

A blurred figure of a person in a dark suit walking past a wall of large, white, interlocking gears. The scene is captured with a long exposure, creating a sense of motion. The background is a plain white wall. The floor is a light-colored carpet.

real time



real data



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real engagement



real results

In the ever-changing world of contemporary marketing, DMA is leading the way. Innovative, forward-thinking, nimble, and adaptive, we have both feet in the “right now” – and a clear eye to the future. Through our advocacy efforts, education initiatives, individualized approach, collective voice, and success in building community, we’re creating measurable opportunities and real results for our corporate, nonprofit, and individual members.

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Dear DMA Members:

We did it. Working together, we accomplished many things that no single organization or individual can do alone. Although we are one-to-one marketers, we are a community. It's our understanding of our community's needs and your organization's needs that makes us stronger.

With your support we have had many successes: We were victorious in numerous legislative battles. We supported consumers' privacy rights while ensuring that no legislation was enacted that would irreparably damage the unbelievable amount of free content on the Internet. We helped ensure that the FTC would protect consumers but not overburden marketers. We continued to advocate on your behalf, working closely with all 50 state legislatures and Congress. We made sure that postal rates and reform are fair to marketers of all kinds. We successfully engaged and educated thousands of marketers both through DMA's activities and those of the Direct Marketing Educational Foundation (DMEF). And we helped elevate the world's appreciation for the direct marketing discipline and direct marketing practitioners.

We also made DMA membership more valuable for you:

WE ADDED free online training, free webinars, several free live events, free access to our Knowledge Center, and many other member benefits.

WE ENGAGED more people and attracted more members for you to network with through our top-tier conferences and events.

WE DRAMATICALLY STRENGTHENED our economic position and invested more to support our community.

WE ACCOMPLISHED this because of your support – so thank you for whatever you've done to support DMA and our community.

Bigger & Better

Moving forward, DMA will continue to provide more member benefits. Our educational offerings have been upgraded and expanded – and more educational support will be available as a part of your DMA membership to ensure that your organization continues to grow.

We will collectively strive to add clarity to some of the confounding questions of our time – including marketing

allocation, attribution, social media monetization/quantification, and finding the appropriate balance in each organization's privacy policies.

As always, we will work tirelessly to build the direct marketing marketplace and protect our community and consumers on privacy, postal, and taxation issues.

Together, each day, we will seek to find new ways to provide essential solutions to grow your business and our Association. Our shared mission is to create value with the right values.

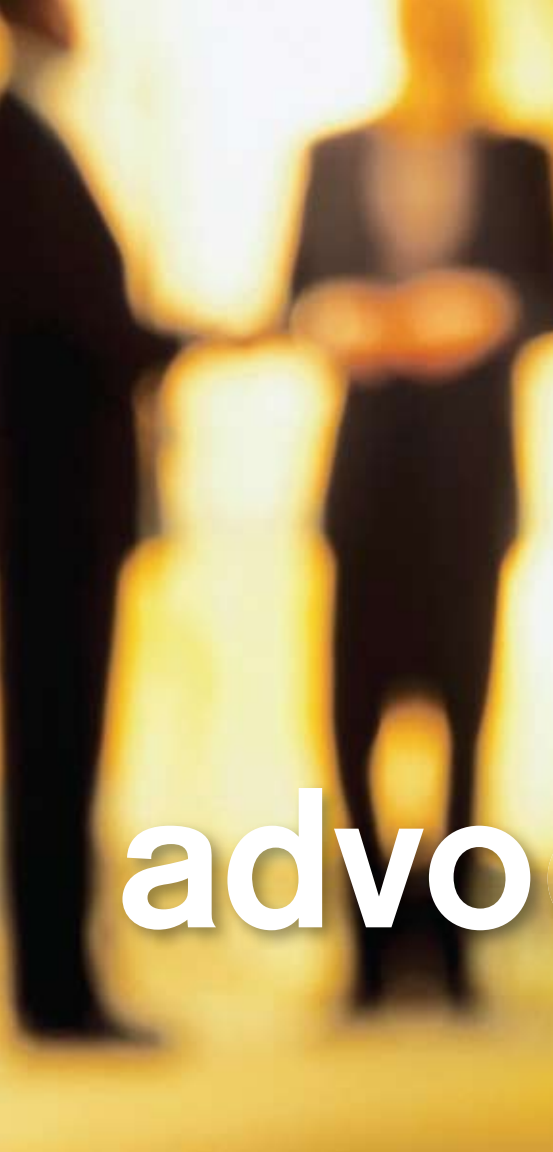
We encourage you to share your thoughts, ideas, and energy so that we all will be stronger. While we've done so much, there is so much more to do. Let's do it again, together.



LAWRENCE M. KIMMEL
Chief Executive Officer



G. STEVEN DAPPER
Chairman



advocacy

DMA works constantly to protect and advance our members' interests across the broad range of policy issues affecting direct marketers. DMA Advocacy champions the interests of marketers – ensuring their voices are heard – in Congress, before the federal regulatory agencies, before state and local legislatures, and in the courts. DMA staff strives year-round to promote environmental and industry best practices for businesses, nonprofit organizations, and consumers.

GUIDING PRINCIPLES

Championing Self-Regulation

Advocating Consumer Privacy through Transparency and Choice

Safeguarding Ethical Use of Consumer Data for Marketing Purposes

Fighting Postage Increases While Supporting Postal Reform

Opposing Burdensome Business Tax Obligations

Keeping Marketing Channels Open and Viable

Fighting Onerous Business and Nonprofit Regulations

Government Affairs

Consumer Privacy: Self-Regulation is the Key

DMA believes the best way to honor consumer choices in the ever-expanding digital marketplace is through self-regulation. DMA has maintained the preeminent marketing self-regulatory programs in the United States for the past 35 years. The DMA self-regulatory initiative covers all marketing channels, including mobile, online (behavioral advertising), mail, and social media.

Action on Data Collection and Use

Regardless of industry, company, supplier, or brand, the ability to collect and use data to customize offers and deliver relevant marketing messages is at the core of what DMA members do. The most fundamental legislative and regulatory issues for marketers are those that seek to restrict or curtail the use of data in either online or offline environments.

Throughout 2011, numerous bills were introduced that would restrict the collection and use of consumer data. DMA was actively involved in shaping legislation to address

the public's legitimate concerns, particularly in the area of data security, while continuing to allow relevant offers to reach consumers at an appropriate time, and enhancing the quality of customers' interactions with companies through customization and personalization.

The New DMA Advertising Option Icon

The latest initiative of DMA's self-regulatory program was the 2011 development of the Advertising Option Icon – an innovative consumer-choice tool. Consumers visiting their favorite websites can view the icon in the upper right corner of a behaviorally targeted ad, together with the words "Ad Choices." Clicking on the icon displays which ad networks are operating on that browser. With one more click, consumers can exercise choice about whether to receive online behavioral advertising.

Taxation: Colorado Tax Victory

DMA representatives argued before the Federal District Court in Colorado on behalf of e-retailers, remote sellers, and catalogers regarding a Colorado use tax reporting law. The court issued a preliminary injunction preventing enforcement of the law while it proceeds through the litigation process. Only DMA is in a position to lead the fight against this sort of legislation – and the Association is proud to represent its members in matters closely affecting their businesses.



Advertising Option Icon

More than two trillion online ads have displayed the Advertising Option Icon – an interactive symbol that helps consumers to exercise choice about whether to receive online behavioral advertising.

Support for Charitable Deductions

For the past two years, the federal budget has included a proposal to limit charitable deductions. DMA actively fought to lower the limit on such deductions at a time when there is a significant increase in the public's need for services from nonprofit organizations.

LEFT: Senator Mark Pryor (D-AR) discussed the Senate's legislative agenda at a special dinner presentation during DMA in DC.



RIGHT: DMA members visited the office of Rep. Danny Davis (D-IL).

Opposition to the Exigent Postal Rate Increase

DMA fought the "exigent" postal rate increase proposed in 2011 and won – arguing that such an increase would limit the amount of advertising mail sent nationwide – and continues fighting to preserve that victory in the appeals process. The Association will continue to work with Congress to ensure that the USPS stays economically viable while also remaining responsive to mailers' needs.

Lobbying in All 50 States

DMA is the only trade association that covers and lobbies on legislation in all 50 US states, protecting direct marketing and fundraising. This year alone, DMA staff monitored more than 630 bills, spanning 55 issues, in state legislatures nationwide – ensuring that marketers' rights were uniformly protected.

DMA in DC

Once a year, DMA hosts a members-only meeting in Washington, DC to address the latest issues affecting businesses and nonprofit organizations, and to provide attendees with access to key legislators. "DMA in DC" introduces members to senators, representatives, and congressional staff members – to communicate first-hand how legislation affects their operations.

Publications

DMA members receive weekly updates from the nation's capital through the *Direct from Washington* e-newsletter and the Nonprofit Federation's *Legislative Update*.

MEMBERS CAN ALSO CONNECT WITH DMA AND LEGISLATORS YEAR-ROUND THROUGH THE DEDICATED SITE WWW.DMAACTION.ORG.

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Corporate & Social Responsibility

The DMA Corporate & Social Responsibility (CSR) department works year-round to ensure that the marketing activities of member companies are in compliance with the *DMA Guidelines for Ethical Business Practice*, the industry benchmark for principled direct and digital marketing strategies. The DMA Corporate Responsibility Resource Center offers a wide range of online tools for businesses and consumers addressing ethical business practices.

In 2011, CSR staff and Board committees conducted initiatives and provided member services in a number of areas, including:



DMA Guidelines for Ethical Business Practice

The 2011 updates to the *Guidelines* included new provisions for social media marketers, changes reflecting the passage of new laws, and updated material addressing consumers' recent marketing concerns.

Among the updates:

DMA MEMBER PRINCIPLES. DMA's Committee on Environment & Social Responsibility put forth a new member principle to foster corporate, environmental, community, and financial stewardship.

SOCIAL MEDIA MARKETING. The updated *Guidelines* now include requirements for social marketers to provide consumers with greater transparency, choice, and notice about the use of their unique identifier or ID. Members are required to advise users about privacy policies, data deletion policies, and steps users should follow to change their privacy settings, or to delete or deactivate their accounts. New rules apply for testimonials and endorsements via social media.

Every day, DMA's staff gives direct marketers advice on how to ensure their business practices comply with the *DMA Guidelines for Ethical Business Practice*. In 2011, CSR staff responded to more than

**5,000
INQUIRIES.**

Jerry Cerasale, DMA's Senior Vice President of Government Affairs, and Senny Boone, Senior Vice President of Corporate & Social Responsibility, discuss the Rules of the Road for Online and Interactive Marketing during a Corporate Responsibility session at DMA2010.



CONSUMER CHOICES. DMA's Commitment to Consumer Choice was updated to make sure that marketers provide consumers with a point-of-contact on their communications – rather than a lengthy notice – to allow consumers to modify their preferences.

ADVANCE CONSENT/NEGATIVE OPTION. The DMA Ethics Policy Committee sharpened notices of terms and conditions provided to consumers who give consent to receive and pay for goods and services on a continuing or periodic basis – to be in line with the Restore Online Shopper's Confidence Act.

Ethics Casework

The Committee on Ethical Business Practices reviewed and took action on dozens of cases brought to it throughout the year. The Committee's work serves as a critical

component of DMA's self-regulatory program. Members of the Committee resolved the majority of issues brought before it with the companies involved.

Consumer Services and Consumer Choice

CSR staff responded to more than 5,000 consumer inquiries in 2011. Issues covered ranged from opt-out requests to questions about fraudulent marketing tactics. The DMA Consumer Choice site (www.dmachoice.org) ensured that consumers could exercise their choices about the type of marketing materials they wanted to receive.

Tools for Ethical Online Behavioral Advertising

CSR staff continued to work to ensure that DMA members, and the industry as a whole, maintained compliance with the Federal Trade Commission's call to foster transparency, knowledge, and choice for consumers for online behavioral

**RECYCLE
PLEASE** 
recycleplease.org



advertising (OBA). DMA serves as an enforcement mechanism for OBA, and this year began reviewing consumer complaints and providing consumers with fact sheets about online ads.

EU Safe Harbor Program

The CSR department oversaw the admission of members into the EU Safe Harbor Program and provided assistance as needed throughout the year. The EU program offers US companies a means of assuring European consumers that they will provide an adequate level of privacy protection when transferring consumer data from Europe. DMA offers participating member companies education on the program's requirements, and assistance in developing privacy policies and addressing disputes.

DMA's Green Initiatives

DMA offers a robust set of green best practices – including the Green 15 Toolkit, Recycle Please Campaign, and Environmental Planning Tool – and is focusing on new goals for the marketing community on recycling and recovery to promote sustainability. DMA offers the *Triple Bottom Line* newsletter (3BL) with insights and guidance to help marketers achieve the triple bottom line: social, environmental, and financial profit.

FOR MORE INFORMATION, PLEASE VISIT WWW.DMARESponsibility.ORG.



As part of a larger program aimed at responding to consumers' mail-preferences, DMA developed DMAchoice, an online tool that gives consumers choice over the amount of mail they receive.



Dan Springer, CEO of Responsys (left), presents Loren McDonald (right), Vice President of Industry Relations, Silverpop, with the Stefan Pollard eec Marketer of the Year Award.

Email Experience Council (eec)

The eec, DMA's email marketing arm, is a global professional organization that strives to enhance the image of email marketing and communications, while celebrating and advocating its critical importance and ROI value in business.

The eec regularly conducts a broad series of initiatives highlighting the positive impact and importance of email as a marketing tool, communications vehicle, and branding device. eec members have free access to all research, including whitepapers, best-practices guides, and podcasts.

Best Practices Guides

In 2011, the eec released three new best-practices guides: *Best Practices: 5 Fundamentals for Launching an Email Program*; *Best Practices for Email Deliverability and Inbox Placement*; and *The Email Metrics Best Practices Guide*, with the latest insights on measuring email campaign ROI.

List Growth and Engagement Podcast Series

The new List Growth and Engagement Podcast series features interviews conducted by members of eec's List Growth and Engagement Roundtable with recognized leaders in email list growth and engagement. Subjects covered include database growth strategies, list hygiene, and deliverability.

North America Email Trends & Benchmarks Report

Marketing services firm Epsilon and eec produce this timely report that delves into email performance trends by industry and by message-type across industries.

FOR MORE INFORMATION, PLEASE VISIT WWW.EMAILEXPERIENCE.ORG.

Internet Alliance

The Internet Alliance (IA) is the leading voice representing Internet companies across the 50 states. The IA empowers and educates state legislators about the nature of the Internet, enabling them to make informed decisions and prevent the enactment of short-sighted laws detrimental to e-commerce.

Legislative and Regulatory Successes

The IA was active in more than half of the states in 2011, participating in debates on Internet tax, privacy, social networking, online dating, and Internet business regulations.

Among its accomplishments:

INTERNET TAX. In at least 19 states, the IA was successful in defeating proposals that would have required out-of-state businesses using in-state advertising affiliates to collect sales and/or use taxes for all taxable online purchases made by state residents.

SOCIAL NETWORKING. The IA defeated privacy legislation aimed at restricting social networks and online dating sites in California. The IA successfully argued that this type of legislation was not needed, since most sites allow users to decide who should see their profile content.

ONLINE POLITICAL ADS. In Alabama, IA representatives convinced lawmakers to amend proposed legislation to exempt Twitter and Internet sites from the political disclaimer standards of TV, radio, and mail advertisements.

FOR MORE INFORMATION, PLEASE VISIT WWW.INTERNETALLIANCE.ORG.

DMA Nonprofit Federation

The DMA Nonprofit Federation (DMANF) serves and represents nonprofit organizations and professionals, promoting public awareness and increasing receptivity to direct marketing and fundraising through its Advisory Council of fundraising experts.

For more than 25 years, DMANF has been providing cutting-edge fundraising information, staff development, new media integration support, and a strong lobbying presence in Washington, DC and nationwide.

DMANF honored Heifer International as its 2010 Nonprofit Organization of the Year at its Annual Nonprofit Conference in NYC.



Member Services

The Federation provides members with information and resources addressing the latest issues, offering educational and networking opportunities critical for nonprofit marketers and fundraisers. Its yearly events include educational conferences, virtual seminars, mentoring programs, and a Critical Issues public policy event and Hill Day in Washington, DC.

Federal Advocacy

Throughout 2011, DMANF worked with US government representatives to ensure that the needs of charities were well represented before Congress. The Federation worked with a coalition of national charities to fight a proposal seeking to limit the value of itemized deductions for charitable contributions. DMANF also supported a strong and vital US Postal Service – critical to fundraising campaigns nationwide.

State Activism

In all 50 states, DMANF advocated for the interests of nonprofits on issues such as privacy and data protection, fundraising accountability, and state rules governing fundraising solicitations.

FOR MORE INFORMATION, PLEASE VISIT
WWW.NONPROFITFEDERATION.ORG.

DMA is recognized throughout the marketing community as a definitive source for marketing research and leading-edge education – advancing the direct marketing field by improving marketers' skills, and boosting overall knowledge of industry trends. Top companies across the country and around the globe trust DMA to deliver current, relevant, and effective education and professional training.

knowledge



DMA Education

DMA Education offers comprehensive professional development to marketers worldwide seeking to apply the tried-and-true principles of direct marketing to all commercial and business channels – from online, mobile, and social media marketing to catalog and direct mail.

In 2011, DMA Education continued to expand its offerings to meet the latest needs of the world's multichannel marketers. DMA members and students across the United States and around the world had the opportunity to share ideas at the DMA Education LinkedIn group; marketers posed questions to instructors and entered discussions through a range of social media channels; and DMA staff initiated a variety of innovations to keep pace with this growing global-learning environment.

Certification

The DMA Certified Marketing Professional (DCMP) program is the only comprehensive certification program offering training in all aspects of marketing – from direct to digital. The DCMP curriculum includes a mix of in-person training at venues across the nation, and a wide range of online modules. Each participant who successfully completes the certification program is globally recognized as a DMA Certified Marketer – and is encouraged to use the certification logo and DCMP designation in their personal business materials, such as business cards, resumes, and social media pages.

Online Training

DMA's online training program continued to expand in 2011, offering instruction in basic and advanced direct and digital marketing techniques. DMA rolled out the Digital Starter Kit, which consists of four online marketing courses focused on digital marketing: Web and Search Engine Marketing, Social Media, Mobile, and Email Marketing. Access to all of these courses was offered free of charge to DMA members.

In-Person Training

Experts in every facet of direct and digital marketing provided training to attendees of DMA's in-person training seminars throughout the year. Courses ranged from the

25+
ONLINE COURSES

Including:

Essential Mobile Marketing

Digital Marketing
for Direct Marketers

An Introduction
to Social Media

Direct Marketing in Retail
and E-Commerce

Advanced Email Marketing

Advanced
Database Marketing

Business-to-Business (B2B)

Copywriting Fundamentals
for Print and Web

Creating Successful Direct
Mail Campaigns

Innovation in Marketing,
Using Research and Testing



popular Direct Marketing Institute to specialty training in areas such as mobile and social media marketing, digital, CRM, analytics and ROI, creative, and more. Select topics were presented in an instructor-led Live-Online format, and delivered to attendees across the country. Topics included: "HTML for the Marketer," "Social Media 101," and "Creative Workshop for Print and Web."

In-Company Education

DMA instructors traveled to companies across the nation to customize DMA training for a wide range of industries through its customized In-Company Training program. By collaborating with marketing professionals on site at their own organizations, DMA experts identified individual challenges, strengths, and goals – and designed tailor-made, in-company education.

International Education

DMA Education expanded its reach in 2011 to offer training to marketers in China, Hungary, Japan, and South Africa. Working in collaboration with representatives from these countries, DMA staff constructed customized courses that provided direct and digital marketing instruction matched to each country's markets and needs. Delegations were also welcomed to the United States to see American businesses in action. The DMA Certified Marketing

Professional Program was translated into Japanese for widespread training in that country.

In 2010, DMA helped to develop an affiliate DMA in Italy. This year, DMA's Italian affiliates benefited from our knowledge center, discounts on educational offerings, and member rates at conferences and events.

Innovations

As demand grows for the unique marketing programs that DMA Education offers, the Association is responding with a number of new initiatives, including:

NEW AND IMPROVED DMA CERTIFIED MARKETING PROGRAM (DCMP) online modules are hosted in a new Learning Management System (LMS) that will boost the interactivity of online courses – making learning more engaging; and an interface will recommend "next steps" after a course is completed.

IN PARTNERSHIP WITH A LEADING UNIVERSITY, DMA Education's online marketing courses are being added to that school's marketing curriculum.

DMA STAFF IS WORKING TO EXPAND COURSE OFFERINGS to address current issues affecting marketers, such as data governance and integrated marketing.

FOR MORE INFORMATION ON DMA EDUCATION, PLEASE VISIT WWW.DMAEDUCATION.ORG.

Research

DMA Research highlights and analyzes the latest industry trends, helping DMA member companies and the marketing community at-large maintain profitability in changing economic times.

In 2011, DMA Research updated its popular *Statistical Fact Book* and *The DMA/Winterberry Group Quarterly Business Review*. Both publications were cited by news outlets around the world.

Epsilon/Email Experience Council's Email Trends and Benchmarks

Using transactional data from Epsilon's email service, DMA provides updates on a quarterly basis on delivery and response metrics in email marketing.

Deploying Social Media to Cultivate Customer Loyalty: A Benchmarking Study

In partnership with COLLOQUY, DMA researchers created this profile of US marketers' social media activities.

Digital Marketing in the US and Canada

DMA partnered with Ipsos Reid Marketing and the Canadian Marketing Association to detail the shift in marketing spend to digital channels by firms in the US and Canada.

White Papers

The Coming Direct Marketing Knowledge Gap showed that marketers in all industries are shifting their attention to newer media, but lack the training in the underlying direct marketing processes that power ROI across digital channels.

Rowing as One: Integrated Marketing Today explored the extent and effectiveness of efforts by marketers to align all of their efforts, from messaging across channels to bringing together enterprise-wide customer data. Both white papers provided analysis and near-term strategies in the context of survey data showing current practices.

The Power of Direct Marketing

Published in October 2011 for the first time in two years, this updated edition of the renowned industry standard is a definitive source for statistics – demonstrating the size and scope of direct marketing in today's economy. Marketers nationwide regularly consult PODM when positioning products, developing media strategies, and allocating budgets.

In 2011, US direct marketing sales generated nearly

\$2 TRILLION.

Over the past year:

2,580
students were impacted
by DMEF programs.

270+
professors participated
in DMEF initiatives.

650
schools engaged in
DMEF's programs.

Direct Marketing Educational Foundation

The Direct Marketing Educational Foundation (DMEF) is the only national nonprofit foundation of its kind solely committed to introducing college students to the exciting field of direct/interactive marketing – and to guiding the best and brightest among them to outstanding careers.

DMEF's programs equip professors with the most up-to-date educational and research resources, encourage creative classroom participation, and prepare students to succeed in today's rapidly evolving marketplace.



In the past year, the Foundation's program results included:

DMEF SCHOLARSHIP PROGRAM. A record \$81,000 was awarded to worthy students at the undergraduate and graduate levels in 2011.

STUDENT CAREER FORUM. DMEF generated awareness and engagement among students through three career-focused programs in New York and San Francisco.

I-MIX. Rising-star juniors and seniors took part in a week-long "boot camp" with intensive training in interactive marketing based on core direct marketing concepts.

PROFESSOR'S INSTITUTE. This intensive training program is designed to introduce new and established educators to the core principles of direct/interactive marketing.

TO LEARN MORE ABOUT DMEF, PLEASE VISIT WWW.DIRECTWORKS.ORG.

LEFT: 2011 Rising Stars Honorees: clockwise from left: Steve Froehlich, Vice President, Membership, ASPCA; Avinash Kaushik, Co-Founder, Market Motive & Analytics Evangelist, Google; Megan Pagliuca, Vice President of Display Media, Merkle; Paull Young, Director of Digital, charity: water; (not pictured: Shane Atchison, Founder & CEO, ZAAZ, a division of Wunderman)

RIGHT: At the DMEF Annual Awards Dinner: Executive Committee Members, pictured left to right: Craig Wood (Vice Chairman), CEO & Founder, The Clarity Group; JoAnne Monfradi Dunn (Secretary), CEO, Alliant; Terri L. Bartlett, President, DMEF; Peg Kuman (Treasurer), President, Relevate; Larry Kimmel (Vice Chair) CEO, DMA; Gary Laben (Chairman), CEO, KBM Group

The DMA community is an unmatched resource for marketers – providing them with everything they need to build skills, boost knowledge, award excellence, and network with colleagues, experts, and thought-leaders.

community



List of DMA Councils

Agency
Broadcast
Business-to-Business
Catalog and Multi-channel Marketing
Circulation Marketing
Contact Center
CRM - Analytics
Education Marketing
Email Marketing
Insert Media
Insurance & Financial Services
List & Data
Marketing Technology
Mobile Marketing
Retail Marketing
Search Engine Marketing
Social Media

Councils

DMA members seeking specialized knowledge turn to the DMA Councils for networking, idea-sharing, and educational opportunities – addressing every segment of the industry. Council members are privy to expert information disseminated through ever-growing professional networks formed at training sessions, through social networks, and at special events.

Council events in 2011 included the new DMA Forum on Digital Innovation, Mobile Marketing Day, Nonprofit Mobile Day, and attendance at DMA in DC. Council activities included meetings, networking events, and awards presentations at the DMA Annual Conference, and 20+ instructional webinars offered free to members.

Membership in each DMA Council includes access to an exclusive network of leading professionals in a marketing segment or area of interest, information and updates on the latest trends and best practices, and special discounts and invitations to Council-sponsored events.

Forum on Digital Innovation

DMA Councils, in collaboration with Ovative Group, presented the new Forum on Digital Innovation this year – an executive forum offering a full day of digital transformation case studies presented by leaders in media, retail, and advertising. Held in New York and San Francisco, the forums featured case studies from Best Buy, Sears, and Meredith, among others.

Mobile Marketing Day

The Mobile Marketing Council worked with *Mobile Marketer* to present the third annual Mobile Marketing Day. Keynote speakers and panelists presented the latest innovations and best practices in mobile marketing.

Nonprofit Mobile Day

Nonprofit Mobile Day educated nonprofit professionals about harnessing the potential of mobile fundraising. Attendees learned how to maximize donations through the powerful mobile medium.

DMA in DC

Working with the DMA Government Affairs Department, DMA Councils hosted members at the DMA in DC event. Members attended a dinner with Senator Mark Pryor (D-AR), received a full-day briefing on the latest issues, and visited representatives on Capitol Hill.

Webinars

In 2011, DMA Councils offered 20+ webinars showcasing member expertise in a wide range of specialty areas. Free to DMA members, these specialized 60-minute educational events advance the skill sets of direct marketers across all channels and marketing segments. DMA staff research current marketing best practices and identify leading practitioners to design instructional events that are relevant, effective, and timely.

The webinars address all aspects of direct marketing – from innovations in traditional channels, such as direct mail and catalogs, to the latest emerging digital tactics. Topics have included data analytics and mining, direct mail, mobile marketing, multichannel marketing, and search and social media marketing. Presenters share their experiences through case studies and offer their unique insights in live online presentations. Members can then access recordings of the presentations online throughout the year.

Conferences

DMA conferences arm marketers with a range of specialized skills built on a strong foundation of data and analytics – focusing on cross-channel marketing techniques that engage customers in real time and deliver measurable results. In 2011, DMA's conferences and exhibitions drew the best and brightest marketing practitioners from around the world. Whether the topic was email, social, mobile, or online marketing, the key was learning how to bring it all together in multichannel efforts combining traditional direct marketing tactics with the latest digital innovations. DMA conferences present the best classic and current marketing techniques across all industry segments.

DMA2010

DMA's flagship event, its Annual Conference, attracted more than 8,500 attendees to San Francisco, California. Marketers from every state – and 45 countries worldwide – gained comprehensive training and honed their marketing skills while networking with peers and finding the best marketing solutions among a wide range of vendors in the exhibit hall. The event continues to be the only global conference representing ALL marketing channels – from traditional to digital – illustrating true integration that drives ROI.

The array of participating companies and keynote speakers at DMA2010 represented icons of every industry, including: Twitter, Pepsi, Pandora, TiVo, Kodak, Kraft, Lacoste, Sephora, The Boston Celtics, Nestle, Sirius Satellite Radio, Hewlett Packard, Zappos, Disney, Mobile Fusion, MTV Networks, and many more.

NCDM – The Conference for Engaging Customers Using Data & Technology

In 2011, NCDM brought together industry experts presenting hard-hitting case studies and sharing the latest strategies for analyzing, leveraging, and protecting the most valuable asset in marketing – data. With a

growing audience of practitioners, the event proved to be the place where data and analytics are king.

Email Evolution Conference 2011 – Email. Enhanced.

For the past four years, the Email Evolution Conference has focused on the ever-changing and evolving world of email marketing. The 2011 conference built on its tradition of providing the best ways to capitalize on the high ROI this low-cost email communications tool can provide – both on its own, and integrated with social, search, mobile, video, and other email enhancers.



DMA2010 attracted more than 8,500 attendees to San Francisco – marketers from every state and 45 countries.

17

YEARLY CONFERENCES & EVENTS

Including:

Annual Conference & Exhibition

ALL FOR ONE: The Integrated Marketing Summit

Conference for Engaging Customers Using Data & Technology (NCDM)

Email Evolution Conference (eec)

DMA in DC

Nonprofit Conferences (NY and DC)

Social Media Spotlight

Mobile Marketing Day

Circulation Marketing Day

Innovation Forum

Insert Media Day

ALL FOR ONE: The Integrated Marketing Summit

In 2011, DMA renamed its popular New York conference to showcase best-in-class case studies from global integrated-marketing leaders. Summit speakers detailed their use of customer insight and data to gain competitive advantage; demonstrated how to measure and attribute results across channels; and helped marketers choose the channels and tactics that worked best for their unique situations; among many other topics. The event spanned two days, and included two floors of exhibits offering the latest and best marketing technology solutions.



During the Battle of the Media Titans at the ALL FOR ONE Summit, some of the sharpest business minds faced off on the best strategies for reaching today's consumers. Left to right: Stuart Elliott, *New York Times* advertising columnist; Antony Young, CEO, Optimedia US; David Penski, President, Zenith Media; Sasha Savic, Chief Operating Officer, Havas Media North America; and Philip Cowdell, CEO, Mindshare North America.

DMANF Conferences

The DMA Nonprofit Federation (DMANF) offers many learning opportunities to its members annually:

THE WASHINGTON NONPROFIT CONFERENCE takes place annually in February. In 2011, hundreds of attendees from both nonprofit and fundraising sectors gathered for two full days of intensive learning and networking.

THE NEW YORK NONPROFIT CONFERENCE is held each year in August. Approximately 600 attendees learned from 28 educational sessions, keynote presentations, and round-table discussions in 2011.

DMANF shares advocacy updates and highlights to its members through its annual **CRITICAL ISSUES NONPROFIT CONFERENCE**. The Federation also offers many seminars and webinars to its members throughout the calendar year.

DMA IN DC. Every year, DMA's Washington, DC office hosts this conference on Capitol Hill where DMA members have the opportunity to meet with congressional and administration policy-makers and hear from them first-hand about the issues affecting their businesses.

TO LEARN MORE – PLEASE VISIT WWW.NONPROFITFEDERATION.ORG.



At the 2010 Hall-of-Fame Awards: From left to right: Pamela El, State Farm (presenter), Howard Draft, Chairman, Draftfc (2010 honoree); DMA CEO Larry Kimmel; Rance Crain, President, Crain Communications Inc. (2010 Honoree); Lester Wunderman, Chairman Emeritus, Founder, Wunderman (presenter); DMA Hall of Fame Chair Marjorie Kalter

Awards

DMA awards honor creativity and originality in direct and digital marketing worldwide. Receiving a DMA award is the ultimate recognition of true innovation. Top honors each year include the DMA Marketer of the Year Award, the DMA International ECHO Awards, and the ultimate honor – induction into the DMA Hall of Fame.

DMA Hall of Fame Award

Established in 1978, the DMA Hall of Fame honors the industry's creative leaders – professionals who set the standard of excellence worldwide for direct and digital marketing, and offer inspiration for generations to come. The induction ceremony takes place during the DMA Annual Conference.

The honorees inducted into the DMA Hall of Fame in 2011 were:

ERNAN ROMAN
Founder and Principal
Ernan Roman Direct Marketing

MICHAEL BRONNER
Founder and Chairman Emeritus
Digitas and Upromise

The top winners of the 2010 ECHO Awards included:

Diamond ECHO Award
 “Capable”
 Shackleton
 FSC Inserta

A. Eicoff Broadcast Innovation Award
 “Your Personal 24/7”
 Ogilvy Mexico
 American Express Mexico

DMA CEO’S ECHO for Social Action
 “I Wish Short Film Promotion”
 Wikcreate
 Kamel Films

ECHO Governors Award for Strategic Innovation
 “A Score of Composing Your Life”
 CP Proximity
 Volkswagen Audi Espana SA

ECHO Green Marketing Award
 “Plant Spike”
 Wanderman
 WWF

Henry Hoke Award
 “HassyNYC – Freestyling in the Social Media”
 RelationshusetGEKKO
 Hasselblad USA

USPS Gold Mailbox Award
 “HEEX – Experience the Design & Quality”
 Proximity Prague
 HEEX



DMA International ECHO Awards

The DMA International ECHO Awards are the ultimate recognition of exceptional direct and digital marketing campaigns worldwide. This renowned competition is unique in that it measures strategy, creativity – and quantified results. Judges from the United States and around the world analyze campaigns to determine the winners of Gold, Silver, and Bronze ECHO Awards, and of eight specialty awards. The ultimate prize is the “best-in-show” Diamond ECHO Award.

DMA Marketer of the Year

The DMA Marketer of the Year award recognizes the highest level of achievement in direct and digital marketing by an individual or company demonstrating extraordinary creativity, leadership, and social responsibility.

The 2010 DMA Marketer of the Year: GEICO

FAR LEFT: Wikreate, and Kamel Films won the ECHO Social Responsibility Award.

CENTER LEFT: ECHO Diamond Winner – Pablo Alguazary, Shackleton and Client FSC Inserta (center) with ECHO Awards host Craig Ferguson (left) and DMA CEO Larry Kimmel (right)

CENTER RIGHT: Anne Bodnar, Geico’s Manager of Database Marketing, accepting the 2010 Marketer of the Year Award from DMA CEO Larry Kimmel

FAR RIGHT: DMA Board Chairman G. Steven Dapper with 2010 Innovation Best in Show winners Fernando Mauro Mendonca (right) & Arnaldo Nissental of Bradesco Bank (left)

DMA Innovation Awards

The DMA Innovation Awards recognize outstanding advances in marketing technology – which must be a product or service introduced to the business community within the prior 12 months.

The 2010 Innovation Best in Show award went to:
 BANCO BRADESCO S.A. (BRADESCO BANK)
 “PRISMA (Prism) Account Managers Support Tool Organization”

Communications

DMA's Corporate Communications and Public Relations team works to tell the positive story of Direct, fostering ongoing relationships with the media. The team provides global, integrated communications across traditional and digital media outlets. Strategically placed stories focus on our community’s cutting-edge marketing practices, government-affairs issues, educational opportunities, and crisis communication. DMA's media outreach raises awareness of the accountable and effective results of direct marketing. Through press outreach, executive interviews, feature stories in major publications, the utilization of social media channels, and its online newsstand and announcements, the Communications team ensures that the word gets out on key developments.

TODAYS' LEADING

- ANTITRUST
- COMPETITION
- SOCIAL FATIGUE
- CORD-CUTTING
- EMPLOYMENT
- RETAIL TRENDS
- POSTAL:
- WEB TRENDS
- UK RIOTS:
- GLOBAL TRENDS

In the past year, the team has spread the word of DMA's successes in the public-policy arena, and brought to the public eye information on legislative issues affecting marketers and their businesses. Press outreach has covered developments in online tax, privacy and "do not track" legislation, consumer choice, as well as vital research innovations and DMA Conference and Events updates.

DMA Publications

Throughout 2011, DMA publications delivered the latest marketing news, developments, and innovations – a free benefit to all DMA members.

3D – DMA DAILY DIGEST. 3D delivered the essential news of the day, including research, industry trends, and technological developments of interest to DMA members worldwide. Compiled from the nation's leading daily newspapers, digital and trade publications, specialty industry publications, and government resources, 3D covered the major issues of the day as they developed.

DMA MARKETING BRIEF. DMA members received a weekly customized marketing brief, with news stories based on specific industry segments and interest areas.

DMA TRIPLE BOTTOM LINE (3BL). A monthly e-bulletin published by DMA's Corporate & Social Responsibility Department, 3BL provided the latest news and information on ethics/compliance, social responsibility, and environmental matters affecting multichannel marketers.

DIRECT FROM WASHINGTON. DMA's Government Affairs team published *Direct from Washington* during each congressional session in 2011. The weekly e-newsletter reported on the top issues discussed before Congress, at federal agencies, and in state governments.

Town Hall Meetings

DMA CEO Lawrence M. Kimmel joined forces with a team of progressive thinkers to present "Big Thinking. Small Commitment," a series of three highly interactive Town Hall meetings held at Google's offices in Boston, New York, and San Francisco. Members and non-members in local communities heard the latest on technological innovations and the transformation businesses are undergoing in the increasingly digitalized marketplace.

DMA 2011 Board of Directors

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hawkeye

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Executive Vice President,
Marketing
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Direct Marketing Association

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ANDREW C. GOLDBERG
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Publishers Clearing House

CLARE HART
President & CEO
Infogroup

*denotes Executive Committee Member

KAREN R. HAEFLING
*Chief Marketing and
Communications Officer*
KeyBank

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*General Manager, Business
and Customer Intelligence
Online Services Division*
Microsoft Corporation

BRYAN KENNEDY
President & CEO
Epsilon

GARY S. LABEN
Chief Executive Officer
KBM Group

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*Chairman &
Chief Executive Officer*
Unica Corporation

SURESH MATHAI
Chief Executive Officer
ContinuumGlobal, Inc.

MATT O'GRADY
*EVP, Media Audience
Measurement*
The Nielsen Company

JOHN PAPALIA
President & CEO
Statistics

CHARLES PRESCOTT
Principal
Prescott Report

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Senior Faculty Fellow
Yale School of Management

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President
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VP, CFO International
eBay International AG

DAVID R. VERKLIN
Chief Executive Officer
Canoe Ventures, LLC

DAWN ZIER
President, International
Reader's Digest Association

DONN RAPPAPORT
2008 CHAIRMAN
Chairman
American List Counsel

MARKUS WILHELM
2007 CHAIRMAN
Chairman
Guthy-Renker LLC

STEPHEN M. LACY
2006 CHAIRMAN
*Chairman and Chief
Executive Officer*
Meredith Corporation

DMA Leadership Team

LAWRENCE M. KIMMEL
Chief Executive Officer

LINDA A. WOOLLEY, J.D.
*Executive Vice President,
Washington Operations*

TERRI L. BARTLETT
*President, Direct Marketing
Educational Foundation*

SUE R.E. GERAMIAN
*Senior Vice President and
Chief Communications Officer*

DEBBIE SHARKEN
*Senior Vice President and
Chief Marketing Officer*

XENIA "SENNY" BOONE, J.D.
*Senior Vice President,
Corporate and Social
Responsibility*

JERRY CERASALE, J.D.
*Senior Vice President,
Government Affairs*

KENNETH P. EBELING
*Senior Vice President,
Member Services and Sales*

JULIE A. HOGAN
*Senior Vice President,
Conferences and Events*

ROBERT "BOB" A. GRECO
*Vice President, Finance &
Operations and Controller*

MARIE A. ADOLPHE
*Vice President, Program
Development, Direct Marketing
Educational Foundation*

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*Vice President,
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RACHEL NYSWANDER THOMAS
*Vice President,
Government Affairs*

TAMMY COTA
*Executive Director,
Internet Alliance*

KARINA PENA GARCIA
Senior Director, Marketing

GINA SCALA
*Senior Director,
Education and Professional
Development*

VINCENT P. HAMILTON
Creative Director

YASMIN MELENDEZ
Group Show Director

STEVEN J. MELILLO
*Director, Information
Technology*

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Director, Segment Services

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*Director of Development,
Direct Marketing Educational
Foundation*

BARBARA PARKER
Director, Awards Programs

ALI SWERDLOW
*Director, Email Experience
Council*

SUSAN TAPLINGER
*Director, Member
Communications*

MICHELLE TILETNICK
*Director, Education &
Professional Development*

LARRY WORTHEY
Director, Creative Services

YORY WURMSER
*Director, Marketing and
Media Insights*

Direct Marketing Association, Inc. and Subsidiary

June 30, 2011 and 2010

Consolidated Statements of Financial Position

ASSETS	2011	2010
Cash and Cash Equivalents	\$1,081,923	\$724,919
Investments	13,029,681	11,970,160
Receivables	136,719	214,276
Security Deposit	40,134	40,134
Prepaid Expenses and Other Assets	854,368	1,062,386
Fixed Assets, net	1,022,922	1,304,003
Intangibles, net	1,179,495	1,724,829
TOTAL ASSETS	\$17,345,242	\$17,040,707

(continued)

Direct Marketing Association, Inc. and Subsidiary

June 30, 2011 and 2010 (continued)

Consolidated Statements of Financial Position

LIABILITIES AND UNRESTRICTED NET ASSETS

LIABILITIES	2011	2010
Accounts Payable and Accrued Expenses	\$1,683,322	\$2,499,285
Short-term Borrowings	2,446,000	2,800,000
Deferred Income	4,068,829	4,188,303
Pension Liability	2,272,727	3,490,023
Deferred Rent	812,592	823,393
TOTAL LIABILITIES	11,283,470	13,801,004
UNRESTRICTED NET ASSETS	6,061,772	3,239,703
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$17,345,242	\$17,040,707

Direct Marketing Association, Inc. and Subsidiary

Years ended June 30, 2011 and 2010

Consolidated Statements of Activities

REVENUES, GAINS AND OTHER SUPPORT	2011	2010
Membership Dues	\$11,921,984	\$12,237,160
Conferences & Events	9,500,398	8,764,740
Education Services	1,622,359	1,213,999
Research and Strategic Information	216,386	337,795
Government Affairs	112,543	43,235
Corporate & Social Responsibility	64,978	81,231
Consumer Preference Services	1,163,660	1,192,968
Mail Moves America	141,897	256,667
Colorado Litigation Fund	316,350	-
Rental and Other Income	367,276	156,152
Interest, Dividends and Realized Gains	575,475	523,134
Unrealized Gains – Net Appreciation	481,026	416,531
TOTAL REVENUES, GAINS AND OTHER SUPPORT	\$26,484,332	\$25,223,612

(continued)

Direct Marketing Association, Inc. and Subsidiary

Years ended June 30, 2011 and 2010 (continued)

Consolidated Statements of Activities

EXPENSES	2011	2010
PROGRAM SERVICES		
Membership Services	2,060,442	1,829,268
Conferences & Events	7,936,497	7,522,107
Education Services	1,423,346	1,293,557
Research and Strategic Information	63,007	167,690
Government Affairs & Internet Alliance	3,649,311	3,656,941
Corporate & Social Responsibility	354,659	459,741
Consumer Preference Services	269,980	287,425
Public and Media Relations	639,107	984,788
Marketing Sales	1,475,831	1,741,134
TOTAL PROGRAM EXPENSES	17,872,180	17,942,651

(continued)

Direct Marketing Association, Inc. and Subsidiary

Years ended June 30, 2011 and 2010 (continued)

Consolidated Statements of Activities

EXPENSES	2011	2010
Total Program Expenses (Brought Forward)	\$17,872,180	\$17,942,651
SUPPORTING SERVICES		
General Administration	6,871,864	8,346,838
TOTAL EXPENSES	24,744,044	26,289,489
Excess / (Deficiency) of Revenues, Gains and Other Support Over Expenses Before Items Below	1,740,288	(1,065,877)
Change in Pension Other Than Net Periodic Pension Costs	1,081,781	238,043
Increase (Decrease) in Unrestricted Net Assets	2,822,069	(827,834)
Unrestricted Net Assets, Beginning of Year	3,239,703	4,067,537
UNRESTRICTED NET ASSETS, END OF YEAR	\$6,061,772	\$3,239,703

Direct Marketing Association, Inc. and Subsidiary

Years ended June 30, 2011 and 2010

Consolidated Statements of Cash Flows

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in unrestricted net assets	\$2,822,069	\$(827,834)
Adjustments to reconcile increase (decrease) in unrestricted net assets to net cash provided by operating activities:		
Depreciation and amortization	1,025,375	1,104,423
Net realized and unrealized gain on investments	(714,799)	(579,474)
Changes in assets and liabilities:		
Decrease in receivables	77,557	712,077
Decrease in prepaid expenses and other assets	208,018	117,454
Decrease in accounts payable and accrued expenses	(815,963)	(402,741)
(Decrease) increase in deferred income	(119,474)	293,173
(Decrease) increase in deferred rent	(10,801)	76,578
(Decrease) increase in pension liability	(1,217,296)	500,981
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,254,686	994,637

(continued)

Direct Marketing Association, Inc. and Subsidiary

Years ended June 30, 2011 and 2010 (continued)

	2011	2010
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(4,694,470)	(4,580,979)
Proceeds from sale and maturity of investments	4,349,748	4,212,754
Purchase of fixed assets	(198,960)	(179,770)
NET CASH USED IN INVESTING ACTIVITIES	(543,682)	(547,995)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of short-term borrowings	(1,000,000)	-
Proceeds from short-term borrowings	646,000	-
NET CASH USED IN FINANCING ACTIVITIES	(354,000)	-
Net Increase in Cash and Cash Equivalents	357,004	446,642
Cash and Cash Equivalents - beginning of year	724,919	278,277
CASH AND CASH EQUIVALENTS - END OF YEAR	\$1,081,923	\$724,919

Direct Marketing Association, Inc. and Subsidiary

The Direct Marketing Association, Inc. ("the Association") is a not-for-profit trade association engaged in serving its members and advancing the interests of those involved in multichannel direct marketing with the government, the media, and consumers. Its mission is to encourage the growth and effective ethical use of multichannel direct marketing through advocacy/public policy; education and professional development; reputation management; market-making and networking; research and market intelligence; and corporate and social responsibility programs that strengthen consumer/donor trust and ethical business practices.

The consolidated financial statements include the accounts of the Association and its subsidiary. Significant inter-company accounts and transactions have been eliminated in consolidation.

The Association and its subsidiary are tax exempt under Internal Revenue Code Section 501(c)(6).

Membership Statement

At the close of FY2011, DMA had 2,583 corporate members, including members of the Internet Alliance (IA), a DMA subsidiary. Since the close of FY2010, this was a net decrease of 11 corporate members. Names and addresses of current company members are available at the Direct Marketing Association, Membership Department, upon request.

Independent Auditor's Report to DMA Board of Directors

McGladrey & Pullen LLP has audited the Association's complete financial statements, which include the Association's consolidated statements of financial position as of June 30, 2011 and 2010, and the related consolidated statements of activities and cash flows for the years then ended, and have expressed an unqualified opinion on them. A copy of such statement is available from the Direct Marketing Association, Finance Department, upon request.

HEADQUARTERS

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JOIN US

For information about becoming a member of DMA, please contact Member Development at 212.790.1500 or membership@the-dma.org, or visit us online at www.the-dma.org.

To view DMA's Annual Report online, please visit www.dmaannualreport.org.

