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O'Dwyer's Newsletter

The Inside News of
PR and Marketing
Communications

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KETCHUM DIAGNOSES PR FOR NY EXCHANGE

Ketchum is providing PR support to sister Omnicom unit DDB on a two-year campaign promoting New York State's health insurance exchange.

The state recently tapped DDB to lead the ad and PR blitz starting next month, which is funded by a \$40M grant from the U.S. Dept. of Health and Human Services. About 2.6M people in New York don't have insurance.

The state held an enrollment summit July 25 at Baruch College in New York City with representatives of the public and private sectors, as well as the Washington non-profit Enroll America, DDB and Ketchum.

"This is a very newsworthy subject; media are hungry for information," Ketchum executive VP and group manager Paul Wood told the event. "They want to know what's happening and we want to help them along." Wood said his firm is developing the overall PR plan for New York's exchange. He added that recruiting so-called "invincibles" – young Americans who feel they don't need health insurance – will be a key challenge of the outreach effort.

Omnicom's OMD is handling media.

WEBER SHANDWICK SHOPS AT KOHL'S

Kohl's, the "value-oriented" department store chain, has selected Weber Shandwick to handle its PR following a review.

Cramer-Krasselt and BWR have worked on projects for the Memomonee Falls, Wis.-based chain of more than 1,100 units. Weber's sister agency, McCann-Erickson, handles ads.

Kohl's reported flat first-quarter revenues of \$4.2B. It blamed a slump in sales in "weather-sensitive" markets among reasons for the performance. Net was off four percent to \$147M.

CEO Kevin Mansell will report Q2 financial results this week. Revenues are expected to grow from one to three percent.

Joe Crisci, an agency pro and former Democratic political aide, has left **FleishmanHillard** for **Global Strategy Group** in New York. Crisci, a senior VP and managing dir. at GSG, was senior VP in FH's corporate and PA practice, joining in 2010 after seven years at Burson-Marsteller.



HUNTSWORTH PROFIT SLIPS 13.7%

Huntsworth reported a 13.7 percent decline in first-half operating profit to \$15.7M on flat revenues of \$137.8M.

The economic slump in the U.K. and Continental Europe took a toll on the British company's Grayling unit, which generates 45 percent of overall revenues. It reported a 7.2 percent slide in revenues to \$62.6M. Profit fell 36.7 percent to \$8.5M.

Grayling CEO Pete Pedersen, the Edelman alum who joined in March, has unveiled a plan to bolster its digital capability and build market share in the U.S. and Asia. The unit is stepping up its strategy to transition from single office clients to one where the client is served from multiple offices.

Huntsworth Health, which accounts for 33 percent of revenues, registered a 9.7 percent jump in revenues to \$45.7M and a 12.7% rise in profit to \$9.6M.

Consumer unit Red earned \$2.6M (+21.4 percent) on \$10.7M in flat revenues. Financial wing Citigate posted both flat revenues of \$19.7M and \$3.9M in profit.

Huntsworth CEO Peter Chadlington said the firm is "on track" and he looks forward to the \$56.6M cash investment from China's BlueFocus expected next month.

OGILVY ROLLS TEST-TUBE BURGER

Ogilvy PR generated the buzz surrounding the Aug. 5 unveiling of the world's first test-tube burger.

The event drew more than 200 scientists, foodies, nutritionists and reporters to a London TV studio for the grand tasting affair.

Scientists at Holland's Maastricht University grew the single patty from the stem cells of cattle at a cost of more than \$330K.

Google founder Sergey Brin funded the effort to "show the world that in the future meat will not necessarily

have to come from the environmentally and economically costly rearing and slaughtering of millions of animals," according to Reuters.

The *Wall Street Journal* noted the lab-grown meat isn't considered a genetically modified food because the cells in the meat are derived from the same cells that grow into muscle cells in cows. Tasters said the synthetic product had "good mouth feel" and tasted like meat but without the juiciness of the real stuff. Color also was lacking. It will be at least 20 years before the petri dish-grown meat hits food shelves.



Photo: David Parry/PA Wire

NIGERIA TAPS MERCURY FOR PR PUSH

Nigeria, Africa's most populous country and major oil supplier that is being rocked by a bloody insurrection, has hired Mercury Public Affairs to enhance bilateral diplomatic, economic and security relations with it and the U.S.

The Omnicom unit will collect \$300M in fees from the four-month outreach program.

Mercury is to provide Nigerian Ambassador Adebowale Adefuye government affairs counsel and will arrange meetings for Nigerian officials with U.S. business and thought leaders.

The government of Nigeria, where half of the 160M population is Muslim, has been battling the Boko Haram jihadist group since 2009. The army killed 35 militants on Aug. 4. The fighting and political upheaval has had a major impact on Nigeria's energy sector, which is dominated by Shell Oil.

Shell blamed a second-quarter earnings decline to political unrest, sabotage, theft and environmental issues that impacted its Nigerian operation.

Mercury's Vin Weber, the former Minnesota Congressman and well-connected Republican operative, is expected to play a key part in the push for Nigeria.

KV&B SHUTS DOWN

Katcher Vaughn & Bailey PR, the Nashville-based shop founded in 1996, is shutting down this month.

Aileen Katcher told the *Nashville Post* the impact of the Great Recession and rise of digital communications, which blurred the lines between advertising and PR, are among reasons for the shutdown.

She said fellow partners Greg Bailey and Nancy DeKalb are at the stages in their lives "where they didn't want to run a full-service firm." They decided to continue practicing PR as independent counselors.

KV&B generated fees of \$1.1M in 2012, according to its O'Dwyer's ranking. That sum was down 3.7 percent. It ended the year with nine staffers.

The firm's website features a client list that includes Land Rover of Nashville, Blue Cross/Blue Shield of Tennessee, Nashville Health Council and Hospital Alliance of Tennessee.

R&C CASTS ZUCKER FOR SOUTHEAST DRIVE

Rogers & Cowan has acquired Boca Raton-based boutique firm Zucker PR to push into south Florida and the southeastern U.S.

Valerie Zucker takes a senior VP role with R&C, heading a regional push for the Los Angeles-based entertainment PR firm, which also has operations in New York and London.

She reports to R&C CEO Tom Tardio.

Zucker left real estate and luxury goods PR firm The Apple Organization in 2001 to set up her own shop with clients like PRAI Beauty, Delray Marketplace, Mummies of the World, Rick Case Automotive Group, and American Dog Rescue on celebrity and events PR assignments.

She previously led PR for The Sports Authority as the Florida-based retailer grew from a few dozen stores in the 1990s. R&C is owned by Interpublic.

FUN BRANDS WANTS PR PITCHES

Fun Brands, the children's entertainment center franchise behind BouncU and Pump It Up, is calling for PR proposals in an open RFP process through early September.

The Tempe, Ariz.-based company, started with a single location in 2000 and now has nearly 200 locations in 35 states.

Budget is in the low six-figure range.

FB wants a PR agency of record with franchise industry experience to guide tasks like media relations, events and building awareness of its three brands, which also include Fun Brands Carousels. Digital and traditional media savvy are required.

PB's Pump It Up centers host birthday parties and other events, open playtimes, field trips and camps. The RFP notes that 97% of private kids parties are booked by moms, but only about 42% of mothers of children ages 3-12 are aware of the brand.

On the franchise development front, the company wants to target married couples (ages 35-45) with children and net worth over \$500K. Key markets include Los Angeles and San Diego, Pittsburgh, Boston, Houston and Dallas/Fort Worth, and Arlington and Alexandria, Va., among others.

Marketing manager Wendy Krone is overseeing the search.

Proposals are due Sept. 6 but FB wants notification of intent to pitch by Aug. 16.

RFP: <http://bit.ly/14oEFPD>.



BENNETT AMPLIFIES GUITAR CENTER PR

Christopher Bennett, who led corporate communications for Best Buy Canada, has followed his former CEO to top U.S. musical instrument retailer Guitar Center as VP of communications and corporate affairs.

Mike Pratt, who previously led Best Buy Canada, moved to helm the Los Angeles-based Guitar Center in March.

GC, owned by Bain Capital, said the move reflects the creation of a dedicated communications and corporate affairs department as the company plans to work directly with media more often than in the past.

Bennett said his appointment comes with the chance to engage media on a different level than in the past: "We have a great opportunity in front of us to work more closely with the press through a more transparent and open level of communication with them."

He will serve as spokesman and head all internal and external communications.

Clyne Media and Filter Creative are Guitar Center's outside PR agencies.

GC, which has a heavy debt load and faces employee efforts to unionize, has more than 240 stores in the U.S.

MEDIA NEWS**JACK O'DWYER'S NEWSLETTER****August 12, 2013****SEIGENTHALER, SHUSTER JOIN AL JAZEERA**

Veteran newsmen John Seigenthaler and David Shuster have joined Al Jazeera America as the unit of the Qatar-based satellite TV network slates an Aug. 20 launch.

Seigenthaler worked for 11 years at NBC News, a span that included nine years as anchor for weekend editor.

Most recently, he was the New York representative of his family's Seigenthaler Public Relations, which is based in Nashville.

David Dross, Al Jazeera America's senior VP for programming, called Seigenthaler, who will take a prime-time anchor slot, a "veteran reporter who has covered international, national and local stories that have affected us all."

Shuster is joining from Current TV, which Al Gore sold to Al Jazeera. At Current, he led its coverage of the 2012 presidential campaign.

Earlier, Shuster was MSNBC anchor, Fox News correspondent and CNN producer.

He'll be a New York anchor at AJA.



Seigenthaler, Shuster

JUDGE DISMISSES SUIT VS PR FIRM, ESPN

A Texas court Aug. 6 dismissed defamation and other charges against Spaeth Communications and ESPN in a suit by former Texas Tech football coach Mike Leach.

Leach was fired by Texas Tech University after allegations in 2010 that he mistreated a student athlete -- the son of an ESPN analyst -- who suffered a concussion. He sued the firm and network, along with the analyst, Craig James, alleging defamation, tortious interference and conspiracy. The suit alleged James hired Spaeth to create "public opinion hostile to Leach," in part by posting online a video of the student-athlete being disciplined.

"Spaeth Communications -- and the other defendants for that matter -- won summary judgment because the truth made its way into the record," said Scott McLaughlin, attorney for Spaeth at the law firm Jackson Walker.

McLaughlin added: "Spaeth has always taken the position that it would not try this case in the media, being fully confident in the Lubbock County judicial system. Spaeth's confidence was obviously justified and our entire law firm is very happy for Merrie and her colleagues."

The district court granted summary judgment for Spaeth, ESPN and James, dismissing all claims. Spaeth's attorneys argued a "substantial truth" defense, which as-

serts that if a statement is substantially true even though some minor facts are inaccurate, it should not be considered defamatory.

Leach, whose suit against Texas Tech was dismissed earlier this year, is the now at Washington State.

PORTER NOVELLI STICKS IT TO CBS

Porter Novelli is handling the pay TV sector's battle against CBS Corp. and its demand to gain a boost of "re-transmission fees" from Time Warner Cable, which has led to a blackout of the once Tiffany Network in key markets like New York and Los Angeles.

The Omnicom unit is repping the American Television Alliance group of cable, satellite and phone companies.

ATA's membership consists of TWC, Charter Communications, DIRECTV, Cablevision Systems, Discovery Communications, Verizon, Starz Entertainment and American Cable Assn. It calls itself "a voice of the TV viewer."

ATA ran a full-page ad in the *New York Times* last week with a map of the U.S. that highlights the more than 50 cities, where people are "currently blacked out from their favorite shows." It urges people to contact Congress to demand an update of TV carriage rule.

The ad reads: "The American people give the broadcasters our airwaves for free, and they respond by blacking us out. We're not that dumb."

Brian Frederick, a VP at PN/Washington, is handling the ATA.

FISHER SHAREHOLDERS OK SALE TO SINCLAIR

Shareholders of Fisher Communications have approved the broadcaster's \$373M sale to Sinclair Broadcast Group.

Sard Verbinnen & Co's San Francisco office is handling communications for Fisher, which is based in Seattle.

Fisher has 20 TV stations and three outlets in the western U.S., representing about four percent of the US TV audience. Two-thirds of the company's shareholders had to approve the \$41-per-share offering announced in April by Sinclair. Fisher said 90% gave the nod.

The Federal Communications Commission still must approve the merger. The Federal Trade Commission okayed the move in May.

Sinclair, based in Baltimore, owns 134 stations covering 34% of the US market.

BRIEF: NBC News veteran Ted Koppel wrote in the *Wall Street Journal* Aug. 7 that Osama bin Laden must have been astounded by America's overreaction to terrorism: "We have created an economy of fear, an industry of fear, a national psychology of fear. Al Qaeda could never have achieved that on its own." Read the piece at <http://on.wsj.com/19YXiSa>.



Rules so old they're
pre-Jurassic.

MEDIA NEWS**BEZOS BAILS OUT WAPO**

Amazon CEO Jeff Bezos is spending \$250M to buy the *Washington Post* and its chain of local papers. He promises the Post's "values will not change" and is optimistic about the future of the daily.

Katharine Weymouth, CEO and publisher, will remain at the helm. She's joined by Stephen Hills, president and general manager; Marty Baron, executive editor, and Fred Hiatt, editorial page editor.

Donald Graham, CEO of the Washington Post Co., said the sale was made "after years of familiar newspaper-industry challenges made us wonder if there might be another owner who would be better for the Post."

Foreign Policy and slate.com are not included in the deal. They remain part of Washington Post Co, which is powered by its Kaplan education unit and TV stations.

A new name for WPC will be announced shortly. Allen & Co. engineered the deal.

**NYT IS NOT FOR SALE**

The *New York Times* publisher Pinch Sulzberger and company vice chairman Michael Golden said the paper is not for sale in the aftermath of the Graham family selling the *Washington Post* to Amazon founder Jeff Bezos.

The statement came following a closed door meeting of members of the Sulzberger/Ochs family, which controls the Times.

"The Times is not for sale and the trustees of the Ochs-Sulzberger Trust and the rest of the family are united in our commitment to work together with the company's board, senior management and employees to lead the New York Times forward into our global and digital future," said the statement.

Sulzberger and Golden expressed strong support of NYT president Mark Thompson's quest to generate black ink by expanding "investment internationally, in video, in paid products and in brand extensions."

GROUPON GETS CHIEF

Groupon has named co-founder Eric Lefkofsky, 43, as CEO and board member Ted Leonis as chairman. Both had been serving in the co-CEO capacity.

Lefkofsky assumed the duties of CEO Andrew Mason following his departure earlier this year.

On the financial front, the online deals company reported a \$5.5M Q2 loss vs. a year ago \$33.5M profit.

Revenue rose seven percent to \$608M.

Lefkofsky believes Groupon "continues to gain traction in mobile as nearly half of its North American transactions came from mobile in June."

More than 50M people have downloaded Groupon's apps worldwide.

KHAHAIFA TAKES EDITOR POST AT SENTINEL

Avido Kahaifa has taken the editor post at the *Orlando Sentinel* as Mark Russell exits after a three-year stint.

The eight-year veteran of the paper is upped from the senior VP and content director post.

Publisher Howard Greenberg thanked Russell for his dedicated service and newsroom leadership during the past nine years.

He credited Russell for "moving us to a more digital focus while maintaining our tradition of strong journalism."

Tribune Co. owns the Sentinel.

LEVISON JUMPS FROM FISHBOWL TO VH1

Susan Levison has joined Viacom's VHI cable unit as executive VP for original programming & production. She reports to president Tom Calderone.

The former executive VP/creative chief at FishBowl Worldwide Media is now in charge of east/west coast development as well as celebrity talent. She is based in Los Angeles.

At FishBowl, Levison and her team sold unscripted and scripted shows to Bravo, Yahoo, NBC, Comedy Central and MTV.

Earlier, she was senior VP-comedy development at Fox Broadcasting, working on "Family Guy," "The Cleveland Show" and "Bob Burgers."

Calderone said in a statement that Levison's "proven expertise in crafting engaging stories with strong characters in reality formats and scripted dramas and comedies makes her a perfect match for VH1 and our successful mix of music, pop culture, humor and nostalgia programming."

CPB EYES PR HELP FOR HS GRAD RATE PUSH

The Corporation for Public Broadcasting is on the hunt for an agency to organize and mount a campaign coordinated with public radio and TV stations to target the high school dropout crisis in the U.S.

The graduation rate stands at 78.2% nationally, but is below 69% for African-American and Hispanic students. CPB, the federally funded entity that oversees National Public Radio and other public broadcasting, in 2010 launched the American Graduate campaign to curb dropout rates by engaging disaffected youth, supporting teacher development, and raising awareness of the epidemic and solutions to reduce the problem.

Setting a goal of 90% graduation by 2020, CPB notes that high school graduates are more likely to be employed, earn higher taxable incomes and generate more jobs than those without diplomas, who tend to rely more on social services and engage in criminal behavior.

CPB, via RFP, wants an agency to develop and implement marketing and PR plans using tactics like media relations and publicity, social media, digital marketing, message development, white papers and other avenues supporting the American Graduate effort.

Proposals are due Aug. 23.

CPB expects to award a one-year contract by the fall. RFP: <http://bit.ly/169JT8e>.

NEWS OF PR FIRMS**FASTLANE ALIGNS WITH LATERGY**

Fastlane Communications has partnered with video PR producer Latergy Video Marketing and Public Relations in New York to offer clients content services via earned, paid, owned and shared media.

Latergy president Larry Thomas said Fastlane's staffers understand the value of visual content and have the resources to deploy it.

Latergy handles strategic video storytelling, digital production and distribution services "online, on-site and on-air."

Fastlane has worked with Merck, Unisys, Fidelity Bank and State Fair Group, among others.

Fastlane chief Chris Faust, a veteran corporate and agency PR pro, said Thomas has been "at the forefront of strategic communications programs, especially ones involving visual storytelling, video communications and webcasting."

WAGGED SUPPORTS NEWLY PUBLIC YUME

YuMe, a Silicon Valley-based digital video advertising platform, relied on Waggener Edstrom for PR support as it completed an initial public offering worth around \$46M Aug. 7.

WaggEd, the No. 3 independent firm, picked up the account in June, handling the PR work from San Francisco and New York.

YuMe, which delivers video ads on the 'Net and web-enabled TV, is backed by Khosla Ventures and Accel Partners. The company said Aug. 6 it priced its more than five million-share IPO at \$9 per share. Its stock – YUME on the NYSE – is trading around \$9.07 as of Aug. 12.

The IPO came in below earlier estimates of \$12-14 per share. Second quarter revenue was up 33% to \$26.6M over Q2 2012.

NM HAS FED FUNDING FOR ECONDEV PR

An association of local governments covering a swath of central New Mexico and armed with federal economic development dollars is dangling a six-figure PR contract touting the region in national media.

The Mid-Region Council of Governments released an RFP on Aug. 2 searching for PR proposals from firms with experience on at least two national economic development campaigns over the past three years. Pitching stories to national media, developing brand positioning and story lines, as well as press releases and e-newsletters, are covered in the scope of work.

The area of NM covered in the campaign is designated an economic development district by the U.S. Dept. of Commerce and the MRCOG has a grant from that federal entity for marketing.

Budget is capped at \$110K. Proposals are due Sept. 4. RFP: <http://bit.ly/18pDSC1>.

BRIEF: **Cone Communications** has created an influencer identification platform, ConeFluence, on the SocMetrics platform. The Omnicom firm said the service profiles each influencer, builds lists for outreach, and monitors campaign results.

NEW ACCOUNTS**New York Area**

Wise PR, New York/Mediamorph, cross-platform intelligence and analytics firm; PPC Associates, search engine and digital marketing agency with offices in Silicon Valley, San Diego and Chicago; LiveRail, publisher monetization platform for video; My6Sense, mobile engagement and monetization platform, and New York Tech Council.

Coyne PR, Parsippany/Daytona International Speedway, for PR for its DAYTONA Rising redevelopment project slated for completion in 2016. Coyne is handling traditional and social communications.

Tara, Ink., New York/Superdry, U.K.-based clothing retailer and wholesaler, for media relations, product placement, events, celebrity dressing and other outreach.

Krupp Communications, New York/Nerium International, relationship marketing company, for brand management, communications strategy, and media outreach to advance overall company goals. Nerium markets "anti-aging" skincare brand NeriumAD.

KCSA Strategic Communications, New York/Lightlake Therapeutics, biopharmaceuticals focused on opioid antagonists, for IR and PR focused on its treatments for binge eating disorder, bulimia nervosa and the complications of drug addiction. Managing Partners Todd Fromer and Lewis Goldberg head the account.

Relevant PR, New York/Provence, French and Mediterranean eatery in Carrboro, N.C., for PR.

East

Regan Communications Group, Boston/Be Bold, Be Bald!, cancer fundraising campaign; Besito Mexican Restaurant; Classic Harbor Line, sailing fleet operator; FitHouse, fitness studio; Harding's, bistro; New England Center for Homeless Veterans; Restaurant City, restaurant supply, and StairMaster, fitness equipment.

E. Boineau & Company, Charleston, S.C./East Cooper Habitat for Humanity, for marketing comms., media relations, and website re-design.

Southeast

Balsera Communications, Miami/Vme Television, the first national Spanish-language public TV network, for PR and public affairs in the U.S.

Southwest

Preferred PR, Las Vegas/Grape Street Café, Wine Bar & Cellar, 15-year-old Las Vegas establishment, as AOR for PR.

West

Maxwell PR + Engagement, Portland, Ore./Diamond of California, to drive media and blogger inclusion of culinary nuts in baking and other dishes; McMenamins Pubs, Breweries & Historic Hotels, as AOR for media relations and tourism comms., following an RFP process, and the USA Dry Pea & Lentil Council, for consumer PR for the Idaho-based board.

Fineman PR, San Francisco/HNTB Corporation, employee-owned architecture, engineering, planning and construction management firm, for B2B comms. in northern California.

NEWS OF SERVICES**DHS WANTS CLIPPING SERVICE**

The Dept. of Homeland Security's office of public affairs wants to hear from news clipping services that can produce a daily roundup of stories involving DHS and the issues it tracks.

DHS wants a vendor to monitor regional, national and international news from a spectrum of news sources, edit out non-critical info, and extract critical news. The federal agency wants a summary distributed each weekday morning by 5 a.m. EST and a complete collection of coverage by 7 a.m. A condensed version will be due by 7 a.m. on weekends.

A one-year contract with four option years is expected to be awarded.

Proposals are due Aug. 21. Info: <http://1.usa.gov/164oieQ>.

WARREN LEADS NIRI VIRTUAL

Mark Warren, director of investor relations at Birmingham, Ala.-based construction materials giant Vulcan Materials Co., has been elected 2013-14 president of NIRI's 11-year-old Virtual Chapter, which is composed of IR pros geographically remote from regional chapters.

Chris Kettmann, managing director for FTI Consulting based in Chicago, is treasurer of the chapter, while Raj Mehan, assistant treasurer, Steelcase Inc. in Grand Rapids, Mich., is secretary.

PWC: SM NOT WIDELY ADOPTED FOR CRISES

More than half of respondents in a PwC US survey said they do not use social media as a crisis management resource, a reflection of uncertainty surrounding the medium, the consulting firm said.

Phil Sampson, a principal in PwC's risk assurance unit, said companies are weighing possible risks and legal complications with using social media. "Yet, the majority is still hesitant about utilizing social media as a crisis management tool," he said.

Only eight percent of 300 respondents in the PwC survey said SM has become an "enabler" for their organization to identify and respond to crisis events. Thirty-seven percent said they are "modestly" using SM as a tool but not necessarily seeing any benefit.

Sampson said PwC is telling clients to first look through their crisis PR plans for ways to incorporate SM to reach employees, third parties, customers and stakeholders. A second step is to look more closely at crisis and risk scenarios to weigh whether SM could be used.

BRIEFS: Fast food chain **Jack in the Box** is working with digital shop **Struck** on a summer promotional campaign using mobile video platform Vine. Struck produced the campaign of 101 videos over five days showing Jack in the Box customers how to "Go Big." A website hosting the videos is soliciting user-generated videos through the summer. Info: <http://bit.ly/13v12ni>. ...**Onstream Media Corp.**, a Pompano Beach, Fla.-based provider of corporate audio and web communications services, has signed a 12-month pact worth up to \$275,000 with the State of California Board of Equalization for live and on-demand webcasting services for board meetings.

PEOPLE**Joined**

William Borden, senior media specialist, Coyne PR, joins as director, media relations, and **William Swalm**, ex-dir. of marketing and corporate comms. at Rubenstein Associates, joins as director, market intelligence. Also, **Saud Masud**, who led investment advisory shop SM Advisory Group, to CCG Investor Relations, New York, as a director.

Monique Dinor, account manager, Alpaytac, to Rubenstein PR, New York, as a VP. She is a former booker and segment producer for "Fox & Friends" on Fox News Channel.

Denise Lengveltoti, assistant A/E, Ketchum, to The Brandman Agency, New York, as an A/E handling LA Tourism, Scottsdale CVB, Worldview Travel and A Rosa Cruises. **Clair Casey**, intern, Powell Communications, joins as an A/C handling NYLO New York and Qantas.

Ken Trbovich, former senior healthcare analyst at RBC Capital Markets, joins as a director.

Kristi Rifenbark, digital marketing strategist, Gravitare Design Studio, to Lane, Portland, Ore., as a digital strategist.

Rebecca Warren, A/E, Lam-Andrews, and **Tiffany Childress**, formerly of Wearwell, to DVL PR & Advertising, Nashville, as A/Es. Warren was chief of staff to Burson-Marsteller's worldwide vice chairman.

**Warren, Childress**

Vanessa Rodriguez, senior VP, Mercury Public Affairs, to Fiona Hutton & Associates, Los Angeles, as a VP. Seven-year FH&A vet **Ann Newton** was promoted to VP.

Cristina Aguilar, a recent grad Univ. of Miami graduate, to Cheryl Andrews Marketing Communications, Coral Gables, Fla., as a junior A/E. Chelsea Olson joins as social media strategist and account assistant.

Sara Nazarian, senior A/M, The Pollack PR Marketing Group, and Susan Shimotsu, who interned at SunAmerica and Blaze, to Phelps, Santa Monica, Calif., as PR specialist and PR coordinator, respectively. Nazarian handles Panera Bread, Whole Foods Market and Olam Spices and Vegetable Ingredients. Shimotsu works with Tetra Pak, American Licorice Company, SoCal Gas and Whole Foods Market.

Named/Promoted

Stephanie DeViteri and **Kelly Kutchinsky** to senior VPs; **Kate Callan** to VP; **Theresa Dolge** to media relations director; **Jenny Gallo** to senior A/S, Tonic Life Communications, Philadelphia.

Adam Pawluk to executive creative director, GolinHarris, New York. He continues with clients like Unilever, Vivus, GSK, and Digicel.

David Lauren, executive VP of advertising, marketing and corporate comms., Ralph Lauren Corporation, New York, has joined the company's board of dirs.

**Pawluk**

FTI 2Q PR REVENUE RISES 8.4%

FTI Consulting's strategic communications operation posted an 8.4% increase in second quarter revenue over 2012 to \$50.6M, but the company overall lowered guidance for the year amid reduced demand for bankruptcy and restructuring work.

FTI got a \$1.5M bump from its acquisition of D.C.-based C2 Group in March, but noted improved project income in North America and the EMEA region and increased revenues from North American engagements boosted its Q2 performance on the PR front.

FTI worked PR for 33 deals worth \$18.3B through the second quarter of 2013, according to mergermarket. That includes Orchard Supply's \$205M acquisition by Lowe's Cos. and Elan Corp.'s initial takeover defense and later \$8.6B sale to Perrigo.

Among all of its units, FTI saw a 4.6% increase in Q2 revenues to \$414.6M but the West Palm Beach-based business consulting company lowered guidance for the year. "Record levels of new speculative grade and structured finance offerings and the continuation of the Fed's policy of quantitative easing have resulted in lower than expected default rates and demand for bankruptcy and restructuring services," said CEO Jack Dunn.

Net income was \$23.5M, up sharply from \$7.7M in Q2 of 2012 when the company took a special charge.

FTI's communications division counts 611 staffers, up slightly from 599 in Q2 of 2012.

AMBULANCE CO. DRIVES OUT CHAPTER 11

Joele Frank, Wilkinson Brimmer Katcher is handling the Chapter 11 filing of Rural/Metro Corp., provider of private ambulance and fire protection services in about 700 communities in 21 states and corporate facilities operated by Citgo Petroleum, Bell Helicopter and FedEx.

Warburg Pincus, New York investment firm, bought the Scottsdale-headquartered operation in 2011 for \$675M.

R/M filed the Aug. 4 restructuring program because its "capital structure was created under different economic circumstances," adding its earnings can't support interest payment on the debt and investing in operations.

The company has reached an agreement with lenders to cut its debt in half, while receiving an infusion of \$135M in new equity capital to fund operations.

JFWBK's Andy Brimmer, Andrew Siegel and Dan Moore are working the R/M reorganization.

TURNER PR UPS UTAH AFTER REVIEW

Turner PR has won the competitive pitch for the \$200K Utah Office of Tourism account to promote the Beehive State's destinations to residents and visitors.

Lou Hammond & Assocs. was the incumbent shop.

Vicki Varela, managing director of the Utah Office of Tourism, Film and Global Branding, announced the win and cited Turner's "deep knowledge of outdoor recreation and tourism, and their savvy in working with traditional and new media outlets."

Turner's teams in Denver and New York will focus on Utah's attractions that include five national parks, seven national monuments, shopping, dining, desert landscape, western culture and the "greatest snow on Earth."

PINNACLE AIR'S WILLIAMS DIES AT 57

Joe Williams, Jr., who was PR chief for Pinnacle Airlines, died Aug. 7 during a business trip to Minneapolis. He would have been 58 the next day.

The *Commercial Appeal* of Memphis called Williams the "face of the airline," which has been rebranded as Endeavor Air.

Pinnacle, which is now part of Delta, struggled through a bankruptcy process following a unsuccessful effort to merge with Mesaba and Colgan airlines.

Delta provided the financing that allowed Pinnacle to emerge from Chapter 11 in May and then shifted the renamed carrier's headquarters from Memphis to Minneapolis. Williams was handling Endeavor's charitable donations to the Memphis area.

Phil Reed, who was VP-resource planning and analysis at Pinnacle, told the paper that Williams during Chapter 11 "was at the forefront of telling our employees and the public" about the proceedings. Prior to Pinnacle, Williams was a producer at WHBQ-TV in Memphis and spokesperson for Time Warner Cable.

Williams is survived by his wife, Kathy, and daughter, DeeAnn. The family has asked that donations in Williams' honor should go to the Fire Museum of Memphis.

BRAIN CANCER CLAIMS LA PUBLICIST

Eddie Michaels, an entertainment PR pro who repped stars like Drew Barrymore and Jeremy Piven, died Aug. 9 after complications from brain cancer. He was 49.

Beck Media & Marketing of Santa Monica, where

Michaels worked, acquired his 20-year-old firm, Insignia PR, in December.



Michaels

"One of the cardinal rules of publicity is 'don't become the story,' so I know our friend Eddie would just hate this," said Todd Beck, president of BM&M. "We will miss his warmth, his passion, and his time-tested skills as a true Hollywood PR pro."

Michaels was diagnosed with brain cancer seven years ago and the disease went into remission before returning last year.

MARTIN GRADUATES PURDUE FOR WVU

Sharon Martin, assistant VP of marketing at Purdue University, moved to West Virginia University Aug. 8 to lead university relations and communications, following a national search.



Martin

Martin oversees internal and external communications, media relations, news operations and social media, among other disciplines at the Morgantown, W.V.-based institution of nearly 30,000 students.

Prior to Purdue, she ran Full Moon Communications and founded the women's magazine *Helen*.

Journalism school dean Maryanne Reed led the school's search committee.

In a statement, WVU president Jim Clements said, "Sharon comes to us from a very respected integrated marketing communication division at a major land-grant research university that is similar to WVU."

PR OPINION

A New York University study has found that less than 3% of the traffic going to websites of major brands and advertisers is coming from social media while 33% of the traffic is coming from consumers doing searches for products and services.

“Social media, placed in context, isn’t having as large an impact as originally thought on the business world,” said Scott Galloway, clinical professor of marketing at the Stern School of Business.

It was once thought that Facebook would be “a huge point of distribution for retailers” but that has not happened, he told Bloomberg editor-at-large Tom Keene Aug. 4 in a 2.34-minute segment titled, “Social Media’s Diminished Impact on Business.”

Facebook and Twitter serve as “funnels” to direct consumers to websites where they experience banner ads, he said.

He said Facebook has created products that are accessible to hand-held devices.

Companies are still interested in SM because they want to be seen as innovative to their audiences and because they are still trying to “figure out and experiment” with SM, he added.

“But there are telltale signs of a blowback” against SM, he said. The number of job listings in SM has been declining and the pay “is not what people thought it would be.”

Business school grads are showing interest in e-commerce rather than SM, he said.

Companies Reach Stakeholders via SM

While the NYU study shows that search engines rather than SM are driving buyers to company websites, that does not mean that SM has little value to organizations.

They are using SM, blast e-mails and their own websites to communicate directly with constituents and customers and are putting less effort into media relations. SM is a way for them to engage, and perhaps mobilize, individual stakeholders.

Some organizations have just about washed their hands of media because they feel the press does not treat them fairly.

One of these is the PR Society of America which has numerous anti-media policies and practices.

Stephanie Cegielski, associate PR director who has assumed the duties of VP-PR Arthur Yann, who died June 13, has told us the Society has not made a decision on whether O’Dwyer reporters will be “credentialed” for the 2013 national conference in Philadelphia Oct. 26-29.

She was responding to a request for such credentials. We also asked whether the Society will allow reporters to cover the 2013 Assembly and whether O’Dwyer reporters will be allowed to enter the exhibit hall. The last two questions were not answered.

All reporters were barred from the 2011 and 2012 Assemblies. Yann had posted on a LinkedIn PR News Group in October 2011 that the Society “is a private member organization and our national Leadership As-

sembly is a private meeting of our members. We’re well within our rights to bar any and all reporters from attending.”

Cegielski said the press form has not yet been prepared and requests cannot be accepted. She said the policy this year is only to allow a one-day pass to any one member of the press.

The Society takes the position that it is doing reporters a favor by allowing them to cover its activities and access must be rationed carefully.

There was almost no local coverage at the last national conference in Philadelphia in 2007. The *Philadelphia Inquirer* printed not a word of the meeting although publisher and Society member Brian Tierney was a featured speaker. He left the paper in 2010 to start Brian Communications. Local businesspeople bought the paper for \$55 million in 2012. It had sold for \$515M in 2002.

Not only were press credentials denied to O’Dwyer reporters in 2011-12, but this reporter was booted from the Marriott in San Francisco in 2012 after we talked to a friend in the lobby.

The initial response of Cegielski indicates a continuation of policies and practices carried out by Yann.

The Society’s specs for the new VP-PR say he or she will report to COO William Murray and other Society staffers (and not the CEO or board).

Since it appears likely that O’Dwyer reporters will be barred from the exhibit hall again this year, we are contacting the 88 PR service firms that exhibited from 2010-2012, asking them for news of their new products and services.

The stories will be included in the 2014 O’Dwyer’s PR Buyer’s Guide that will be part of the January edition of O’Dwyer’s magazine. The issue includes a directory of more than 100 PR service firms whose products are divided into 56 categories. It also covers crisis communications PR practices and is the largest issue of the year.

The 43 exhibitors at the 2012 Society conference included 26 returnees from 2011 and 17 firms that were not present in 2011.

Some Firms Balked at \$10K Rate

Service firms in 2012 were offered a combination “sponsor” designation and standard exhibit booth for \$10,000. Some exhibitors told us this was too steep.

The Society had declared “war” in 1995 on a group of about 50 exhibitors who in 1990 organized the PR Services Council and sought exhibit halls that were near the sessions. The group successfully lobbied for a classroom in the hall where complicated products could be explained.

Society COO Ray Gaulke stunned the group on Jan. 19, 1995 by making a personal appearance to tell the members that the exhibit hall was being closed. He said it lost money and he would seek one or two overall sponsors such as IBM or Intel. The hall did not open again until 1999. The Council quickly folded, having lost its purpose. No “overall sponsors” were ever obtained.

– Jack O’Dwyer