele://Vision	On May 8, CEO Randall Rothenberg and President David Cohen published a call-to-arms on the future of television that laid out both an agenda and a path to get there, titled " A Changed World Means The Ad Industry Must Also Change How Video Is Bought And Sold. " IAB has begun organizing a series of thought-leadership and practice-leadership summit meetings, to try to identify quick wins and organize the industry collaboratively to get them – modeling ourselves after such successful industry initiatives as OpenAP, GARM and our own IAB CCPA Compliance Framework .
Completely reinvented NewFronts	Obviously Coronavirus has made our vital live events impossible. Instead of simply shifting online, we embraced this as a challenge: how do we reinvent NewFronts , leveraging the best tools and channels to enable the digital marketing and media industry to convene, interact, and transact? The 2020 Newfronts, to be held June 22-26, from 12:00pm-4:00pm ET each day, will be hosted by Scott Rogowsky of HQ Trivia fame and feature Hulu, YouTube, Condé Nast, Crackle Plus, Ellen Digital, Forbes, Roku, Twitter, The Wall Street Journal Barron's Group, Snap, TikTok, Tubi, Vevo, VICE Media Group, Vibonomics, and 3BLACKDOT. Facebook, GSTV, NPR, Samsung Ads, TiVo, Tremor Video, and Xandr will also take part in the week-long festivities with industry insights sessions. What we're learning now will reveal a lot about how IAB can and should operate in the years ahead.

How 21st Century Brands Thrive in the New Economy

Initiative	Description
Brand Council Town Halls	IAB Brand Council sessions have brought founders and leaders of major direct brands and established brands together for roundtable discussions on Business Continuity for Disruptor Brands (April 17) and Re-Entry Strategies (May 26). While this began as a convening for brands only, we have extended it to publishers, fostering productive discussions between buyers and sellers.
IAB 250 Direct Brands To Watch	Now in its third year, IAB unveiled the most disruptive, influential direct brands at the 2020 IAB Annual Leadership Meeting. More than 3,500 brands were analyzed before IAB narrowed the list to the most important 250

	direct-to-consumer products. This year, for the first time ever, 100 service companies were added. View all the IAB 250 Brands to Watch .
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Data, Measurement, and Privacy

Initiative	Description
#The Future of Addressability (aka Project Rearch)	Industry-wide initiative convening stakeholders across the digital advertising and media supply chain to harmonize privacy, personalization, and safety, and make the internet a better place for consumers. Make sure to have your team members participate in the relevant working groups and in the global task force to have a say in this vital work.
Project Rearch Webinar Series	IAB Tech Lab launched a successful cross-industry Webinar series to educate publishers, agencies, brands, and technology companies about the history, goals, and timetable of Project Rearch. <ul style="list-style-type: none"> • View VOD and Presentation from the first webinar on Cookies and Tracking – Why Are They Going Away, and What Do We Do Now?
Project Rearch Cross-Industry Leadership	The ANA, the 4As, and the NAI have formally joined IAB in our effort to re-architect digital marketing. Board members will be announced soon.
The Socioeconomic Impact of Internet Tracking	Ensuring privacy and identity protection choice to Web users calls for deliberate and informed action on a national level. This report outlines a more precise understanding of tracking and its consequences, both economic and social.
New VP Angelina Eng Relaunches IAB Measurement & Attribution Committee	To provide the industry with essential guidance on how to measure media and audiences across platforms amid changes in underlying technology, IAB and IAB Tech Lab develop best practices, POVs, guidelines, and technologies for measurement & attribution. All while keeping in mind considerations for addressability, brand safety, ad fraud, and privacy. We have restarted our Measurement & Attribution Committee to address these critical topics and two new working groups were initiated in May: Multi-Channel Measurement & Reporting Framework and Cross-Media & Cross-Environment Attribution .
Post-Cookies Web Coalition Formed	IAB and Tech Lab are now working with more than 20 other trade organizations globally in support of this effort, and we encourage all IAB and Tech Lab Board companies to be involved. IAB Data Center of Excellence

	<p>commenced its Rearc Business Working Group, and Tech Lab is fully underway with two technical working groups focused on Addressability and Accountability. This is a big development that has already drawn more than 1,000 people to various IAB Tech Lab webinars, and now will have greater reach into the broader business community.</p>
IAB Privacy Law Webinar Series	<p>This ongoing webinar series covers subjects including similarities and differences between CCPA and GDPR, as well as conceptual and practical issues that companies with a global footprint face in reconciling the two laws and finding ways to modify existing practices to comply with new obligations.</p> <ul style="list-style-type: none"> ● A CCPA Q&A with TAG Management Vendors – April 24 VOD ● Managing Privacy Compliance Around Jurisdictions: A Comparison of GDPR and CCPA – May 8 View VOD ● The California AG’s Draft Regulations and the Road to CCPA Enforcement – May 19 View VOD ● The Next Wave of California Privacy Law: CPRA, CCPA Amendments and More – May 27 View VOD ● <i>Next Webinar:</i> CCPA & the Qualified Right of Deletion – June 11
IAB Legal Affairs Council Bi-weekly CCPA Roundtables	<p>These sessions bring together approximately 80 privacy lawyers (broken into small groups) to discuss and work through CCPA friction points, as well as complexities and ambiguities that have arisen since January 1st. Importantly, this group is now drafting a comprehensive survey so that companies will be able to benchmark their CCPA position and best practices.</p>

Public Policy

Initiative	Description
IAB Beats Back Washington State Version of CCPA,	<p>IAB took a leadership role in raising the concerns around the Washington Privacy Act, particularly its proposed private right of action, which would have allowed individuals and plaintiffs’ attorneys to sue companies for any infraction of the legislation. IAB testified in Olympia, WA, activated member companies to weigh-in against the private right of action, and filed multiple rounds of comments stressing the devastating effect that WPA’s provisions could have on digital advertising companies and their consumer-centric services.</p>
IAB Fights Maryland Digital Ad	<p>Fighting on another state front, EVP Dave Grimaldi and VP Alex Propes sent a letter to Maryland Governor Larry Hogan, asking him to veto the</p>

<p>Tax</p>	<p>Maryland Digital Advertising Tax, which would affect all established digital publishers operating in Maryland, including news organizations already deleteriously affected by COVID-19 ad restrictions. IAB has also kicked off a two-month advocacy campaign in partnership with leading Maryland business associations to address the threat of a veto override.</p>
<p>Senate “Paper Hearing” on Enlisting Big Data in the Fight Against Coronavirus Consults IAB</p>	<p>With Congress working remotely and addressing the economic, healthcare, and other fallout from COVID-19, the Senate Commerce Committee convened its first-ever “paper hearing” to hear the perspectives of industry on technology assistance in preventing the spread of coronavirus. Dave Grimaldi, IAB’s EVP of Public Policy, was asked to be a witness on the panel, and in his testimony discussed how the open flow of data is critical to stopping the spread of COVID-19.</p>
<p>COVID-Related Legislation</p>	<p>IAB has been working closely with the House and Senate Commerce committees to provide redlined edits to their respective COVID-related legislation. We seized on the opportunity to define crucial areas of information and data sharing, including the use of personal information and geolocation for public health and safety purposes.</p>
<p>FTC Guidance</p>	<p>IAB worked with member companies to provide guidance and recommendations to the Federal Trade Commission on its Guides Concerning the Use of Endorsements and Testimonials in Advertising. Our comments will help guide the Commission in evaluating endorsements and testimonials, and we will continue to be relied upon to offer guidance and case studies on the impact of the FTC’s provisions.</p>
<p>Executive Order Threatens Digital Content Creators and Distributors</p>	<p>On May 28, IAB CEO Randall Rothenberg issued a statement in response to President Trump’s threat to undo protections for digital content creators and distributors – including the illegal threat to withhold government-agency advertising spending from organizations with editorial views with which the Administration disagrees. IAB responded forcefully.</p>

IAB Organizational Snapshot

Financial Management

IAB, like most organizations, is facing the challenges brought by the Coronavirus pandemic. While we are experiencing a downturn in our revenue for Q1, 26% versus budget, driven mostly by Events, Centers of Excellence dues and Research, we have already offset a good portion of that short fall with

cost of goods sold and expense savings. We recently re-forecasted and have the approval of the Chairman, Vice Chairman and Finance Committee to end the year with a \$2.8M net income loss. However, we continue to vigorously explore options to reduce that loss. We are investigating opportunities to further renegotiate long-term contracts related to our larger events and a possible reduction in our real estate footprint. IAB will continue to monitor financial performance closely to ensure we are able to continue to deliver exceptional value to all members.

Organizational Update

The newly created Content Leadership Team, led by Brad Berens, new Editor-in-Chief, IAB, will comprise our Centers of Excellence and our Research team. This “newly” organized team will oversee the focus, market relevance, strategic alignment, positioning, distribution, and impact of all IAB thought leadership content across all the channels through which IAB distributes its content.

Be sure to check out our latest effort: the IAB Real podcast, which can be found [here](#).

New Members

Between February and May 2020, 37 new members have joined IAB, including 21 brand marketers from direct brands such as Sarah Flint or Weedmaps, to incumbent brands such as Bayer, HP, Intel, LVMH, Tommy Hilfiger, Unilever, and Williams-Sonoma. Brands are highlighted in bold:

Acquisio	Clinch	NaviStone	TrueData
Affinity Solutions	Dosh	OneDash	Unibail-Rodamco-Westfield
ALOHA	Globeln	Outer	Unilever
Anatomie	GSTV	Ovia Health	Vana Technologies
AppMonet	HP	PsychArmor Institute	Weedmaps
Arity	Intel	Sarah Flint	Williams-Sonoma
Bayer	JUST WATER	ScaleMonk	Zeotap
Bidstack	LVMH	The Sill	
Brookdale Senior Living	Mahlia Collection	TIAA	
Chairish	Mooko Media	Tommy Hilfiger	

I'll close with a quote that's often attributed to Yogi Berra: "It's tough to make predictions, especially about the future." That has always been true, but today it's more true than ever.

But amid the uncertainties, there are things we can be certain about.

First, we're all in this together. Supporting each other, learning from each other, and keeping in close – but virtual – contact with each other is how we'll get through this.

Second, no matter what happens business *must* continue for all of us. If we want to keep our economy moving forward, clients need to manufacture and sell, agencies must help consumers see real value so they feel good about spending, and the media – especially hard news – must continue to thrive.

Lastly, in spite of the many challenges in the near to mid-term, we must maintain our focus on the future. How good and healthy and inspiring that future will be, directly depends on the decisions we all make today.

So, let's make those decisions together.

Respectfully,

A handwritten signature in blue ink that reads "David A. Cohen". The signature is written in a cursive, flowing style.

David Cohen
President

APPENDIX

- [Full Year 2019 Internet Ad Revenue Report & Coronavirus Impact on Ad Pricing Report Q1 2020](#)
- [USC Center for the Digital Future and IAB Release Coronavirus Impact Study](#) – with media coverage in [MediaPost](#) and [USA Today](#)
- **Data Center of Excellence:** [2020 IAB Data-Centric Organization Report](#)
- **Data Center of Excellence:** [Programmatic Advertising: A Close Look at Cannabis](#) (guide) & [blog post](#) (“From Bloom to Boom” – Programmatic Accelerates Cannabis Advertising)
- **Digital Video Center of Excellence:** [VAST 4.x Benefits Overview](#) | “IAB’s Newest Standard: Better Video Ads. Better Reporting.” [Blog post](#) and [video](#) interviews
- **IAB Tech Lab:** New [Common Ad Transport Standard \(CATS\) for direct or non-biddable buying and selling of digital media](#) (released for public comment) – March
- **IAB Tech Lab:** [Explaining the Privacy Sandbox Explainers](#) – March
- **IAB Tech Lab:** [Tech Lab Introduces Additional Consumer Privacy Safeguards into Content and Audience Taxonomies](#) – March
- **IAB Tech Lab:** [OTT vs. CTV: What’s in a Name?](#) – May
- **IAB Tech Lab:** [Brand Safety in the Age of Covid-19](#) – May
- **IAB Tech Lab:** [Transparency and Compliance Framework \(TCF\) Version 2 Shared Libraries](#)
- **Learning & Development:** [Privacy Essentials](#) | February
- **Learning & Development:** [Creating An Engaging Virtual Experience](#) – May | June
- **Learning & Development:** [Inclusion & Engagement Leadership Essentials](#) – Five-part virtual training series started on 5/20 with an introduction to Inclusive Leadership.
- **Learning & Development:** [Fearless Strategies For Professional Growth](#) – Five-part workshop series started with the 5/28 session on “Confidence: The Power of Self Belief.”
- **Public Policy:** [IAB Weighs In on Hawaii Privacy Bill](#) – February
- **Public Policy:** [IAB Proposes Changes to CCPA Regulations](#) – February
- **Public Policy:** [IAB Statement on Maryland Digital Advertising Tax](#) – March
- **Public Policy:** [IAB Weighs in on CCPA Regulations](#) – March
- **Public Policy:** [IAB Testifies Before Senate Commerce Committee re: Big Data and Coronavirus](#) – April
- **Public Policy:** [IAB Applauds Governor Hogan for Vetoing HB-732](#) – May
- **Public Policy:** [IAB Statement on the Release of the COVID-19 Consumer Data Protection Act](#) – May
- **Public Policy:** [IAB Joins Ad Trades in Opposing Louisiana Draft Data Privacy Legislation](#) – May
- **Public Policy:** [IAB Applauds Legislation to Support Local News](#) – May