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# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

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## FDA SETS DATE FOR BIG TOBACCO PR REVIEW

The FDA said it plans to release an anticipated RFP to review anti-tobacco PR programs on or about May 20.

The work, with the Center for Tobacco Products, covers wide-ranging marketing communications pacts with the federal agency. The incumbents working on five-year pacts since 2011 include Sensis, Better World Advertising and Rescue Social Change Group with billings capped at \$210M.



The review comes after the FDA said last week it will expand its authority to regulate e-cigarettes as it regulates tobacco products.

The Center for Tobacco Products, which held an industry day in New York in March ahead of the review, said it will look at full-service agencies to handle campaigns targeting audiences from 300,000 to 10 million.

## CLEARWATER REVIEWS TOURISM ACCOUNT

Clearwater, the Tampa Bay-area city, has kicked off a review of its tourism marketing and PR account.

The coastal city of 109,000 wants a firm to pitch it as a year-round top vacation destination for its locale on the peninsula between the Gulf of Mexico and Tampa Bay. That includes a robust downtown, concert hall, beaches, spring training baseball, and the city's aquarium made famous by Winter the dolphin.

Budget is \$164,000.

Proposals are due June 9. RFP:

<http://odwpr.us/1R3WJXh>.

## FLORIDA COASTAL REGION SEEKS EURO PITCH

Bradenton, the southwest Florida region on the Gulf of Mexico, wants to hire a PR firm to pitch Europeans for travel and tourism.

The Barenton Area Convention & Visitors Bureau, which markets Bradenton, Anna Maria Island and Longboat Key, wants a firm to target central Europe to position the areas as a "premiere tourism destination."

The work includes outreach to international tour operators, media and consumers.

Hayworth Creative PR handles its domestic tourism PR. GOSH PR (London) and Touristik (Germany) are the incumbents on its \$200K/year international PR and marketing pact.

A four-year contract is expected.

RFP: <http://odwpr.us/1VYqHUK>.

## ABMAC SERVES PR IN KRISPY KREME DEAL

JAB Holding Co., the acquisitive European investment fund, is relying on the Abernathy MacGregor Group for PR support in its \$1.35B acquisition of donut giant Krispy Kreme.

JAB, based in Luxembourg, plans to take the Winton-Salem, N.C.-based company private in the \$21-per-share cash deal, a 25% premium.

AbMac CEO Tom Johnson, who heads the firm's M&A practice, and EVP Pat Tucker represent JAB. AbMac worked with JAB on its \$13.9B acquisition of Keurig Green Mountain in December.

Darryl Carr, senior director of corporate comms. for Krispy Kreme, is the company's top PR executive.

Krispy Kreme chairman Jim Morgan said the sale puts the 80-year-old company "in the best possible position" to continue to serve customers around the world while bringing "significant value" to shareholders.

KK has 1,100 stores in 26 counties.

JAB's diverse companies include Peet's Coffee & Tea, Jimmy Choo (shoes) and Coty (cosmetics).

Peter Harf, a senior partner for JAB, said in a statement: "We feel strongly that Krispy Kreme will benefit greatly from our long-term focus and support for management's vision in building on the legacy of this exciting brand as an independent standalone entity."

## MPAA CASTS BENNETT FOR COMMUNICATIONS

Matt Bennett, senior VP and Washington chief for Racepoint Group, is moving to the Motion Picture Association of America to head corporate communications for Hollywood's DC presence.

Bennett takes a role vacated in February by Laura Nichols, who de-camped for the chief communications officer slot at National Geographic Partners.

Bennett is a former senior VP of comms. and PA for PhRMA and spent the last two years with Racepoint, handling PA, healthcare and tech clients out of Washington for the Boston-based firm.

He spent three years at GolinHarris in D.C., rising to senior VP and earlier was a senior consultant for Issue Dynamics.

MPAA's key members include Walt Disney Studios, Sony Pictures Entertainment, Universal City Studios, Warner Bros. Entertainment, Paramount Pictures and Twentieth Century Fox Film. Former Senator Chris Dodd (D-Conn.) heads the group.



Bennett

## **LEE JEANS DONS H+K FOR REBRAND**

Lee Jeans has donned Hill+Knowlton Strategies as US AOR for a rebranding of the Kansas-based denim apparel maker.

The work, awarded following a competitive review, includes media relations, influencer relations, social media, content creation, messaging, and overall rebranding strategy for Lee, which is owned by apparel giant VF Corp.

Kansas City-based Crossroads was the incumbent.

Lee's VP of marketing Kim Yates said H+K will be a "critical partner as we conduct our brand reinvention." Lee in October tapped Yates from Procter & Gamble to lead the rebranding in a bid to reach a younger audience and retain its current customer base.

Molly O'Neill, executive VP and US practice leader for marketing communications at WPP-owned H+K, heads the business from New York with support from Los Angeles-based SVP Ted Donath and New York-based SVP Jennifer Mylett.

O'Neill said Lee helped create the jean category, but added that while its legacy is important, Lee's "culture of innovation" is producing "affordable fashions that are of-the-moment using new fabrics that look great while allowing wearers to move with ease."



## **MURPHY LANDS LEWIS PR HEAD ROLE**

Andy Murphy, principal and cofounder of Boston tech shop Davies Murphy Group, has been named U.S. PR head at global communications agency Lewis.

Murphy cofounded Davies Murphy Group in 1998 and served as the agency's principal for more than 15 years. DMG, which also held offices in the U.K. and Germany, was acquired by Lewis in 2013 and fully assimilated into the agency in late 2015.

Murphy was a journalist prior to entering the PR field.

As U.S. PR head, Murphy will oversee Lewis' operations and will coordinate PR efforts across the agency's four U.S. offices, as well as strengthen its integration with the agency's digital marketing services unit, Lewis Pulse.

Speaking on the U.S. leadership team expansion, Lewis U.S. executive VP Morgan McLintic told O'Dwyer's that Murphy's skillset and experience are "exactly what we want at the core of our PR practice."

"Andy is a story teller. Stemming from his days in journalism, he can work with a brand and distill their complex messaging down into a succinct compelling narrative. That's a one-in-a-thousand skill to do it well," McLintic told O'Dwyer's. "Andy is well known and respected for his in-the-trenches leadership style. That puts him in a great position to unify the practice across each of our offices, and to integrate with our digital marketing, advertising, creative and research teams. Anyone who has tried to deliver an integrated marketing campaign will

know how hard it is. That's our value as an agency, and requires people like Andy to make it happen."

Lewis also announced that Michael Brito, who in March was named senior VP of the agency's Pulse operation, has also been named senior VP in San Francisco and U.S. head of digital marketing. Brito, who previously led social marketing at W2O Group, will now be responsible for leading both the digital marketing and PR divisions at Lewis' U.S. headquarters.

San Francisco-based Lewis, which was founded in 1995 and holds 27 offices worldwide, is one of O'Dwyer's top ranked firms. The agency charted growth of nearly 12 percent in 2015 to account for nearly \$69 million in net fees, according to O'Dwyer's 2016 ranking of PR firms.

## **H+K AIDS PUERTO RICO IN ZIKA OUTBREAK**

The Puerto Rico Tourism Company is relying on Hill+Knowlton Strategies as it tackles the Zika virus crisis and its effect on tourism.

H+K's Miami office leads the account.

Puerto Rico's health department said May 13 that a pregnant woman there became the first American whose fetus contracted microcephaly from a Zika infection. The Centers for Disease Control and Prevention



**Puerto Rico convention center**

said 20 percent or more

of Puerto Rico's 3.5M people will contract the Zika virus this year. H+K and the PRTC are working to calm fears and correct misinformation regarding Zika. That includes educating travelers and potential travelers about using insect repellent and wearing proper clothing to avoid the mosquito bits that spread Zika.

"Accurate information about Zika is the key to making educated decisions about visiting Puerto Rico," said Ingrid Rivera Rocafort, executive director of the PRTC.

PRTC said last month that fewer than have of one percent of Puerto Ricans have contracted Zika and the majority of cases are away from "typical tourist destinations."

The island suffered a PR blow last month when Major League Baseball canceled a series of games slated for San Juan because of the Zika outbreak.

## **RALPH LAUREN DONS BARTLE FOR PR**

Kate Bartle, communications director for Michael Kors, has moved to Ralph Lauren Corp., as senior director of global fashion PR and communications.

The appointment follows the pending exit of Ralph Lauren global communications chief Malcolm Carfrae, who stepped down May 13 to start a New York-based firm. Carfrae is a Calvin Klein and Bryan Morel PR alum.

Prior to the last two years with Michael Kors, Bartle held top communications posts for Belstaff and Daine von Furstenberg. She was also PR manager for Kate Spade.

**ARGYLE ACQUIRES CFO PUBLISHING**

New York-based events firm Argyle Executive Forum, LLC has acquired business media company Innovation Enterprise from private equity firm Seguin Partners and minority stake owner The Economist Group.

That acquisition includes Innovation Enterprise parent, business-to-business media brand CFO Publishing, which publishes flagship monthly magazine *CFO* and website *cfo.com*, as well as other publications catering to C-level executives.

Terms of the acquisition were not disclosed.

According to executives in a statement, the acquisition would expand Argyle's operations to include more than 350 executive events this year. Innovation Enterprise, which holds offices in New York, London and Boston, produces more than 122 annual events across four continents. Argyle also said it would produce 200 webcasts and more than 400 marketing services campaigns reaching more than two million executives in 2016.

"This transaction establishes Argyle as the world's leading producer of high-touch engagement events, as well as the leading provider of finance executive-focused marketing services in North America," Argyle president and CEO Danny Phillips said in a statement.

*CFO* was first published in 1985. Seguin acquired CFO Publishing in 2010 from The Economist Group, which had owned the magazine since 1988 and retained a substantial minority stake after the Seguin acquisition. CFO holds a monthly circulation of 440,000, according to BPA Worldwide.

**FCC OKAYS \$17B SALE OF CABLEVISION**

The Federal Communications Commission has approved the \$17.7 billion sale of Cablevision/*Newsday* to Altice, headed by Israeli/French citizen Patrick Drahi.

The sale "serves the public interest by providing benefits of increased broadband speeds and more affordable options for low income customers," said FCC earlier this month.

Further approvals are needed by the New York City Franchise Concession Review Committee and at the May 20 meeting of the New York Public Service Commission in Albany. Industry analysts see no problems and say the deal could close by the end of June.

Purchase of Cablevision Systems Corp., Bethpage, N.Y., would put one of the largest U.S. newspapers, *Newsday*, in the hands of a non-U.S. company.

Altice, based in the Netherlands, employs 55,000 in France, Belgium, Luxembourg, Portugal, Switzerland, Israel and other countries and regions.

Cablevision execs have driven debt to \$7.43 billion which will be taken over by Altice. One of the first moves of Drahi will be close assessment of 300 executives who make more than \$300K. Cablevision employs



13,656 full-time and 800 part-time.

*Newsday*, with about 420,000 circulation, has had operating losses of \$135 million since 2013--\$71.1M in 2013, \$37.7M in 2014, and \$27.2M in 2015. About half its workforce of 1,600 is in the Teamsters Union.

Analysts are speculating that *Newsday* could be sold or turned into an online medium.

Mike LaSpina, local union president, told the Long Island Press that he did not think the paper would be sold. He said recent moves of Altice in Europe indicate that *Newsday* and the News 12 network of seven stations could serve a strategic purpose of Altice since it is pursuing "content packaging." He said high paid executives at Cablevision have something to worry about.

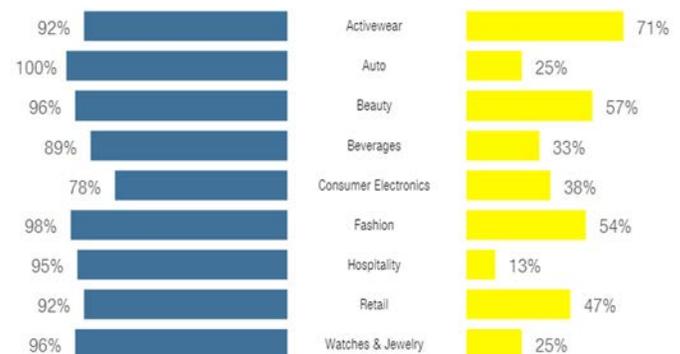
Altice last year purchased Suddenlink Communications, St. Louis, for \$9 billion. It has 1.5 million subscribers.

**BRAND MIGRATION TO INSTAGRAM**

Brands across the board have adopted photo-sharing service Instagram, but adoption of messaging app Snapchat has lagged by comparison. The findings come from a recent report by business intelligence firm L2 Think Tank that analyzed social interactions from worldwide brands and gauged the demographic and content strategy differences between the two popular platforms.



Which Sectors Have Adopted Each Platform?



L2's Instagram vs. Snapchat report found that brand adoption of Instagram is virtually universal in some industries: 100 percent of auto brands, 92 percent of activewear brands, 98 percent of fashion brands, 96 percent of beauty brands and 92 percent of retail brands use the photo-sharing social networking service, according to L2. The only industries that fall behind in Instagram adoption are beverage and consumer electronics, according to L2, where 89 percent and 78 percent of brands use the platform, respectively.

Brands haven't embraced image messaging app Snapchat to nearly the same degree. The L2 analysis of Snapchat showed that while 71 percent of active-wear brands use Snapchat and 57 percent of beauty brands use the platform, only 25 percent of auto brands, 33 percent of beverage brands and 13 percent of hospitality brands have taken to the messaging app.

(Continued on page 4)

BRANDS CHOOSE INSTAGRAM (Cont'd from pg. 3)

However, the L2 study showed that Snapchat beats Instagram across the board when it comes to post frequency. For example, while active-wear brands post an average of only nine times a week on Instagram, they do so 22 times a week on Snapchat. Beauty brands, which post an average of nine times each week via Instagram, post 34 times each week via Snapchat. The greatest disparity was found in consumer electronics brands, where six posts a week were logged on Instagram versus 39 posts on Snapchat, and beverage brands, where five posts were made a week versus 30 posts on Snapchat.

L2 also found that video is posted far more regularly by brands on Snapchat than on rival Instagram.

L2's Instagram vs. Snapchat report also found that both sites' efforts to become social commerce platforms have been largely unsuccessful.

### **FDA EXAMINES DEFINITION OF 'HEALTHY'**

The Food and Drug Administration plans to re-evaluate its official definition of what constitutes "healthy" food. An update to that agency's meaning of the term could have a direct effect on how food companies today market their products.

The decision to revisit the definition, which has not been updated since the 1990s, comes as the FDA is expected to issue its final revised updates to the Nutrition Facts label found on most food packages later this year.



The agency seeks to update the Nutrition Facts label to make it more consistent with new scientific information, as well as the updated dietary guidelines released by the USDA in January. That government policy statement scaled back previous recommendations on dietary cholesterol and accounted for an updated scientific distinction between healthy fats — such as nuts — from regular fats. The updated dietary guidelines also shifted its focus to account for overall eating patterns, emphasizing food choices in the context of the patterns in which they are consumed, versus simply listing foods that Americans should avoid or eat more of.

Discrepancies between the FDA's current definition of "healthy," compared to recent scientific findings and the USDA's newest dietary guidelines, have become a source of confusion. One example is the avocado, which is now considered a super food, though it remains considered "unhealthy" according to the FDA's definition, due solely to its total fat content.

Currently, the FDA allows food brands to market their product as "healthy" only if it meets the agency's nutrient content criteria requirements, which largely places an emphasis on fats, cholesterol and sodium. That strict — and arguably, dated — criteria made headlines last year, when popular granola bar maker Kind was served with an FDA warning letter for labeling its snacks as "healthy," a term the agency said didn't meet the FDA's requirements that govern the use of that claim.

The company responded, stating its use of the word "healthy" was apt, as the product's fat content is derived from nuts, a food now recommended in the latest USDA dietary guidelines. The FDA later agreed to allow Kind to continue use of the word "healthy" as a sort of broad, philosophical claim about the company, if not its food products.

Kind in February hired public affairs powerhouse Glover Park Group for lobbying help on FDA issues.

"I think [the FDA] realized they were caught out by this, and they needed to rethink their standards and do something about the facts that the Kind case brought out," said E. Melanie DuPuis, a professor and chair of environmental studies and science at Pace University.

DuPuis, who is also author of "Dangerous Digestion: The Politics of American Dietary Advice," told O'Dwyer's that the notion of a new definition for "healthy" opens a potential Pandora's box for food marketers, because like all industries, they rely on processes they want to keep stable, and when the definition of a term they use starts changing, companies have to change those processes. "The only thing worse than regulations for an industry are regulations that are constantly changing," DuPuis said.

Bill Layden, partner and co-founder of food, nutrition and wellness agency FoodMinds, told O'Dwyer's that the FDA's decision to re-examine its current definition of the term is "long overdue," and said the move would open up opportunities for food and beverage companies to review labeling and align their products with current dietary guidelines.

"It could be a tremendous help in informing consumers," Layden said.

The FDA now plans to solicit comment from the public as well as food experts on the issue of what constitutes "healthy" food. That process could take several years. "The question is, how do you create standards when there's no way we're all going to come up with a final, perfect definition of 'healthy?'" DuPuis said. "We're always going to understand the science better than we did before, but we might also come up with new criteria regarding what we consider healthy, so what do we do about that? How do you come up with a process by which the standards can have flexibility as we learn more and as we change what we consider healthy? One way or another, I don't think we're going to come up with a perfect solution, but having a public conversation about this stuff might be a good idea at this point."

The news comes as the agency also prepares to update its definition for the word "natural," as it relates to the term's popular use on food product labeling. The phrase has resulted in several high profile lawsuits, notably against retailer Whole Foods, due to claims that the grocer allegedly misled consumers into buying products that contained "non-natural" ingredients.

The FDA has sought public input on the use and appropriate definition of that term as well.

"Science is a journey, not a destination, so we have to periodically update information as we come to a better understanding of science," Layden said. "Unfortunately, it's just taken the FDA an incredibly long time to do it."

## NEWS OF PR FIRMS

### **BENDER RECASTS BENDER/HELPER IMPACT**

Bender/Helper Impact has re-branded as B/Hi under president and co-founder Dean Bender, following the exit of co-founder Lee Helper.

The 30-year-old firm specializes in entertainment PR with clients like Fandango, Warner Bros. Consumer Products, Guinness World Records and Rovio Entertainment (creator of Angry Birds).

Alongside Bender on B/Hi's executive committee, the firm promoted EVP Shawna Lynch in Los Angeles, along with New York general manager Jerry Griffin to managing partners.

Overseas, B/Hi partners with the Surround Group network of independent entertainment agencies.

Bender, a Rogers & Cowan alum, said shifting content and platforms in the entertainment space requires constant evolution at the agency level. "By elevating Shawna and Jerry to operate the agency with me, we have put the individuals in place with the experience to continue the growth spurt the agency is enjoying," he said.

Lee Helper left the firm in March to pursue new opportunities in the entertainment realm.



**Bender**

### **PROI PICKS PRIORITY**

Global communications partnership PROI Worldwide has widened its foothold in Southeast Asia with its newest agency partner addition, Kuala Lumpur, Malaysia-based Priority Communications Sdn Bhd.

Priority Communications is the largest local independent PR consultancy in Malaysia.

The agency provides communications consulting services to local and multinational clients in the technology, lifestyle, travel and financial services sectors.

The agency, one of the first Malaysian shops to build a tech, lifestyle and corporate practice, was founded in 1996.

Priority was named a part of PROI's ASEAN team after meetings between PROI leadership and the partnership's Malaysian agency members.

PROI Worldwide Chairman Andreas Fischer Appelt in a statement called Malaysia "an important part of PROI Worldwide's ASEAN footprint," and said "Priority's broad base of expertise and experience with various client sectors will complement our existing and new PROI Agencies in Singapore, Thailand, Vietnam, The Philippines and Indonesia."

PROI Worldwide, which was founded in 1970, is the world's largest partnership of independent global PR agencies, and maintains a roster of more than 75 partner agencies in more than 50 countries.

Combined partner revenues in 2015 accounted for more than \$702 million. Other partner agencies include RF | Binder Partners, Finn Partners and G&S Business Communications.



## NEW ACCOUNTS

### **New York Area**

**Alison Brod PR**, New York/EVINE Live, shopping destination and video content curator, as AOR for public and influencer relations. Evine is available via cable and satellite, mobile and live streaming online.

**M&C Saatchi PR**, New York/Bentley Motors, the North American unit of the luxury UK automaker, for a three-year contract as communications agency of record for Bentley, which is based in Herndon, Va., in the US. The work covers North and South America, including the US, Canada, Chile, Brazil and Mexico, among other countries. Bentley chief communications officer Jeff Kuhlman said the luxury brand is moving forward in the Americas region and chose M&C Saatchi to reach customers, potential customers, employees and media. Jen Dobrzelecki, senior VP for M&C Saatchi, heads the account. Bentley, based in Crewe, UK, makes four models - Continental, Flying Spur, Bentayga and Mulsanne - starting at around \$180,000.

### **Midwest**

**Current**, Chicago/Chuck E. Cheese's, the iconic family restaurant chain, as AOR for PR. Chuck E. Cheese's, which employs the trademark slogan "Where a kid can be a kid!" maintains nearly 600 of its restaurant-meets-entertainment-center locations in 47 states and nearly a dozen countries.

The Irving, TX-based chain, which offers arcade games, play areas and interactive shows, was founded in 1977 and is operated by parent CEC Entertainment Concepts. Current will be responsible for developing and executing consumer communication programs supporting the family eatery.

The account win follows a new menu rollout for the iconic chain, and the Interpublic Group unit will focus on building brand awareness and launching new offerings for the restaurant, as well as conducting ongoing media relations to support promotions, fundraising and seasonal programs.

The Chuck E. Cheese's account will be led by executive VP Amy Colton, who told O'Dwyer's that the agency sees "so much opportunity to help the brand connect with parents and kids over the shared experience of fun, food and family."

### **Southwest**

**Zion & Zion**, Tempe, Ariz./Donor Network of Arizona, federally designated organ procurement organization for the state; Chas Roberts, A/C and plumbing, and Risas Dental, dental services primarily for the Hispanic market, as AOR for digital and traditional adv. and PR work.

**Amendola Communications**, Scottsdale, Ariz./HGS Colibiru, healthcare and health information technology unit of Hinduja Global Solutions, for content and social media programs.

### **India**

**MSLGroup**, India/Mondelez India, for strategic communications, brand and digital in India. Perfect Relations had the account. Mondelez brands include Cadbury, Oreo and Trident.

**NEWS OF SERVICES****PR NEWSWIRE SELLS OFF AGILITY**

PR Newswire has inked a deal to sell its US and UK Agility media intelligence business to Innodata.

The deal, which comes as PRN seeks antitrust clearance of its acquisition by Cision, includes the Agility and Agility+ applications and platform, global media database and customer contracts in the US and UK.

The Agility platform includes media list and monitoring capabilities similar to services already offered by Cision.

PRN CEO Robert Gray said Agility is an excellent fit for Innodata, a publicly traded data company that acquired the MediaMiser media monitoring tool in 2014.

Financial terms were not disclosed.

**PRIVATE EQUITY TRADE GROUP RE-BRANDS**

The private equity industry's trade association has changed its name for the third time in its nine-year history and expanded its scope to pitch the industry's contributions to the US economy.

The Private Equity Growth Capital Council has become the American Investment Council under new president and CEO Mike Sommers, the former chief of staff to House Speaker John Boehner who joined in January.

Sommers called the name a change "a major step forward" for the Washington-based group as it works to promote private equity. He noted the group has expanded its mission to "advance access to capital, job creation, retirement security, innovation, and economic growth" in the US.

The group was founded in 2007 as the Private Equity Council in the face of robust criticism of the then-low profile sector as Bain Capital founder Mitt Romney ran for president. It became the Private Equity Growth Council in 2010.

Ken Mehlman, the former top aide to President George W. Bush who heads public affairs for KKR, is chairman of the AIC. James Maloney is VP of PA for AIC.

**OMNICOM PR GRABS RABIN MARTIN**

Omnicom's PR group has acquired health strategy communications firm Rabin Martin.

The firm, with operations in New York, Los Angeles, London and Geneva, will continue to be led by president and CEO Jeffrey Sturchio. Managing director Rebecca Hoppy and Kate Schachern, both partners, round out top management.

PR group chief Karen van Bergen said the firm's deep expertise in global public health strategy and communications will bolster OMC's healthcare offering across its agencies.

She added: "This is an important and growing specialty where we see the opportunity to deliver meaningful strategies for clients on some of the most critical health issues in the world."

Rabin's founding principals, Steve Rabin and Bill Martin, are veterans of Ogilvy and Porter Novelli, respectively.

Sturchio joined the firm in 2011 and was named CEO in 2014.

**PEOPLE****Joined**

**Lark-Marie Anton**, chief communications officer, New York Genome Center, to Endurance International Group, Burlington, Mass., as executive VP of branding and communications. She was previously senior VP of PR and marketing communications for Loews Hotels & Resorts and VP of global PR, Hertz Corp. She also was a PR hand at Verizon Communications and deputy press secretary to Mayor Michael Bloomberg.

**Marie-Anton**

**Debbie Morgan**, senior internal communication consultant, MSLGroup, to Grayling, to lead an employee engagement and change management offering for the firm's U.S. offices, based in New York. She reports to executive VP Meghan Gross. She has led employee engagement and change management assignments for clients like National Grid, Northeast Utilities and Shriners Hospitals for Children. She is a former VP, internal communications, for Walt Disney Parks and Resorts and served in top communications roles for The Home Depot, Coordinated Health, BellSouth, Warner-Lambert and Mack Trucks.

**Morgan**

**Clarissa Haller**, who led corporate communications for Credit Suisse out of Zurich until November, is moving to German industrial and electronics giant Siemens as head of communications. Haller, 49, based in Munich, reports to president and CEO Joe Kaeser. Stephan Heimbach, head of communications and government affairs, stepped down March 1. Haller is charged with innovating the company's communications, including digitizing its channels and processes, among other responsibilities. The company said it is splitting off the role of government affairs leader from the post, integrating that responsibility into its governance and markets unit on June 1. Haller previously led communications for robotics multinational ABB in Zurich and Roche Diagnostics in Basel. She led corporate comms. for Bahlson and headed PR for Deutsche Aerospace, as well.

**Haller****Promoted**

**Michael Soliman** to partner, Mercury, Westfield, N.J. Soliman joined in 2013 as a former senior aide to Sen. Robert Menendez and Sen. Cory Booker (D-NJ).

**Mimi Carter** to senior VP and GM, Environics Communications, Washington, D.C. She joined the firm in 2015 as VP after serving as VP of communications and marketing at the Corcoran Gallery of Art and College of Art + Design.

**Tom Corsillo** to VP, Marino, New York. He joined in 2005 as an intern and played a key role in the firm's land-use and non-profit practices, which include clients like Derek Jeter's Turn 2 Foundation and Big Brothers Big Sisters of New York City.

## **GOOGLE FUELS SELF-DRIVING CAR LOBBY**

Google, continuing its forays into the nascent technology of self-driving vehicles, has turned to Washington, D.C.-based legal and lobbying firm Venable LLP for Capitol Hill help on automotive-related lobbying issues.

The search giant in late April retained Venable to monitor H.R. 22, the Developing a Reliable and Innovative Vision for the Economy Act, or DRIVE Act.

That massive highway bill would authorize nearly \$278 billion in Highway Trust Fund appropriations over the next half-dozen years for various highway and transit programs. Included in the bill is funding for the Department of Transportation to study and evaluate transportation projects and innovations such as vehicles that exhibit low or no emissions, as well as “various advanced technologies.”

Google’s much-discussed self-driving car project, which remains in the testing phase, could see a public rollout by 2020. The autonomous car, which has no steering wheel or gas pedal, is the work of the Mountain View, CA-based company’s research and development arm, Google X.

The project faces a series of regulatory hurdles: currently, legislation has been passed allowing driverless cars on public roads only in four U.S. states, as well as Washington, D.C. The Department of Motor Vehicles in California — one of the only states where autonomous cars are legal — in December proposed a ban on self-driving cars that didn’t include steering wheels, pedals and a licensed driver who can take the wheel in the advent of an emergency.

Google, along with four other companies currently working on self-driving cars — manufacturers Ford and Volvo, along with ride-sharing services Uber and Lyft — in late April announced the formation of a coalition that would promote driverless technology and work with the federal government to enact national standards for self-driving cars.

That lobbying group, titled The Self-Driving Coalition for Safer Streets, said its first objective would be to “work with civic organizations, municipalities and businesses to bring the vision of self-driving vehicles to America’s roads and highways.”

Venable will also represent this coalition.

## **FSG FLIES FOR DRONE ADVOCACY COALITION**

The Drone Manufacturers Alliance, a newly formed coalition dedicated to innovation, safety and policy within the unmanned aircraft systems industry, has hired Washington, D.C.-based government affairs firm Franklin Square Group for help with federal aviation policy.

Drone makers GoPro and 3D Robotics, as well as Paris-based Parrot SA and Shenzhen, China-based SZ



DJI Technology Co., are counted as members of that industry advocacy group, whose formation was announced in April. The coalition “will serve as the voice for drone manufacturers and our customers across civilian, governmental, recreational, commercial, nonprofit and public safety applications,” the coalition said in an April statement, as reported by Fortune.

The four companies that comprise the Drone Manufacturers Alliance in early April abdicated from the Small UAV Coalition, the primary lobbying group representing the drone industry. That advocacy group still counts Amazon, Google, Intel and Verizon as members.

Fortune in April posited that the new group may have been formed as a means of establishing a separate advocating voice for the growing consumer market surrounding drones, as opposed to its commercial counterpart. The Department of Transportation’s Federal Aviation Administration, the agency responsible for regulating drones, in April granted the first approval of commercial drones for nighttime flight, and is soon expected to unveil broader guidelines concerning drones used for commercial purposes. As consumer demand for drones has continued to grow among hobbyists, however, Congress has pressured the FAA to take up a possible renewal of its guidelines and regulations.

A five-person team will handle the Drone Manufacturers Alliance account.

## **GT BACKS AZERBAIJAN ‘HUMAN RIGHTS’**

The Association for Civil Society Development in Azerbaijan, which works to coordinate the efforts of nonprofit and non-governmental organizations in that Eurasian country, has hired international law firm Greenberg Traurig, LLP to provide U.S. government relations counsel.

Oil-rich Azerbaijan, which has been widely criticized for its repressive human rights record under leader Ilham Aliyev, has recently become an alluring energy alternative for many Western countries.

Aliyev, who has held office since 2003, has become known for his crackdown on dissidents and groups critical of the Aliyev government, imprisoning large numbers of journalists, bloggers and human rights activists in recent years.

Azerbaijan, which holds diplomatic relations and a bilateral trade agreement with the U.S., is one of the few Muslim-majority countries to maintain a strategic alliance with Israel.

The country in recent years has inked a number of image-building pacts with APCO Worldwide, Patton Boggs, Mair Strategies, Delahunt Group and most notably, Podesta Group.

Greenberg Traurig has been hired by the ACSDA to educate the government and other opinion leaders regarding pending legislation, as well as provide advice and government relations counsel related to that legislation.

The U.S. press has referred to the ACSDA as a “Bogus Azeri Human Rights Group.”

The pact was signed by Elkhan Siraj Suleymanov, a member of Azerbaijan’s parliament, who also serves as the ACSDA’s chairman and oversees the association’s operations.

Stonewalling in Westhampton Beach has caused open revolt among residents. Similar behavior at PR Society of America has stunted its growth: 2015 revenues are what they were in 2006.

Two library board meetings at which the two sides traded insults and recesses had to be called have failed to budge the board on switching to elected status. Oddly, the Southampton Press covered the first meeting but not the second, although reporter Erin McKinley was present at both.

The McKinley story attracted 19 emails from readers, 17 of them in support of rejecting the library budget May 17. SH Press has not mentioned in any story the quest of citizens to reject the library budget.

At PRSA, publication of the 2015 audit shows revenues of \$11,600,526 which is 0.15% more than revenues of \$11,426,867 in 2006. Revenues have gone up less than one percent in nine years despite a \$30 boost in dues five years ago.

There are more than 250,000 people in PR jobs according to the Dept. of Labor. Jobs have been increasing, particularly on the counselor side, as measured by the O'Dwyer rankings of PR firms.

Fifteen of the 25 largest PR firms in the rankings had double-digit gains in 2015.

The PR industry is passing by the PR Society. Top executives are in the Arthur W. Page Society and (PR) Seminar and not the Society. Financial PR executives are in the National Investor Relations Institute. Instead of a major corporate or agency executive, the chair of the Society in 2017 will be Jane Dvorak, a solo practitioner in Colorado. CEO of the Society is Joseph Truncale, a veteran of the printing/mailling industries who joined in early 2015 and has yet to make a public appearance. The inference is that no top PR executive could be found to fill that post. Making the non-PR paid staffer "CEO" two years ago was a bizarre move.

### **Record Low Spending on Ethics**

What also caught our eye in the audit was the record low spend of \$945 on "ethics" although the Society Code says "ethical behavior" is the prime duty of members.

This item has been in the low thousands but never below \$1,000. The Society's spending for "ethics" includes \$704 for "telephone," \$233 for printing, and \$8 for postage/shipping. No staff time at all was spent on "ethics." There was a period in the 1980s and early 1990s when \$20,000 and more was spent annually on ethics as investigations were made of member complaints. When the Society decided to end ethical enforcement in 1999 (after a member charged the board with five ethical violations when it declared a press boycott), approximately \$200,000 was spent to create a new, toothless code.

Blocking reporters as members and blocking them from seeing its financial reports are unethical practices.

Staff Pay, Pensions: \$6.2 Million

Another item that caught our eye was the record payroll of \$5,766,542, up 8.3% from \$5,321,535 in 2014.

It is 49.7% of revenues when 2003 payroll of \$3,905,950 was 43% of revenues of \$9,065,643. To the 2015 figure must be added \$417,398 in pension expenses for a total of \$6,283,940.

The audit allows dues are booked as cash instead of as earned over the year. The \$5,686,361 in "net assets" should be cut by \$2.6 million which is half of the dues income of \$5,221,843.

Our biggest beef is national's neglect of New York and New York members. There has only been one national conference in New York since 1992 and none are planned in the future. It should be in the city every year because the 2004 conference in New York was the best attended and most profitable ever. New York has about 20 times the PR, advertising, media and PR supplier businesses as any other town.

Also, it's the No. 1 tourist attraction in the U.S., more than 50 million tourists visiting each year

The Society has been captured by arch-conservative believers in accreditation from the South and West who show no signs of relaxing their grip despite the stagnant membership.

Maurice Levy, CEO of Publicis, whose employee Mark McClennan is chair but not CEO of the Society, should step into this mess. It is a blot on Publicis which is celebrating its 90th anniversary this year.

Also complicit is the New York chapter leadership which accepts demeaning treatment by national year after year. Chapter membership of about 700 is what it was 15 years ago while New York Women in Communications is 2,000+. Are chapter leaders getting some kind of rake-off that we don't know about? Counselor Academy leaders have said that new biz leads flood into national h.q. each month but we never see any advertised on the Society website.

Both the PR Society and WHB officials practice governance "gamesmanship" in dealing with their constituents—limiting access to themselves, limiting information, and using dominance tactics at meetings. Society leaders and staff position themselves on a stage at the annual Assembly while delegates are below them in the audience. When allowed to speak, which is usually after nearly a dozen speeches by officials and staff, delegates do so from mikes on the floor of the Assembly and are ordered to "Address the board" if they start speaking to fellow delegates.

WHB trustees are only available to the public at monthly meetings in the trustee room in WHB headquarters. Residents can only speak after sometimes dozens of procedural items are taken care of such as renewal of licenses.

Trustee rules are that residents can speak for only five minutes and must address the board which is seated on a platform that is higher than the rest of the room. Should the resident look at the people in the room or the video camera that is recording the meeting, the lawyer for the trustees will order the resident to "address the board."  
— Jack O'Dwyer