

Interesting Findings from NIRI's Earnings Call Survey

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A vast majority of companies have adopted similar practices and protocols for their earnings calls, but there were some notable differences and perhaps a few surprises, from the results of a survey conducted by the National Investor Relations Institute (NIRI). The full report is available only to members but the highlights are listed [here](#).

Earnings calls are widely embraced as useful communication tools, evidenced by the fact that 97% hold them quarterly. 94% are conducted by telephone and 89% through webcasting. Companies also share the same methods for announcing the calls, with 93% issuing press releases and 83% posting to the company website. 75% of companies sponsor calls on the same day as earnings are released, and the calls lasted 46 to 60 minutes for 68% of companies. Larger companies tend to have longer calls.

For certain practices, there was a wider range of responses. While almost a quarter announce the calls as early as a month in advance, slightly more wait until one or two weeks before the call, and a third of companies surveyed report announcing the call two to three weeks in advance. 42% hold calls on Thursdays and 29% prefer Wednesdays. Not surprisingly, earnings calls are least likely to happen on Mondays. Calls during market hours are popular with 46% of companies in the survey, and for the remaining companies, the results were evenly split between whether the calls took place before the market opened or after it closed.

The format of earnings calls seems to be so ingrained that there has not been widespread adoption of new technology. While 55% send blast emails to announce the calls, only 9% use twitter for this purpose, and only 1% report using means other than the telephone or webcasting to actually conduct calls, such as through in-person, living-streaming video and podcasts.

During the calls, 80% do not use any other media. As recently as February of this year, the *WSJ* [reported](#) that only a handful of companies are using twitter during calls, and even then only to tweet out short messages about results or points already made by executives, rather than using the tool to take questions, as Twitter itself does. The survey found that 83% of the questions asked are from sell-side analysts, and 67% of companies conclude with closing remarks after the Q&A session.

In terms of legal review, 37% of in-house counsel are involved in the development of the script, and 71% review it. Call transcripts are posted by 34% of respondents, and other materials that are likely to also be posted include non-GAAP reconciliations, slide presentations and financial results.

Companies often wonder how long they should keep a recording on their website. While 73% provide some kind of archive of their earnings call, the timing varied in length from about a quarter, to a year or more for 42% of companies.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Ning Chiu

+1 212 450 4908

ning.chiu@davispolk.com

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