

For Six Month Period Ending May 10, 2005  
(Insert date)

**I - REGISTRANT**

1. (a) Name of Registrant (b) Registration No.

Hill & Knowlton, Inc.

3301

(c) Business Address(es) of Registrant

600 New Hampshire Avenue  
Suite 601  
Washington, DC 20037

2. Has there been a change in the information previously furnished in connection with the following:

(a) If an individual:  
(1) Residence address Yes  No   
(2) Citizenship Yes  No   
(3) Occupation Yes  No

(b) If an organization:  
(1) Name Yes  No   
(2) Ownership or control Yes  No   
(3) Branch offices Yes  No

(c) Explain fully all changes, if any, indicated in items (a) and (b) above.

N/A

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IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4 AND 5(a).

3. If you have previously filed Exhibit C<sup>1</sup>, state whether any changes therein have occurred during this 6 month reporting period.

Yes  No

If yes, have you filed an amendment to the Exhibit C? Yes  No

If no, please attach the required amendment.

<sup>1</sup> The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, and by laws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, Criminal Division, U.S. Department of Justice, Washington, DC 20530.)

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name Position Date connection ended

See attachment I (4-a)

(b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name Residence address Citizenship Position Date assumed

See attachment I (4-b)

5. (a) Has any person named in item 4(b) rendered services directly in furtherance of the interests of any foreign principal? Yes  No

If yes, identify each such person and describe his service.

Elizabeth Meltz provided services for SABIC  
Steven Getzug provided services for the UK Trade and Investment USA

(b) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name Position or connection Date terminated

See attachment I (5-b)

(c) During this 6 month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? Yes  No

If yes, furnish the following information:

Name Residence address Citizenship Position Date assumed

See attachment I (5-c)

6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(c) of the supplemental statement? Yes  No

If no, list names of persons who have not filed the required statement.

**II - FOREIGN PRINCIPAL**

7. Has your connection with any foreign principal ended during this 6 month reporting period?  
Yes  No

If yes, furnish the following information:

Name of foreign principal

Date of termination

8. Have you acquired any new foreign principal<sup>2</sup> during this 6 month reporting period?  
Yes  No

If yes, furnish the following information:

Name and address of foreign principal

Date acquired

9. In addition to those named in Items 7 and 8, if any, list foreign principals<sup>2</sup> whom you continued to represent during the 6 month reporting period.

Association of Dutch Insurers  
SABIC  
UK Trade and Investment USA

10. **EXHIBITS A AND B**

(a) Have you filed for each of the newly acquired foreign principals in Item 8 the following:

Exhibit A<sup>3</sup> Yes  No  N/A  
Exhibit B<sup>4</sup> Yes  No

If no, please attach the required exhibit.

(b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during the 6 month period? Yes  No

If yes, have you filed an amendment to these exhibits? Yes  No

If no, please attach the required amendment.

<sup>2</sup> The term "foreign principal" includes, in addition to those defined in Section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a) (9).) A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

<sup>3</sup> The Exhibit A, which is filed on Form CRM-157 (Formerly OBD-67), sets forth the information required to be disclosed concerning each foreign principal.

<sup>4</sup> The Exhibit B, which is filed on Form CRM-155 (Formerly OBD-65), sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

### III - ACTIVITIES

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11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, and 9 of this statement?      Yes       No

If yes, identify each such foreign principal and describe in full detail your activities and services:

See attachment III (11)

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12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity<sup>5</sup> as defined below?      Yes       No

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates and places of delivery, names of speakers and subject matter.

See attachment III (11)

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals?      Yes       No

If yes, describe fully.

N/A

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<sup>5</sup> The term "political activities" means any activity that the person engaging in believes will, or that the person intends to, in any 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.

### IV - FINANCIAL INFORMATION

14 . (a) **RECEIPTS - MONIES**

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, and 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes  No

If no, explain why.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies<sup>6</sup>

Date	From whom	Purpose	Amount
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See attachment IV (14-a)

\_\_\_\_\_  
Total

(b) **RECEIPTS - FUND RAISING CAMPAIGN**

During this 6 month reporting period, have you received, as part of a fund raising campaign<sup>7</sup>, any money on behalf of any foreign principal named in items 7, 8, and 9 of this statement? Yes  No

If yes, have you filed an Exhibit D<sup>8</sup> to your registration? Yes  No

If yes, indicate the date the Exhibit D was filed. Date \_\_\_\_\_

(c) **RECEIPTS - THINGS OF VALUE**

During this 6 month reporting period, have you received any thing of value<sup>9</sup> other than money from any foreign principal named in Items 7, 8, and 9 of this statement, or from any other source, for or in the interests of any such foreign principal? Yes  No

If yes, furnish the following information:

Name of foreign principal	Date received	Description of thing of value	Purpose
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<sup>6, 7</sup> A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. (See Rule 201(e).)

<sup>8</sup> An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fund raising campaign and transmitted for a foreign principal.

<sup>9</sup> Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) **DISBURSEMENTS - MONIES**

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, and 9 of this statement?      Yes       No

(2) transmitted monies to any such foreign principal?      Yes       No

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To whom	Purpose	Amount
		See attachment IV (15-a)	

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Total

**(b) DISBURSEMENTS – THINGS OF VALUE**

During this 6 month reporting period, have you disposed of anything of value<sup>10</sup> other than money in furtherance of or in connection with activities on behalf of any foreign principal named in Items 7, 8, and 9 of this statement?

Yes  No

If yes, furnish the following information:

Date disposed	Name of person to whom given	On behalf of what foreign principal	Description of thing of value	Purpose
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N/A

**(c) DISBURSEMENTS – POLITICAL CONTRIBUTIONS**

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value<sup>11</sup> in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes  No

If yes, furnish the following information:

Date	Amount or thing of value	Name of political organization	Name of candidate
------	--------------------------	--------------------------------	-------------------

N/A

<sup>10, 11</sup> Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks" and the like.

V - INFORMATIONAL MATERIALS

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials <sup>12?</sup>  
Yes  No

IF YES, RESPOND TO THE REMAINING ITEMS IN SECTION V.

17. Identify each such foreign principal.

UK Trade and Investment USA  
Association of Dutch Insurers  
SABIC

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating informational materials? Yes  No

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of informational materials include the use of any of the following:

- Radio or TV broadcasts
- Magazine or newspaper articles
- Motion picture films
- Letters or telegrams
- Advertising campaigns
- Press releases
- Pamphlets or other publications
- Lectures or speeches
- Internet
- Other (specify) \_\_\_\_\_

20. During this 6 month reporting period, did you disseminate or cause to be disseminated informational materials among any of the following groups:

- Public Officials
- Newspapers
- Libraries
- Legislators
- Editors
- Educational institutions
- Government agencies
- Civic groups or associations
- Nationality groups
- Other (specify) Trade Publications

21. What language was used in the informational materials:

- English
- Other (specify) \_\_\_\_\_

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period? Yes  No

Copies are filed as a part of this supplemental statement

23. Did you label each item of such informational materials with the statement required by Section 4(b) of the Act? Yes  No

See item #22 above

12 The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.

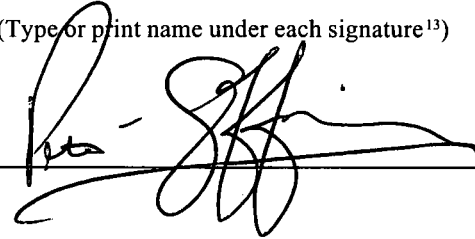
**VI - EXECUTION**

In accordance with 28 U.S.C. §1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature )

(Type or print name under each signature<sup>13</sup>)

June 10, 2005



Peter Jeffries, Senior Vice President of Public Affairs

Hill and Knowlton, Inc.

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13 This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.

UNITED STATES DEPARTMENT OF JUSTICE  
FARA REGISTRATION UNIT  
CRIMINAL DIVISION  
WASHINGTON, D.C. 20530

**NOTICE**

Please answer the following questions and return this sheet in triplicate with your Supplemental Statement:

CRM/ISS/REGISTRATION UNIT  
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1. Is your answer to Item 16 of Section V (Informational Materials - page 8 of Form CRM-154, formerly Form OBD-64-Supplemental Statement):

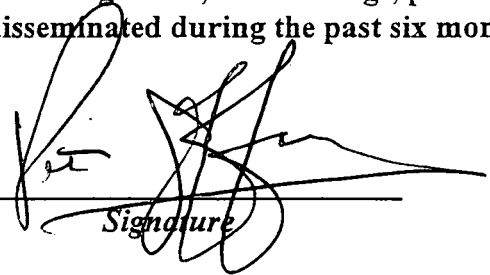
YES   X   or NO \_\_\_\_\_

(If your answer to question 1 is "yes" do not answer question 2 of this form.)

2. Do you disseminate any material in connection with your registration:

YES \_\_\_\_\_ or NO \_\_\_\_\_

(If your answer to question 2 is "yes" please forward for our review copies of all material including: films, film catalogs, posters, brochures, press releases, etc. which you have disseminated during the past six months.)

  
\_\_\_\_\_  
*Signature*

6/10/05  
*Date*

Peter Jeffries  
Please type or print name of signatory on the line above

SUP  
*Title*

THIS FORM IS TO BE AN OFFICIAL ATTACHMENT TO YOUR CURRENT  
SUPPLEMENTAL STATEMENT - PLEASE EXECUTE IN TRIPLICATE

SHORT-FORM REGISTRATION INFORMATION SHEET

SECTION A

The Department records list active short-form registration statements for the following persons of your organization filed on the date indicated by each name. If a person is not still functioning in the same capacity directly on behalf of the foreign principal, please show the date of termination.

Short Form List For Registrant: Hill & Knowlton, Inc.

Last Name	First Name and Other Names	Registration Date	Termination Date	Role
Clampitt	Adam	1/5/05		
Cohen	Bradley Daniel	1/5/05		
Cox	James O. III	3/13/02		
Cullum	Tiffany	1/5/05	2/28/05	Public Relations
Danko	Eric	1/5/05	1/20/05	Public Relations
Davenport	Rory	1/5/05	3/28/05	Public Relations
Dreisch	Lisa	1/5/05		
Drobnis	Jonathan	6/10/04	12/15/04	Public Relations
Galnes	Sallie L.	1/5/05		
Grannell	Nora	3/18/03		
Hartwig	Myron A.	1/5/05		
Hymel	Gary	3/18/03		
Kincaid	Jamie	1/5/05		
Mackey	Judith Anne	1/5/05		
Majorosova	Pavlna	1/5/05		
Mankiewicz	Frank	7/18/83		
Mastal	Megan L.	3/13/02		
Meyer	Don	1/5/05		
Morcos-Rauchberg	Eileen J.	1/5/05		
Reineke	Eugene	1/5/05		
Sendelbach	Patricia	1/5/05		
Sfikas	Athanasia	1/5/05		

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Short Form List For Registrant: Hill & Knowlton, Inc.

Last Name	First Name and Other Names	Registration Date	Termination Date	Role
Terrana	Angelo Peter	6/10/04		
Tragakis	Charles	1/5/05		
Wallace	Bronwyn	6/10/04		
Walsh	Deirdre	6/10/04		
Williams	Michele	1/5/05		
Withers	Averell	1/5/05	3/31/05	Public Relations
Meltz	Elizabeth	6/10/05		
Aldinger	Michael	6/10/05		
Moses	Eric	6/10/05		
Stephan	Katherine	6/10/05		
Getzup	Steve	6/10/05		
Mangum	Jeff	6/10/05		
Bingham	Daniel	6/10/05		
Peal	Ryan	6/10/05		
Warecki	Brian	6/10/05		
Wahn	Matthew	6/10/05		
Hendrickson	Lena	6/10/05		
Bryant	Steve	6/10/05		
Drummond	Jon	6/10/05		
Inch	Anna	6/10/05		
Bradshaw	Kimberlee	6/10/05		
Finch	Anna	6/10/05		
Gonzalez	Yadira	6/10/05		
Meehan	Melissa	6/10/05		
O'Connell	Cynthia	6/10/05		
Casto	Gregory	6/10/05		
Costello	Harold	6/10/05		
Olson	Emily	6/10/05		



## Attachment I (4-a)

LAST NAME	FIRST NAME	POSITION	DATE CONNECTION ENDED
Behles	Scott	VP	3/18/2005
Colton	Jennifer	SVP	3/14/2005
Davenport	Rory	SVP	3/31/2005
Devine	Maura	VP	2/4/2005
Galbreath	Phillip	VP	1/3/2005
Godwin	Charry	VP	11/17/2004
Hartman	Beulah	SVP	11/19/2004
Hayes	Adrienne	VP	3/11/2005
Jones Sichko	Martha	VP	12/1/2004
Loeb	Harlan	SVP	3/4/2005
Mcdade	Paul	EVP	3/31/2005
Mooney	John	VP	4/22/2005
Novak	Laura	VP	3/9/2005
Quick	John	SVP	1/24/2005
Sloan	James	SVP	3/8/2005
Smith	Adam	SVP	1/31/2005
Sutton	Leslie	SVP	4/22/2005
Taylor	Jason	VP	12/23/2004
Teller	Harlan	EVP	3/8/2005

\*\*VP = Vice President

\*\*SVP = Senior Vice President

\*\*EVP = Executive Vice President

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**Attachment I (4-b)**

LAST NAME	FIRST NAME	RESIDENCE ADDRESS	CITY	STATE	ZIP	CITIZENSHIP	POSITION	DATE HIRE	DATE ASSUMED
Barnabee	Margaret	1632 S. Indiana Ave., #609	Chicago	IL	60616	US	VP	02/01/05	
Barton	Sally	18 Country Hill Road	Brewster	NY	10509	US	SVP	12/13/04	
Bergmanis	Maruta	1735 W. Diversey Parkway #220	Chicago	IL	60614	US	VP	02/15/05	
Bird	Timothy	300 East 93rd Street, #16A	New York	NY	10128	US	SVP	05/01/05	
Boettrich	Katherine	2306 17th St.,NW	Washington	DC	20009	US	VP	04/04/05	
Bottary	Leo	15406 Lakeshore Villa Lane	Tampa	FL	33618	US	SVP	05/02/05	
Capehart	Jonathan	520 West 43rd Street, #29D	New York	NY	10034	US	SVP	01/10/05	
Duncan	John	1207 Independence Ave., SE	Washington	DC	20003	US	VP	04/01/05	
Foster	Kristen	167 Flora Boulevard	Fairfield	CT	06824	US	VP	03/29/05	
Getzug	Steven	13120 Hesby Street	Sherman Oaks	CA	91423	US	SVP	01/19/05	
Jeffries	Peter	6304 Kellogg Drive	McLean	VA	22101	US	SVP	03/01/05	
Kirkpatrick	George	2904 Hartzell Street	Evanston	IL	60201	US	SVP	01/31/05	
Levine	Jeffrey	557 Longhorn Crescent	Rockville	MD	20850	US	SVP	03/07/05	
McDevitt	Sharron	73 Yale Avenue	Oakdale	NY	11769	US	VP	11/22/04	
McGrath	Michael	256 Sunset Avenue	Glen Ellyn	IL	60137	US	VP	01/10/05	
Meltz	Elizabeth	1801 Gough St.	San Francisco	CA	94109	US	VP	9/17/2001	5/1/2005
Oestreicher	Paul	50 High Point Road	Westport	CT	06880	US	US Director	05/03/05	
Smith	Molly	600 N.McClurg Ct. 4105A	Chicago	IL	60611	US	VP	12/17/2002	5/1/2005
Tragakis	Charles	6813 Moon Rock Ct.	Alexandria	VA	22306	US	VP	11/17/2003	5/1/2005
Wade	Harry	495 Eighth Street	Brooklyn	NY	11215	US	VP	02/08/05	
Woolsey	Christine	5268 N. Lamon Avenue	Chicago	IL	60630	US	VP	02/24/05	
Yarmis	Jonathan	28 Twin Walls Lane	Weston	CT	06883	US	SVP	02/28/05	

\*\*VP = Vice President

\*\*SVP = Senior Vice President

**Attachment I (5-b)**

<b>Name</b>	<b>Position or Connection</b>	<b>Date Terminated</b>
Rory Davenport	Senior Vice President	3/28/2005
Tiffany Cullum	Assistant Account Executive	2/28/2005
Averell Whithers	Account Executive	3/31/2005
Eric Danko	Account Executive	1/20/2005
Jonathan Drobis	Account Executive	12/15/2004

**Attachment I (5-c)**

<b>Name</b>	<b>Residence Address</b>	<b>Citizenship</b>	<b>Position</b>	<b>Date assumed</b>
Steve Getzug	13120 Hesby St. Sherman Oaks, CA	US	SVP	1/19/2005
Daniel Bingham	42 Bank Street #53, New York NY 10014	US	AS	4/4/2005
Kimberly Bradshaw	61 Duncan Avenue #5C, Jersey City NJ 07304	US	AAE	3/23/2005
Yadira Gonzales	3305 West Dallas, Apt. 446, Houston TX 77019	US	Intern	4/18/2005

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## **Attachment III (11)**

### *Association of Dutch Insurers:*

Registrant provided advice and counsel principally regarding retroactive policy claims.

### *SABIC:*

Registrant provided corporate communications counseling and media support.

### *UK Trade and Investment USA:*

Registrant provided media relations/public relations services on behalf of the UK government's inward investment agency, UK Trade & Investment.

**Attachment IV (14-a)**

<b>CLIENT</b>	<b>AMOUNT</b>
Association of Dutch Insurers	\$ 27,588.78
UK Trade and Investment USA	\$ 67,115.21
<b>TOTAL</b>	<b>\$ 94,703.99</b>

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**Attachment IV (15-a)**

<b>Description</b>	<b>UK Trade &amp; Investments</b>	<b>Association of Dutch Insurers</b>	<b>SABIC</b>
Messenger Services	31.95		
Copies/Printing	1,621.29		2.48
Video Production			4,374.79
Postage&Freight	298.46		313.69
Supplies	2.15		1,760.69
Meals/Entertainment/Travel	1,681.19		15,649.92
News Retrieval	1,819.29	1,642.69	2,441.29
Misc. Fees & Expenses	1,199.89		1,196.25
Consultants	5,165.80		
Production Costs			15,813.86
Telephone/Fax	446.15	96.64	417.10
<b>TOTAL</b>	<b>12,266.17</b>	<b>1,739.33</b>	<b>41,970.07</b>

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**I N F O R M A T I O N A L**  
**M A T E R I A L S**

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CRM/ISS/REGISTRATION UNIT

**FOR IMMEDIATE RELEASE**

**Contact:**

Hennie Zoontjes  
Verbond Van Verzekeraars  
31 70 333 8698 (office)  
31 65 372 5923 (cell)

Frank Mankiewicz  
Hill & Knowlton Washington, DC  
202 944 5104 (office)

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## **New Study Reveals Little Risk in Insuring HIV Positive Patients in Holland**

***Dutch Association of Insurers Member Companies Begin Offering Life Insurance Policies to Patients Receiving Highly Active Antiretroviral Therapy***

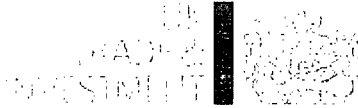
**Amsterdam, March 15, 2005** – The Dutch Association of Insurers has announced the results of a study revealing there is little risk in providing life insurance policies to HIV patients in the Netherlands undergoing Highly Active Antiretroviral Therapy (HAART). In response to the study's findings, several of the association's members have begun offering life insurance to patients in this category. These member companies are among the first in the world to provide life insurance for HIV patients on a commercial basis.

"These findings show that someone with HIV is no more of a risk factor for insurers than someone with diabetes – a positive first step toward increasing the insurability of HIV patients and improving the lives of untold numbers," said Eric Fischer, general manager of the Dutch Association of Insurers. "Until now, it was nearly impossible for people with this disease to obtain life insurance, which was a significant impediment to many things that most people take for granted, such as obtaining a mortgage. This unique initiative has been made possible by the close cooperation among insurers, doctors and medical researchers in Holland."

Conducted by the HIV Monitoring Foundation, Holland's national executive organization for the registration and monitoring of HIV-infected patients, the study examined the mortality of HIV patients from an insurance standpoint. The findings demonstrated that the life expectancy of people with HIV in the Netherlands has increased significantly in recent years due to the HAART program. These findings apply to patients who have successfully undergone this medical treatment in recent years, have experienced no further medical complications and have not used intravenous drugs.

Among this group, the mathematical probability of death, beyond the average mortality, due to HIV was found to be as low as one-tenth of one percent per year – odds that put HIV patients in the same risk category as people with diabetes or a serious heart problem, and which has led members of the Dutch Association of Insurers to begin offering comparable life insurance policies to these patients.

###



**Contacts:**

Andrew Lewis  
UK Trade & Investment  
(310) 996-3024  
[Andrew.Lewsi@fco.gov.uk](mailto:Andrew.Lewsi@fco.gov.uk)

Eileen Morcos  
Hill & Knowlton  
(310) 633-9435  
[Eileen.Morcos@hillandknowlton.com](mailto:Eileen.Morcos@hillandknowlton.com)

**May 18, 2003**

For immediate release

## **UK Engages Video Game Business at E3**

*UK Trade & Investment releases MPEG to showcase nation's attributes and commitment to growing the video gaming industry*

**LOS ANGELES** – With the world's third-largest video game market and Europe's highest concentration of independent development studios, officials from UK Trade & Investment, the UK Government's business development agency, will be at E3 to explain why the UK is the European partner of choice for the US and international video games industry.

All the major international players – EA, Activision, THQ, Sega, Atari, Microsoft Xbox, Sony Computer Entertainment, Codemasters and Nintendo – have significant operations in the UK. Electronic Arts chose the UK to locate its European Headquarters and then acquired a major development studio.

"The leading video game companies have found that the United Kingdom offers terrific business opportunities, in particular through collaboration with some of the world's most innovative and creative games developers and publishers," said David Slater, Her Majesty's Consul and UK Trade & Investment's Director for the West Coast. "More than 22,000 people work in the UK gaming industry – 6,000 in the development sector alone."

In addition to helping overseas companies develop their business in the UK, the UK Government is working in close partnership with the industry to ensure that the UK remains a competitive environment for developing games.

"A highlight is our co-operation on Skillset, the Sector Skills Council for the Audio-Visual Industries. Skillset is proactively tackling the skills needs of the games sector, working with employers – including big name publishers like EA, Activision and Eidos and SME's like Blitz Games and Kuju – to shape the future provision of education and training for the sector," Slater said. "Skillset is also working towards a new games industry accreditation programme for UK higher education to ensure that graduates emerge with the optimum mix of skills required by employers. We believe that this initiative is unique, not only in Europe, but elsewhere."

## U. K. Government Engages Video Game Business at E3

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The UK influence on this burgeoning market is continually growing. Eidos' "Tomb Raider" series has sold more than 28 million units and its star Lara Croft has spawned two films. Among the other best-selling games conceived and developed in the United Kingdom were: Rockstar Games' "Grand Theft Auto," EA's "Harry Potter" series and Team Soho's "The Getaway." Other innovative games and products of note include Lionhead Studios & Big Blue Box's "Fable" and Sony's "Eye Toy," a USB digital camera that makes the player the star of the game by tracking the player's body movements and integrating them into the action onscreen.

To underscore the United Kingdom's commitment to the video games industry, UK Trade & Investment, the Department of Trade & Investment and the British Council are, for the third consecutive year, sponsoring the UK State of Play Pavilion and the British Gaming Village at E3 to showcase some of the nation's hottest developers and publishers. The exhibition platforms are also sponsored by the Entertainment & Leisure Software Publishers Association (ELSPA), the trade group for publishers, and The Independent Games Association (TIGA), the trade group for the nation's developers. More than 30 UK-based developers and publishers are exhibiting at E3 this year. UK State of Play is in the West Hall at the Los Angeles Convention Center and the British Gaming Village can be found in Kentia Hall.

UK Trade & Investment also this week released an MPEG, which can be found at [www.uktradeinvestusa.com/e3](http://www.uktradeinvestusa.com/e3), to inform the video gaming industry and media that cover it about the benefits of expanding in the United Kingdom. The humorous video, produced by The Cannery in Hollywood, features a modern-day town crier at a busy urban intersection announcing some of the best features the UK has to offer video game companies.

"We wanted an edgy and industry-targeted device to get the attention of the video gaming industry. Our goal is to inform company decision makers about the unique opportunities that exist in the UK," Slater said. "The MPEG highlights that the UK has the talent pool, the market and infrastructure for US companies to tap into should they decide to develop their business in the UK."

The video games market has seen huge growth over the last 15 years as advances in technology have led to the introduction of affordable, mass-produced games consoles. In that time, the United Kingdom has become the world's third-largest market for video games – behind the United States and Japan – and the largest in Europe, ahead of France and Germany. Sales of software and hardware generated over US \$4.1 billion in 2004 and more than 25 million gaming consoles were sold in the United Kingdom between 1995 and 2003 – enough for every household to own one.

"Ultimately, we want US companies to take full advantage of the opportunities in the UK and maximize their profits," Slater said. "UK Trade & Investment serves as a collaborative partner in the business development process and provides access to all resources that international businesses need to enter the UK and European market. Equally important, we want to introduce UK companies to the US market and assist them to invest, maximize profits and create wealth in the US. It is very much a win-win relationship."

**About U.K. Trade & Investment**

UK Trade & Investment is the Government organization that both supports companies in the UK doing business internationally and overseas enterprises seeking to locate in the UK. The integrated services offered by UK Trade & Investment bring together a network of business sector specialists and support teams in British embassies and Foreign and Commonwealth Office (FCO) posts overseas, as well as key experts in government departments across the UK.

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CONNECTING BUSINESS TO LONDON

## NEWS RELEASE

# LONDON'S WIRELESS REVOLUTION ATTRACTS NEW WAVE OF CALIFORNIA-BASED BUSINESSES

SAN FRANCISCO, May 31, 2005 – More than 120 California-based companies have opened their offices in the UK over the past few years, according to Think London, the official inward investment agency for London, and UK Trade and Investment, the UK Government's business development agency. Fifty percent of these companies have chosen London as their base in Europe.

London hosts Europe's largest base of leading-edge companies, including California household names like Google, Yahoo! and Apple. One in five California companies investing in London establishes a European headquarters operation, and more than half locate a sales and marketing hub here.

Three quarters of all California investments come from the IT and software sectors emphasizing London's status as the largest and fastest-growing IT market in Europe, having grown by more than 50 percent over the past five years. California companies opening London offices represent as many as one in eight of all international investments into the UK capital.

A number of factors drive California-based businesses to London and the UK, including economic opportunity, access to a skilled talent pool, and an agile business environment that adapts to market conditions and new technologies. The city's accelerated rollout of 3G services and its expanded Wi-Fi footprint (approximately 1200 hotspots) combined with the proliferation of roaming agreements between various hotspot service providers allow US-based businesses access to an emerging wireless ecosystem. London's wireless ecosystem enables "web mobility" whereby converged service offerings allow consumers to use either 3G or Wi-Fi services seamlessly with the convenience of consolidated billing and roaming agreements that allow the user to experience nearly ubiquitous coverage for broadband and multimedia services and applications.

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Think London Chief Executive, Michael Charlton, said: “California is at the forefront of wireless technology, and San Francisco is spearheading this trend, demonstrated by the city’s top ranking in Intel’s recent ‘Most Unwired Cities’ survey. BT, one of the world’s leading telecommunications providers, recently announced a new contract that will make the heart of London one of the world’s top wireless hotspots and revolutionize municipal service communications across the UK. Now that London is reinventing itself as Europe’s most wireless-enabled capital, there are unlimited opportunities for California-based companies to meet the expertise and technology needs of this fast-growing market.”

California-based companies wishing to take full advantage of the opportunities in London and the UK can access the resources of Think London and UK Trade and Investment. The two agencies provide access to key resources that US businesses need to start operating quickly and efficiently in the UK market. They provide clients a single point of entry for advice and assistance and save clients management time and costs. They serve as a collaborative partner, dedicated to the business objectives of those wishing to expand their operation in the UK, and provide access to unrivalled public and private sector networks.

“California companies are at the vanguard of wireless technology software and mobile device services,” said Janet Coyle, Her Majesty’s Consul (Investment) of the UK Trade and Investment office in San Francisco. “Increasingly, they see the UK as one of the world’s most innovative and profitable locations in which to globalize their businesses and stay ahead of the game.”

Among the high technology California-based firms assisted by UK Trade and Investment and Think London’s free advisory service is InnoPath Software, the industry leader in over-the-air (OTA) mobile device management from Alviso, Calif. Innopath was recently recognized by *The Red Herring* as one of the most innovative private companies that will help shape the future of the technology world. George Nicholson, InnoPath’s Managing Director, EMEA, said: “Over the past nine months our resources in London have grown by more than 50 percent. As a city which embraces wireless technology and entrepreneurial innovation from all over the world, London gives us many advantages. For the most part, our business benefits from the presence of all the major telecoms carriers based either in or around



London. You only have to look at market penetration in the UK to see that this is a very dynamic market – there are more cell phones than people here!"

"The rewards are great," said Charlton, "not least because London is Europe's best-connected city and represents a fast and easy launch pad to global, European and national markets. With 450 million consumers, the European market alone is the largest developed market in the world. All the major networks, hardware and application providers are present in London, attracted by the city's culture of early adoption, illustrated by the rapid rollout of Wi-Fi networks."

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**About Think London**

Think London is the official inward investment agency for London. We provide free, confidential and comprehensive advice to help international businesses set up and succeed in London. Think London research shows that one in seven in jobs in London results from Foreign Direct Investment and inward investment contributes £38 billion to London's economy. Think London's principal funding partners are the London Development Agency (LDA) and London's business community, through London First. Other key partners are the Corporation of London, which also provides funding, and UK Trade & Investment. [www.thinklondon.com](http://www.thinklondon.com)

**About UK Trade & Investment**

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## **UK City Ranked Among Top Global Intelligent Communities**

### ***Sunderland Selected as Model Digital Age Community For Fourth Consecutive Year***

New York, May 31, 2005 – ICF, The Intelligent Community Forum, recently announced its selection of Sunderland, the United Kingdom, as one of the world's top seven intelligent communities of 2005.

The United Kingdom continues to demonstrate its leadership in this area, which recognizes the pioneering cities and regions of the digital age.

Following in the footsteps of Glasgow, the recipient of last year's top award, Sunderland is now in contention for recognition as the world's Intelligent Community of the Year.

Selected by ICF, a non-profit think-tank which researches the impact of connectivity and information technology on economic growth, Sunderland shares the spotlight with Issy-les-Moulineaux, France, Mitaka, Japan, Pirai, Brazil, Singapore, Tianjin, China, and Toronto, Canada.

Ranked as one of the globe's top seven intelligent communities for an unprecedented fourth consecutive year, Sunderland's selection was based on five critical factors. These factors are Sunderland's broadband infrastructure, knowledge based workforce, innovation focused inward investment activities and the city's "digital democracy", and the community's change friendly social and political culture. Regions, communities, and cities are evaluated on their documented strategies for utilizing broadband information and communications technology to drive competitiveness.

"Sunderland's drive, its innovation and its academic infrastructure make it an ideal location for ICT companies," said Michael Roberts, Senior Vice President, The North of England Inward Investment Agency, "The ICF ranking is a testimonial to what can be achieved when business and government work together."

"Sunderland's ranking as an Intelligent Community is a credit to the city itself and a reflection of the UK economy and business environment as a whole," said Alastair Newton, Director of UK Trade & Investment USA. "It is one of many reasons why the UK remains the number one destination for US technology companies looking to do business in the world's largest single market, the European Union."

A former shipbuilding and mining city in the north of England, Sunderland now boasts one of the world's most progressive knowledge-based economies. In 2004, a KPMG study ranked Sunderland as one of the top five most competitive business locations in the UK.

One of the seven cities will be selected as ICG's 2005 Intelligent Community of the Year during the June 13-14, ICF conference in New York.

#### **About UK Trade & Investment**

UK Trade & Investment is the British Government's international business development agency, supporting companies in the UK doing business internationally and overseas enterprises seeking to establish a market footprint in the UK. The integrated services offered by UK Trade & Investment bring together a network of business sector specialists and support teams in over 200 British embassies and Foreign and Commonwealth Office (FCO) posts overseas, as well as key experts in government departments across the UK.

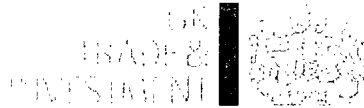
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[www.uktradeinvestusa.com](http://www.uktradeinvestusa.com)

#### **About ICF**

The Intelligent Community Forum (ICF) is a special interest group within the World Teleport Association that focuses on the uses of broadband technology for economic development by communities large and small in both the developed and developing world. Because real estate is a critical part of urban development, ICF also addresses the development of intelligent buildings, Internet hosting centers and similar facilities. ICF conducts research, creates conference content, publishes newsletters and presents annual Awards for Intelligent Community and Intelligent Building developers. For more information visit: [www.intelligentcommunity.org](http://www.intelligentcommunity.org)

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## **BioIT World Highlights Strength of UK Biotech Industry**

UK Scientist Wins Prestigious Benjamin Franklin Award in Bioinformatics

**Boston, MA – Thursday, May 19, 2005** The strength of the UK biotechnology industry will be highlighted today with the presentation of the prestigious Benjamin Franklin Award in Bioinformatics to Dr. Ewan Birney, a bioinformatician at the Cambridge, England-based European Bioinformatics Institute.

The award honors scientists who promote free and open access to software tools and applications in the bioinformatics field. Dr. Birney will accept the award at 9:45 am at the BioIT World Conference & Expo at the Hynes Convention Center in Boston.

Dr. Birney is being honored for his advocacy of placing human genome sequence data into the public domain via the Web. He has helped to ensure the free flow of this information as co-leader of the Ensembl project, an open access software system that provides annotation data on 16 vertebrate and other large genome sequences including chimpanzee and dog.

"Dr. Birney has been a steadfast advocate of open access to the materials and methods used in bioinformatics, for which this award was created," says Jeff Bizzaro, founder of The Bioinformatics Organization. "His work at the EBI in Cambridge, England exemplifies his innovative spirit and cutting-edge thinking."

"I support the open release of data because if you can grow the common area everyone works on, it furthers scientific discoveries," Dr. Birney says. "The quality of science in the UK is better than what you can find anywhere; the [EBI] campus is the leading location of only four in the world that has the infrastructure to support this type of work."

### **UK Experts at BioIT World**

In addition, several renowned experts from the UK are featured speakers at BioIT World. Sir Tim Berners-Lee, who currently holds the 3Com Founders chair at MIT's Laboratory for Computer Science and Artificial Intelligence Lab (CSAIL), delivered the keynote speech. Named "one of the 100 greatest minds of the century" by *Time* magazine in 1999, he is credited with inventing the World Wide Web.

Other BioIT World speakers include:

- Steve Walker, CIO of the UK Biobank project at Manchester University
- Michael Townsley, Finance Director/co-founder of Fusion Antibodies
- David Iberson-Hurst, founder of Assero Ltd.
- Dr. David Milward, CTO of Linguamatics, Ltd.

## **UK Highlights in Research Excellence:**

The UK boasts a rich history in biotechnology research and commercialization. Research thrives at world class centers including the Universities of Oxford and Cambridge, the Institute of Cancer Research and the Imperial College, London. The country's progressive R&D environment has fostered several successes:

- Some 224 new products were under development in the UK in 2004, more than in any other European country.
- All of the top 12 global pharmaceutical companies have significant manufacturing/R&D facilities in the UK.
- Some 23 Nobel laureates have been awarded for biomedical research at UK research institutes over the past 40 years.

Businesses can find streamlined access to the UK biotechnology market through UK Trade & Investment (UKTI), the government's international business development agency.

### **About UK Trade & Investment**

UK Trade & Investment is the government organization that provides integrated support services for UK companies engaged in overseas trade and foreign businesses focused on the UK as an inward investment location. It brings together the work of teams in 200 British embassies and FCO posts overseas and government departments across Whitehall. In England, UK Trade & Investment services are delivered through the 45 Business Links and other partners including Regional Development Agencies and Chambers of Commerce, coordinated by nine regional International Trade Directors. The devolved administrations in Scotland, Wales and Northern Ireland have their own arrangements for local delivery of services.

For additional information about UKTI and its resources and services, please visit UKTI's website at <http://www.uktradeinvestusa.com> or for general queries, contact:

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# **“ARE WE READY FOR THE ERA OF THE SEVEN LEAN COWS?”**

by

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*Vice Chairman and Chief Executive Officer*  
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Riyadh, Kingdom of Saudi Arabia

7<sup>th</sup> Iran Petrochemical Forum  
May 7, 2005  
Tehran, Iran

Your excellencies, distinguished guests, ladies and gentlemen.

Al Salaam Alaikum Wa Rahmat Allah Wa Barkatuh.

It is an honor to speak with all of you today, and I would like to thank HE Mohammad Reza Nematzadeh, Deputy Minister of Petroleum and President of the National Petrochemical Company of Iran, for inviting me to address this 7<sup>th</sup> Iran Petrochemical Forum.

\* \* \*

Most of us in this room have lived through international boom and bust cycles in both energy and financial markets. It is therefore understandable that even now, in the midst of our present progress and prosperity, many of us recognize the possibility that we may face difficult times ahead.

It brings to mind the Qur'anic parable related to the Prophet Joseph's interpretation of the Egyptian King's dream -- where seven lean cows devoured seven fat cows.

Prophet Joseph interpreted the King's dream to mean that Egypt would be prosperous for seven "fat" years, to be followed by seven "lean" years of drought and desolation.

The King accepted Prophet Joseph's interpretation of the dream and put him in charge of Egypt's food supply.

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Prophet Joseph ordered the people of Egypt to save part of their harvests during prosperous years; to be used for survival during the lean years to come.

\* \* \*

Does the parable of the Seven Lean Cows apply to the Middle East petrochemical industry?

If so, what are today's Seven Lean Cows that would consume our prosperity?

They are:

- Protectionist trade policies
- Erosion of our market share
- Inadequate Research and Technology
- Failure to develop our Human Resources
- A crippling bureaucracy
- A frenzy of quick-profit traders who threaten the stability and global credibility of our industry
- And, regional infighting

What can we do, what should we do, right now, to protect ourselves from letting these Seven Lean Cows bring about a catastrophic collapse of the Middle East petrochemical industry?

The Prophet Joseph accurately interpreted the king's dream and recommended a plan of action that saved Egypt.

For this, Prophet Joseph was made king.

I am not here as a prophet of doom.

I am not here to predict the future.

I would, however, like to share with you what I believe are the greatest challenges we face, and the actions we must take to avert the worst that could happen.

\* \* \*

First and perhaps foremost, is the issue of membership in the World Trade Organization, or W-T-O.

As of today, Saudi Arabia and Algeria are still on “observer negotiating entry” status, while Iran and Libya have pending requests for association.

Oil-producing countries in the Middle East are facing real challenges on several levels concerning the export of our downstream products to the developed countries and establishing a market share in those countries for those products.

The most difficult problems are anti-dumping measures and trade protectionism through high tariffs and duties.

It's true that becoming a member of the WTO will require some bold economic measures on our part.

However, for the Middle East petrochemical industry to succeed in establishing a solid market share in the global market, in line with our ever-increasing production capacity, the issues preventing us from full membership in the World Trade Organization must be resolved soon.

\* \* \*

Whether or not we are granted membership in the World Trade Organization, in the near future, petrochemical producers in the Middle East must follow a more assertive strategy in terms of existing market coverage and penetration of new markets.

Today, we see the global leaders, like ExxonMobil, Dow, Shell, and BASF enjoy significant market coverage. Most petrochemical companies in the Middle East are narrowly focused on certain geographic areas.

This puts us in a difficult position, if the majority of our products are going to just one region of the world. If this trend continues, one dominant region could become powerful enough to effectively control our industry.

And so, we need to become members of the WTO and prevent erosion of our existing market share.

\* \* \*

Next, our investment in Research and Technology, must keep pace with the rest of the world, in order for us to have a competitive edge.

Right now, some Middle East petrochemical producers are content to simply purchase off-the-shelf technology and call it a day. But those who only buy the technology will forever be “followers” and never “leaders.”

With the rapid development of the chemical and polymer industries, and the impact of other industries like “life sciences,” a sound and growing investment in R&T by ANY petrochemical company is a necessity, NOT a luxury.

I’m not talking about pure research -- to re-invent the wheel, or finally turn lead into gold -- I’m talking about a serious financial commitment in R&T to create the technological support we need for our future expansion and to ensure that we continue to have the highest, state-of-the-art production facilities after they become operational.

\* \* \*

Hand-in-hand with increased investment in R&T is the need to develop our human resources. We have not paid enough attention to this, and we are about to face the consequences.

Let me give you just one example.

In the Eastern Province of Saudi Arabia, there are more than 14 million metric tons per year of petrochemical capacity planned for construction over the next three years.

This year the Eastern Province will need 3,000 skilled workers to begin these projects. Over the next two years, as these projects increase in number and size, the demand for skilled workers will increase to more than 20,000.

Where are we going to find 20,000 skilled workers in the next two years?

Sure, we already have classical training courses, degree and non-degree programs, and on-the-job training. This may fill the need.

What we really need is to transform our petrochemical companies into “Learning Organizations” that are capable of developing knowledge in terms of know-how and expertise. We must effectively manage that knowledge and make sure it is transferred between the various operating units of a company.

This, ladies and gentlemen, is the only way to develop the future managers of these companies.

In addition to training, we have to have a business culture that encourages innovation and rewards individual initiative.

Yes, we have plenty of planners and strategists. What we need to develop are more people with the nerves-of-steel to make the hard decisions, and actually execute those plans and strategies.

My company, SABIC, has been investing quite a lot in human resources development and creating an entrepreneurial business culture.

\* \* \*

One aspect of business culture that affects some more than others in the Middle East petrochemical industry is the bureaucracy that surrounds us .

In general terms, public sector, and some government-owned companies, are often burdened with a bureaucracy that is not always sensitive to market forces and global business opportunities.

Political appointments and nepotism that place un-qualified individuals in management positions, the concept of lifetime employment, miles and miles of red tape, and the general inability to make timely business decisions, are often truly crippling to an organization.

I cannot offer a cure for this. But I can suggest emulating the leadership examples of the “legendary CEOs,” you are no doubt aware of, or any number of “management gurus” who offer a wealth of practical advice on the best ways to run a company.

Sometimes, you have to break the bureaucratic mold to get anything done.

Or, turn things upside down, and see what shakes out.

I once asked a group of managers, “How would you do your job differently if we were losing money, instead of making record profits? The silence in the room was deafening.

Some will suggest to you that the only cure for a crippling bureaucracy is “privatization.”

And that brings me to another Lean Cow to beware of.

\* \* \*

Privatization of the petrochemical industry in the Middle East, at best, will bring about true market-oriented companies that are capable of operating in an ever-changing and challenging global marketplace.

At worst, privatization can bring all sorts of quick-profit traders out of the woodwork, whose only interest is raising enormous levels of capital to line their own pockets.

These promoters will promise investors the moon and stars, but they have no interest in the long-term stability and credibility of the Middle East petrochemical industry.

To mitigate this threat, we in the Middle East petrochemical industry must develop an effective framework for regional cooperation.

The benefits of fair competition among Middle East petrochemical producers can help all of us compete effectively in the global marketplace.

With strategic alliances among producers in the Middle East, we can all gain tremendous competitive advantages and increase our individual and collective market shares.

So why hasn't this already happened?

\* \* \*

I attribute this lack of regional cooperation to an Arabic famous saying that goes like this “ Me and My brother against My cousin , Me and My cousin against the others.

In other words, one of the most serious challenges we face, among Middle East petrochemical companies, is the fact that we seem to treat each other with fear or suspicion, as distant relatives or tribes.

For this reason, despite the individual successes of most of our companies, there is no true cooperation, partnership or alliance between any of us.

Ultimately, this lack of cooperation among the petrochemical producers in the Middle East could be our most formidable challenge.

I am sorry to predict, there won't be any such partnerships or alliances until our culture changes from being “against” something, to being “for” something.

\* \* \*

And so, to keep the Seven Lean Cows from consuming us, we need to be:

FOR – Membership in the WTO, to eliminate trade barriers against our products in the global market, and erosion of our existing market share.

We need to be...

FOR – Advanced Research and Technology to maintain our competitiveness.

FOR – Development of our Human Resources.

FOR -- The streamlining of our organizations to global standards of efficiency and transparency.

We need to be...

FOR – Cooperation within our industry for all of us to benefit from a level playing field.

And, we need to be...

FOR – An end to a culture of divisiveness and exclusion that prevents us from becoming true citizens of the world.

\* \* \*

The moment of truth... the Seven Lean Cows... are fast approaching, and I suggest that we cannot escape their wrath if we do not prepare for it.

The legacy we leave to our fellow citizens, our children and grandchildren, depends on how well you and I prepare ourselves and our companies to meet these challenges.

In closing, I offer the words of our great Prophet Mohammed (pbuh):

“God likes you if you are blessed with work. You should strive to perfect it.”

God bless you all, and Al Salaam Alaikum Wa Rahmat Allah Wa Barkatuh.

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