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O'Dwyer's Newsletter

The Inside News of
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HAVAS/VIVENDI DEAL LINKS MEDIA BUYER & AD AGY

Some are worried that the merger of Havas with Vivendi might compromise the ad-buying of the agency. Both parties have sought to allay such fears.

Havas noted a current agreement keeps its media buying unit separate from the Vivendi unit. Vivendi said Havas will continue to bid against other ad companies for access to distribution space and content production!



The entertainment multinational, which owns properties primarily in the music, TV, film, video game and telecommunications industries, has submitted an offer to purchase an approx. 60 percent stake in the global advertising and communications services group from French holding company Bolloré Group for a reported €2.36 billion (about \$2.56 billion).

That investment group, which is Havas' main single shareholder, is led by billionaire investor Vincent Bolloré, who is also Vivendi's largest shareholder. Vincent's son Yannick Bolloré is Havas' CEO. Yannick Bolloré, in a statement to employees, said he was coming to the deal first and foremost as chief executive.

Groupe Bolloré said it has "welcomed" the deal and that it has "decided to enter into discussions with Vivendi."

Yannick **during a November interview** in Barcelona told Reuters that such a merger could "make sense,"

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KLEIN JOINS JET.COM AS PR DIRECTOR

E-commerce company Jet.com has named Meredith Klein media and public relations director.

Her appointment becomes effective May 22.

Klein arrives at the online retailer from global independent agency **Makovsky**, which she joined in 2013 and most recently served as group vice president, consumer. Prior to that she was a senior manager at Interpublic-owned agency Golin (GolinHarris).

Klein will be responsible for driving consumer awareness for the Jet brand and its customer value proposition as the company continues to grow.



Meredith Klein

Jet.com provides an online shopping platform that provides cost savings on household goods. The Hoboken, NJ-based company, which was founded in 2014, was acquired last year by retail colossus Walmart for \$3.3 billion.

DIDIT ACQUIRES THE HALO GROUP

Long Island-based agency **Didit** announced last week that it has acquired marketing and branding services agency The Halo Group.

Terms of the acquisition were not publicly disclosed.

The Halo Group's headquarters have now moved into the Fifth Avenue offices occupied by Didit's digital marketing shop Didit Communications. The Halo Group will now be known as The Halo Group, A Didit Company.



Executives told *O'Dwyer's* the acquisition will enhance that agency's integrated marketing and PR services offerings for clients.

"As more and more marketing channels became digital, the 'digital silo' has become counterproductive," Didit Executive Chairman Kevin Lee told *O'Dwyer's*. "The various acquisitions Didit has made over the last 5

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THE DAILY BUZZ RELAUNCHES IN JUNE

Entertainment and news magazine program The Daily Buzz will relaunch nationally June 4 after a two-year hiatus thanks to KEF Media which acquired the show's trademark and will provide integrated content.

Format will be true to the original set-up with celebrity interviews and profiles, gossip, and news-you-can-use that integrates paid publicity content covering areas such as consumer, fashion, finance, health, hospitality, sports and travel.

TDB will start out initially as a weekly program airing nationwide in addition to appearing on multiple digital channels with regular daily updates.

Original anchors Lance Smith and Kia Malone are coming back to host with regular appearances by entertainment reporter Scott Carty in Los Angeles.

Production will be handled out of the show's Orlando, Florida studio with correspondents in New York, Los Angeles and Atlanta, where KEF Media is based.

"The Daily Buzz is the gold standard of combining news, hot topics and integration in a fun, seamless format," said KEF Media COO Yvonne Hanak. "We'll be including a wide range of paid content while offering other exciting program integration opportunities."



The Daily Buzz hosts
Lance Smith & Kia Malone

HAVAS/VIVENDI DEAL LINKS MEDIA BUYER & AD AGENCY

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and posited that it's the sort of deal that "would be a development project rather than a cost saving project."

Yannick also sits on the Vivendi board.

Vivendi owns French TV operator Canal+ Group, Rome-based telecommunications company Telecom Italia, French video game developer Gameloft and video platform Dailymotion, as well as Universal Music Group, which owns record labels such as A&M Records, Capitol Records, Def Jam Recordings and Virgin Records.

Paris-based Havas, which staffs about 18,000, owns PR agencies such as [Havas PR](#) and New York-based [Havas Formula](#), as well as financial communications powerhouse Abernathy MacGregor Group and London-based healthcare PR agency Just:Health Communications.

DIDIT ACQUIRES THE HALO GROUP

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years have been a realization of our vision to help clients break down digital marketing silos, internally and externally. We are much more than a search marketing or digital boutique agency, but we remain great at that. So, the 10 companies we have acquired reflect that vision of Marketing Is Everything and shouldn't be treated in silos and that paid and earned media lines have blurred particularly in social media."

The acquisition marks Didit's 10th in the last in five years. The Mineola-based branding and marketing communications agency [acquired LVMGroup in 2014](#), as well as [Bridge Global Strategies](#) and [JBCumberlandPR](#) in 2015. Last year it acquired printing and direct mail company [Laser Image Corporation](#), as part of a strategic venture to streamline its marketing, PR and digital services efforts in the area.

WEB SEARCH RESULTS COULD HURT YOUR BIZ

National poll conducted by digital marketing and communications firm Lumentus shows how important it is for businesses to pay attention to what the web's search engines have to say about them.

Of the nearly 800 U.S. business decision-makers earning more than \$100,000 who were polled using Survey Monkey in early May, almost 70 percent said they consider online search results to be a key part of their decision-making processes, more than 80 percent avoid a company or individual on the basis of negative search results, nearly 75 percent have actually rejected doing business with companies as a result of negative search results and 75 percent will dig deeper if they find negative information about a company they are researching.



Christina Bertinelli

Lumentus senior partner Christina Bertinelli explained to *O'Dwyer's* that her firm's poll amplifies recent studies of website traffic data that show nearly two-thirds of a company's website visitors originate with a search. "Even when visitors know the company's URL, or specific website address, they use their search bar," Bertinelli said.

Pitfalls of many company websites include outdated content, infrequent press releases and incorrect third-party business listings, according to Bertinelli.

BEING A GOOD LISTENER LEADS TO GROWTH

By Mia West, VP of publicity at [Havas Formula](#)



The vanity business is a lucrative one, and it's an industry from which other industries can take a cue. Even in the worst economy, the beauty industry thrives, as consumers seek solace in small confidence boosters like a tube of lipstick or a manicure. And while it inherently plays to our ego, today's world of beauty is much more than skin deep. Once you peel back the surface layers, you'll discover the industry's recent ongoing success is driven by one precious skill: active listening.

According to Collins Dictionary, active listening is a two-way communication process; to actively listen is not just to hear but to understand, interpret and evaluate what is heard. The beautiful thing about the beauty industry is not that it listens, but that it delivers on insights learned from listening in meaningful ways. For those who haven't noticed, gone are the days of peddling glamour alone. While it is still an underlying current, today's beauty brands are known to be empowering, progressive, and mindful.

How was an industry long considered superficial able to flip that notion on its head? By opening its ears. Here's what beauty brands can teach companies in any industry about being better listeners to ensure growth:

Inclusivity

Let's start with a lesson about inclusivity and how it can open new doors, while giving existing fans the fuzzies about a brand. Despite the population's diversity, companies have been slow to recognize this in both product development and marketing. However, when social media gave neglected communities a voice, beauty brands were among the first to court and cater to them.

The move to enlisting transgender and male brand ambassadors is a perfect example of how social media helped propel an industry forward by opening its eyes to an overlooked market. With major players like CoverGirl, Maybelline and L'Oreal all breaking away from the social norm, it became clear beauty was no longer just for the girls. Other online movements such as #BlackGirlMagic, which Julee Wilson from the Huffington Post described as a way to "celebrate the beauty, power and resilience of black women," have spurred brands to expand shade offerings addressing the vast spectrum of skin tones and take an all-encompassing approach to marketing mixes further fueling success.

Paradigm Shifts

Perspectives change. It can take years or it can happen in a flash, so the key is to never stop paying attention. However, it's important to not just recognize change when it occurs, but to understand what is at the root of it so the company can choose the right course of action. In the case of beauty, consumers had grown tired of unrealistic standards being dictated to them, so they started making their own rules. We now regularly see themes of self-acceptance and individuality in campaigns rather than the conformity of beauty's yesteryears.

Read the rest of this story on [odwyerpr.com >>](#)
(E-mail john@odwyerpr.com if you don't have a user name/password combination)

FWV'S CEO TO PRODUCE DON QUIXOTE MOVIE

FWV chairman and CEO Rick French and Peter Mayer chief creative officer Josh Mayer have teamed up on the first version of the famous Cervantes novel, Don Quixote, to be produced and shot in the U.S. It has been reincarnated in many forms including as a ballet, opera, graphic novel and TV movie.

Filming on "The True Don Quixote" began last week in New Orleans with Tim Blake Nelson (O Brother Where Art Thou?) taking the lead and Jacob Batalon (Spider-Man: Homecoming, due out this summer) starring as sidekick Sancho Panza.

Chris Poche (Flakes, Over The Hedge) adapted the novel and has taken a contemporary, comedic interpretation of the tale.



"Don Quixote is big. It's the most published book in the world, after the Bible, having sold five times as many copies as the first Harry Potter book" Poche said. "At the same time, it's this hilarious, intimate little buddy comedy about a guy who essentially just goes out and attacks his neighborhood because he goes insane from boredom and propaganda, which feels very timely. And who better than the brilliant Tim Blake Nelson to capture Don Quixote's combination of despair and joy?"

French is also producing "Not Without Hope," a true story told by survivor Nick Schuyler about a boating accident in the Gulf of Mexico in 2009 that killed three men, including NFL players Marquis Cooper and Cory Smith. The \$25 million drama goes into production later this year.

SHANE SUPERVISES FP'S WEST COAST OPERS.

Emmy Award-winning communications executive David Shane has joined **Finn Partners**, where he's been named deputy managing director of the global independent agency's operations in Los Angeles and San Francisco.

Shane was formerly chief communications officer of Relativity Media, where he developed strategy and oversaw communications for all of that film and entertainment company's divisions. Prior to that he ran the west coast office for New York-based entertainment PR firm Hiltzik Strategies, and for three years served as a VP, corporate external communications at Hewlett-Packard. He was also a senior communications officer at talent and literary agency ICM and was a vice president of PR for Comcast in Los Angeles.



David Shane

Shane began his career in television news at CBS in Philadelphia. He later opened his own consulting firm, Shane Strategies, where he serves as principal.

Shane will be based in Los Angeles and will report to Finn Partners west coast managing partner, Howard Solomon.

SERVCorp SELECTS 5W AS AOR

New York-based agency **5W Public Relations** has been named agency of record for multinational office space provider Servcorp.

Servcorp provides serviced offices, virtual offices, meeting rooms and IT services in metropolitan cities around the world, including spaces in landmark locations such as One World



Trade Center in New York, Marunouchi Trust Tower in Tokyo, The Leadenhall Building in London, Two International Finance Centre in Hong Kong, Etihad Towers in Abu Dhabi and the Marina Bay Financial Centre in Singapore.

The Sydney, Australia-based company, which was founded in 1978, now operates in more than 155 locations across 24 countries. It opened its first United States location in 2010.

5W will execute a comprehensive PR program intended to position Servcorp as the leading provider of office space solutions for businesses among business owners, entrepreneurs and brokers in a bid to raise the brand's profile in the U.S. as well as internationally.

Full-service independent agency 5W is one of the top ranked PR firms in the country with \$24.3 million in 2016 net fees, **according to O'Dwyer's**.

KEEP YOUR BEST EMPLOYEES

The prospect of strong economic growth in the coming years is a welcome one for the nation and the business community in particular. This could be a mixed blessing for many companies, however, if valued executives and employees see it as an opportunity to seek out greener pastures.

A report released by The Dilenschneider Group, "**Retaining Your Best Employees**," tackles this issue, offering practical ideas on how to identify the workers who are most important in fulfilling your company's mission and what steps to take to ensure they are motivated to stay on and deliver their best.

Some interesting stats from the report include:

- Within five years, half the workforce will be made up of millennials and Gen Z-ers, people who likely won't spend more than two years in the same job.
- 78 percent of business leaders list employee engagement and retention as one of their top priorities.
- Cost of losing an employee is equal to 20 percent of their annual salary, more if the person makes over \$50,000/year.

• Top reasons for an employee leaving a position include responsibilities that are out of synch with the job description, work that is uninteresting or not seen as important to the organization, "burn out" from long and inflexible hours and lack of feedback or recognition from managers.



PR OPINION

Patrice Tanaka's advice on how people and organizations "can discover and live their purpose and unleash greater success, fulfillment and joy" was a hit at the PRSA Counselors Academy meeting May 7-9.

Her impassioned presentation, one of 45 at the meeting, was one of the most discussed talks, attendees told this website. Attendance of 178, one of the largest meetings in recent years, included 64 first-timers, said chair Tom Garrity, The Garrity Group, Albuquerque.

There is strong evidence, Tanaka said, that "purpose-driven" organizations significantly outperform "profit-only" focused organizations, quoting from the book, *Firms of Endearment, How World-Class Companies Profit from Passion and Purpose*.



Patrice Tanaka

Written by Ray Sisodia, David Wolfe and Jag Sheth, the book provides data showing that the purpose-driven companies out-perform profit-focused companies by 1,681% vs. 118% over a 15-year period among firms in the Standard & Poor's Index.

A list of 22 purpose-driving companies cited by the book includes 3M, Amazon, Chipotle, Disney, FedEx, Starbucks Coffee, UPS and Whole Foods.

Set Goals, Says Tanaka

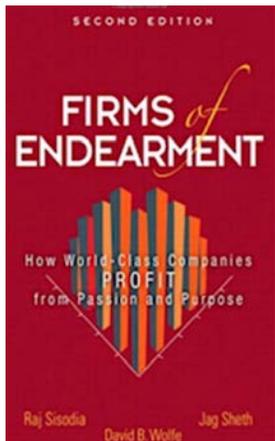
Tanaka called on counselors to set "**a clearly articulated business goal and purpose.**"

"My five-year goal when building my first agency, PT&Co., was concisely stated as: Five years/50 people/\$5 million fee income. This easy-to-remember

business goal/mantra was known and embraced by all our employees and did help us reach this goal, although it took us a bit longer – seven years. Had we not clearly stated this business goal, I'm not sure we would have achieved it or how much longer it would have taken us to do so.

"Our business purpose was to create 'Great work. Great workplace. Great communities that work.' This easy to remember business purpose helped us win nearly 200 awards and be named the "#1 Most Creative" and "#2 Best Workplace" among all PR agencies in the U.S. within eight years of starting PT&Co.

"The same holds true for the power of a clearly



articulated and succinct life purpose. It can focus and drive us to achieve and often exceed what is most important for us to accomplish in life."

Tanaka founded **joyful planet** "to encourage and help more people and organizations to discover and actively live their purpose. I am thankful to be focused on this truly exciting and galvanizing work!"

Schwartz, Salerno Caution on Over-Servicing

Also popular with attendees was the topic of "over-servicing" of accounts. Matthew Schwartz, editorial director, Gould+Partners, in an email posting to the O'Dwyer Co., discussed the topic and cited research by Darryl Salerno, CEO of Second Quadrant Solutions, who discussed the topic at a pre-conference session.

Most business sectors suffer from over-servicing—or working for nothing—but it is probably not nearly as bad as it is in PR, said Schwartz.

"Despite their best intentions, PR firms of all sizes fail to push back when clients or prospects try to squeeze more work out of them essentially for no pay," he said. "This is dreaded '**scope creep**,' in which activities not originally budgeted for are requested by the client and executed by the agency."



Matthew Schwartz

Salerno Study Quoted

Schwartz quoted Salerno as saying "There's almost a guarantee of over-servicing among smaller accounts." The topic was also discussed at a recent forum sponsored by Anchin, Block & Achin and Gould+Partners.

Over-servicing on large accounts can be especially damaging because of their size, said Salerno. He cited fear of losing the client as the fundamental problem.

"PR agency owners and C-level executives need more confidence in the value of their products and services, lest they continue to provide services gratis," said Schwartz.

Salerno said that if PR firms over-serve a client by 10 percent, they are essentially working for nothing after they return from Thanksgiving. If they over-serve by 30 percent they will work for nothing virtually the entire fourth quarter. Note that the timing for the 40 percent figure in the chart stems from roughly mid-September.

Executives who have been raised to higher salary levels should hand-off some work to lower level employees, he said. Accounts should be set up on an annual basis since monthly retainers can lock the client into a specific low dollar amount, he added. Reducing the number of meetings and client reports can also reduce costs, he said. There's no need to "report ad nauseam."

Salerno's powerpoint **presentation** – *Jack O'Dwyer*