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O'Dwyer's Newsletter

The Inside News of
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NJ TO ENLIST PR FIRM TO SAVE US BASES

New Jersey has begun an agency search to foster support and "safeguard" its five key military installations as the Department of Defense pushes for a new round of realignments or closures.

The New Jersey Dept. of Military and Veterans Affairs furnished an RFP on Oct. 29 for the assignment, including research, community outreach, and government and public relations, noting the state's installations contribute \$65.B to GDP and support 73,234 jobs.

New Jersey lost the Army's Fort Monmouth in a significant economic blow handed down after the last round of the Pentagon's Base Realignment and Closure (BRAC) cuts in 2005. While current Defense Secretary Chuck Hagel has pushed for two new rounds of BRAC cuts, Congress has thus far rebuffed those calls.

Powell Tate and The Rhodes Group, both part of Interpublic, have worked with New Jersey in the past regarding BRAC cuts.

Proposals are due Dec. 12. RFP: <http://bit.ly/10jGgM4>.

EDELMAN HANDLES SPACE ROCKET CRASH

Virgin Galactic is leaning on Edelman through the fatal Oct. 31 crash of its SpaceShipTwo spacecraft in the Mojave Desert.

The Virgin Galactic rocket plane, built by Scaled Composites, broke up during a test flight in the morning of Oct. 31, the CEO of the Mojave Air and Space Port said in a press conference that day. One pilot died while the second is in serious condition.

VG's high profile founder Richard Branson has been a visible presence since the accident, taking part in press conference in New Mexico and appearing on the "Today" show Nov. 3 to acknowledge the "horrible setback" for the deceased pilot and the company. But Branson vowed to "move forward and create a spacecraft company that hopefully one day will be the marvel of the world."

Virgin Galactic has locked up \$90M through the sale of \$250,000 tickets, some to prominent figures and celebrities. Branson said no one had yet demanded a refund.

The company is urging media to reduce speculation as the NTSB conducts an investigation. "We understand that everyone is anxious to understand what happened on Friday; certainly no one wants to know more than we do," VG said in a Nov. 2 statement via Edelman. "However, as we have made clear, Virgin Galactic is not in a position to comment on the incident itself or the test flight."



WPP PR UNITS SLIP IN 'SLOWER' Q3

WPP's PR and public affairs units posted "slower" third quarter 2014 revenue of \$342M, a 6.4% decline.

Across the board, WPP said Q3 revenue climbed 3.1% to \$4.4B, lifted by an 11.7% gain in its advertising and media investment management business.

The figures missed forecasts of 3.3%, but WPP affirmed its year-end expectations despite a cooler business climate in the second half of this year.

The ad/PR conglomerate's Q3 PR/PA figures swung positive to 0.1% growth and 0.3% growth when acquisitions and currency effects were excluded, respectively.

Through the first three quarters of 2014, WPP's PR operations – Burson-Marsteller, Ogilvy, Cohn & Wolfe, Glover Park Group, among others – are down 5.4% to just over \$1B in revenue with a tangible slowdown in the second half.

WPP, led by CEO Martin Sorrell, said all regions except Continental Europe showed positive net sales growth in the quarter in PR/PA.

Belgium, Finland, Germany and Norway were singled out as "challenging" environments. Content development in the US market was a plus for the PR/PA operations through its SJR digital operation.

WPP debt stands at \$4.5B against nearly \$1.5B in cash.

PUBLICIS PAYS \$3.7B FOR SAPIENT DIGITAL

Publicis will pony up \$3.7B to buy digital advertising and tech services giant Sapient, six months after the Paris-based ad/PR conglomerate's failed \$35B combination with Omnicom.

The 10-year-old, publicly traded Sapient is based in Boston with 13,000 staff across 37 cities. Revenue for fiscal 2014 topped \$1.3B.

Publicis CEO Maurice Levy called Sapient a "crown jewel" that fulfills several objectives, including its plan to derive 50% of revenues from digital and tech. His company will pay a 44% premium on Sapient's Oct. 31 share price.

Reuters reported some analysts are weary of the price tag and Publicis shares dipped after the news.

Sapient went public in 1996 and operates in three divisions – SapientNitro (marketing and creative services), Sapient Global Markets (business and technology services for the finance sector), and Sapient Government Services.

Sapient CEO and co-chair Alan Herrick is joining Publicis' senior management team and will lead Publicis.Sapient. Co-founder Jerry Greenberg takes a supervisory board post at Publicis.

TURKISH AIR SEEKS PR PILOT

Turkish Airlines, which flies to Boston, New York, D.C. Chicago, Houston, Los Angeles as its US gateway cities, is looking for a PR partner to generate awareness of the carrier.

San Francisco joins the system in April.

The 81-year-old carrier serves more than 100 countries and is a member of the Star Alliance.



Its Istanbul hub is an important transit point connecting Europe, Middle East and Asia.

Turkish Air is circulating an RFP that wants a firm to increase its international brand awareness in a "coherent, coordinated and measurable way."

The airline breaks activities into four categories: media, regional marketing, planning and reporting measurement.

The selected firm will organize press trips, handle blogger relations, oversee events, and develop crisis management scenarios (crash, hijacking).

Turkish Air's DC office is coordinating the PR search.

EX-PERRY AIDE REPS AZERBAIJAN

Azerbaijan, which is under fire for its sorry human rights record, has hired Republican advisor Liz Mair for PR services and related communications work.

Mair Strategies says it aims to garner "news coverage that will be seen by and impact various US government officials as well as the general public."

Mair, an Arlington, Va., based blogger and political commenter, is a former advisor to Texas Governor Rick Perry and handler of former Hewlett-Packard chief Carly Fiorina's online communications during her unsuccessful run for the Senate in California.



Mair

The firm has done work for Wisconsin Governor Scott Walker and Kentucky Senator Rand Paul.

Former corporate lawyer Mair was online communications director for the Republican National Committee in 2008.

Azerbaijan's US Ambassador Elin Suleymanov signed the six-month contract \$90K contract with the firm. The pact is renewable every six months.

Western nations have courted energy-rich Muslim-dominated Azerbaijan, a former member of the Soviet Union, as an alternative to exports of Russian oil and gas.

Reuters reported that 47-member Council of Europe said the situation of human rights activists is worsening in Azerbaijan due to a tougher crackdown by long-time leader Ilham Aliyev.

The report said the government is rounding up dissidents on trumped up "politically motivated" charges of hooliganism, tax evasion and drug possession.

PODESTA SUPPORTS NEW AFGHAN PREXY

Podesta Group has inked a \$50K monthly contract to support Afghanistan's President Ashraf Ghani, who was took power in September in a coalition government with his one-time rival Abdullah Abdullah.

The US brokered the power-sharing arrangement that made Ghani president and Abdullah CEO. Following a hotly contested presidential election, the duo took over for Hamid Karzai.

Podesta's contact runs from Sept. 10 to June 25. It's a sub-contract to the master \$100K per-month one-year deal of Roberti+White.

Vin Roberti is former aide to New York Democrats Senator Chuck Schumer and Rep. Steve Israel. Richard White counseled the late Senator John Chaffee (R-RI) on healthcare, tax and environmental issues.

Podesta's work includes issue formulation/messaging, media consulting and educational outreach to the press and non-governmental bodies.

MDC GROWS 13.2%, SLICES LOSS

MDC Partners recorded a solid 13.2 percent hike in Q3 revenues to \$327M, while net loss tumbled from \$19.3M to \$3.2M. Organic growth advanced a solid 8.2 percent.

For the nine-month period, MDC earned \$7.5M compared to a \$50.1M year ago loss. Revenues rose 11.3 percent to \$937.2M for the nine-month period.

CEO Miles Nadal said 2014 "is shaping up to be another exceptionally strong year as we are on pace to deliver on all of our financial objectives." He projects an even better performance in 2015.

MDC invested in talent and adopted new tools and technology on behalf of clients, according to Nadal. It is "building a media business on par with our world-class creative offering," he added. Nadal said the firm is "better positioned than all of our competitors" with a "deeper understanding of consumers."

On the new business front, MDC picked up Duracell, Fresh Direct, Panera Bread and Marriott Hotels. It also landed the luxury automaker Infiniti, account, which will kick in during Q4.

Allison + Partners, Kwittken, Hunter PR and Sloane & Co. are MDC's PR holdings.

MWW SUES McDONALD'S FOR \$5.2M

MWW is suing McDonald's New York Tri-State Owner/Operators Assn. for \$5.2M fees for the alleged bad faith Oct. 1 termination of their 17-year relationship.

Filed Oct. 16 in Bergen County (New Jersey) Superior Court, the PR firm claims McDonald's wrongly cut ties due to its work for an unnamed "casual dining restaurant." It says McDonald's demanded in September that it choose either it or the other restaurant as a client.

MWW's complaint says it tried to ease McDonald's concern, offering to base staff at the other account in a different office or at a new company.

According to MWW, McDonald's has historically allowed vendors to accommodate competitors in such fashion, but it refused to budge on its ultimatum to the East Rutherford, NJ-based firm.

BURSON CEO BAER ELECTED PBS CHAIR

Don Baer, Burson-Marsteller CEO, speechwriter for President Clinton and political reporter for *US News & World Report*, has been elected chair of Public Broadcasting Service. He was vice chairman and finance committee chair.

Paula Kerger, PBS president/CEO, said: "Don understands both PBS and the complex, rapidly evolving environment in which we operate. He will be an indispensable guide in helping PBS to strategically navigate the challenges and opportunities that lie ahead."

Prior to joining B-M in 2008, Baer was senior executive VP at Discovery Communications in charge of marketing, business development, media strategy, communications, research and public policy.

He served in the Clinton White House as director of strategy planning & communications following his elevation from chief speechwriter/director of speechwriting & research.

From 1985 to 1993, Baer covered the White House, politics and national/international news for USN&WR.

During the 1980s, he was media lawyer at Patterson, Belknap, Webb & Tyler.



Baer

HBO CUTS STAFF

HBO is cutting seven percent of its 2,400 workforce as part of the cost-cutting drive by parent company Time-Warner, which has received takeover overtures from Rupert Murdoch's 21st Century Fox.

It joins sister units Turner Broadcasting and Warner Bros. in the employee cutback effort.



HBO chief Richard Plepler on Oct. 15 disclosed plans to introduce a stand-alone streaming service next year to take aim at the 10M broadband-only homes.

The group is a "large and growing opportunity that should no longer be untapped," he said.

Plepler promised an aggressive drive targeting the 80M US homes without HBO.

"We will use all means at our disposal to go after them," he told the TW investor meeting.

GUARDIAN GOES NATIVE

Britain's *Guardian* is revamping its US site with an eye toward attracting more banners and native advertising.

Carter Brokaw, executive VP at Guardian US, said marketers want a platform to share their content.

The Guardian's revamp organizes the home page into zones to reflect the "user journey."

Marketers will have the opportunity to "own" individual zones with their banners or content.

Introduced in 2011, the Guardian registered more than 25M unique visitors in September.

WARREN EXITS NYT

Denise Warren, a corporate fixture at the New York Times Co. for the past 26 years, is leaving the company following the elimination of her executive VP-digital products post.

Chairman Pinch Sulzberger and CEO Mark Thompson decided to split Warren's job in two: executive VP/marketing and executive VP/digital.

In a memo, Sulzberger praised Warren for building "one of the first truly multiplatform publisher sales forces in advertising."

He called her the "key leader" in the launch of the NYT pay model in 2011.

The new positions, which are unfilled, reflect the need for "specialized business leadership" in digital and marketing, according to a note from Sulzberger and Thompson.

Warren turned down both jobs, opting to split.



Warren

NEWSHOUR JOINS FORCES WITH ATLANTIC

The PBS Newshour has agreed to air a regular broadcast adaption of reporting from *The Atlantic* during the next six months.

The stories will flow from the Atlantic cover and feature stories inside the monthly publication.

The material will also run on the Newshour website. "We're excited to see our stories brought to broadcast, and honored to be working with the NewsHour to make it happen," says James Bennet, Atlantic's President/editor-in-chief, said in a statement. "No one in the business cares more about journalistic integrity and depth."

NPR PAIRS ENVIRONMENTAL STAFF

National Public Radio has trimmed its four-person environmental staff to Chris Joyce, a 21-year veteran, according to *Inside Climate News* site, a Pulitzer Prize winner for national reporting.

Anne Gudenkauf, senior supervising editor of NPR's science desk, said reporters were shifted off the environmental beat to cover other fields in depth.

She doesn't feel that the environment requires dedicated reporters because others cover green-related matters from other beats.

ICN said the number of NPR's monthly content slugged "environment" has declined from the mid low 60s to mid 40s since January.

Unlike NPR, the *New York Times* and *Washington Post* have increased their environmental staffs.

TWITTER'S REVENUES, LOSSES SOAR

Twitter reported a 114 percent surge in third quarter revenues and a net loss of \$175.5M, up from the \$64.6M deficit of a year ago.

CEO Dick Costello said the micro-blogging site has a "very strong financial quarter."

(Continued on page 4)

MEDIA NEWS

TWITTER REVENUES SOAR (Cont'd from pg. 1)

He's confident in Twitter's "ability to build the largest daily audience in the world, over time, by strengthening the core, reducing barriers to consumption and building new apps and services."

The number of monthly active users jumped 23 percent to 284M during the quarter.

Advertising revenue per thousand timeline views increased 83 percent to \$1.77.

Twitter's cash/marketable securities trove stands at \$3.6B vs. \$2.1B last year.

NYT CO. SHAVES LOSS

The New York Times Co. reported a \$12.4M Q3 net loss, down 48.8 percent from last year's \$24.2M deficit. Revenues inched ahead 0.8 percent to \$364.7M.

CEO Mark Thompson said the company performed better than what it had expected due to "broad digital strength that more than offset print revenues declines."

The Times added 44K digital subscribers, up 20 percent to rank as the best quarterly result in two years. It ended the quarter with 875K digital subs.

The company took an \$8.3M charge for lower anticipated returns on pension assets and outlays connected with multiemployer pension plan withdrawal obligations.

The Times has \$966M in cash/marketable securities and total debt/lease obligations of \$669M.

Thompson expects Q4 circulation gains of about one percent and ad revenues to drop in the mid-single digit range.

He's focused on audience development with the "goal of extending our already broad reach and deepening the engagement of our readers."

Thompson expects momentum from growth of NYT's Paid Posts native advertising initiatives and investments made in video and the smartphone platform.

LOSS WIDENS AT MARTHA STEWART INC.

Martha Stewart Living Omnimedia suffered a \$10.9M Q3 loss, up from \$4.3M from a year ago. Revenues slid 11.8 percent to \$29.8M.

CEO Dan Dienst, noted the results "were in line with expectations but do not reflect the current transformation taking place at MSLO." He expects the 10-year distribution deal with Meredith Corp. will allow MSLO to "fully monetize our award-winning content" and slash publishing costs for *Martha Stewart Living* and *Martha Stewart Weddings* magazines.

Dienst is bullish on the company's third annual "Martha Stewart American Made" program set for Nov. 7/8. Honorees in the crafts, food, design and style categories are up 40 percent this year, while visits to its website are up 200 percent.

MSLO has added four new sponsors to the American Made program. They are Toyota, Hyatt House, UPS Store and Intuit QuickBooks.



FIRM, PUBLICIST SPLIT WITH EMBATTLED HOST

The PR firm aiding disgraced Canadian radio host Jian Ghomeshi has split with the client amid allegations that he assaulted several women, including a prominent Canadian author and an actress.

"Regrettably, the circumstances of our engagement have changed and we are no longer able to continue," said Navigators, a well-known Canuck PR firm that was initially advising Ghomeshi after eight women -- including author Reva Seth and actress Lucy DeCoutere -- accused the host of sexual and physical assault. Seth went public Oct. 30 with an op-ed in the Huffington Post, after DeCoutere detailed her allegations on a CBC program a day earlier.

Ghomeshi's publicity firm, rock-it promotions, has also dropped the embattled client. "Going forward, rock-it promotions will no longer be representing Jian Ghomeshi," the firm said in a statement. "We won't be responding to or receiving media requests."

Ghomeshi was a popular host for the Canadian Broadcasting Company's "Q" radio show until he was fired Oct. 26. The CBC said it is commissioning a third-party investigation of the allegations.

Ghomeshi said in a lengthy Facebook statement that he will not be answering media inquiries about the allegations. "I want to thank you for your support and assure you that I intend to meet these allegations directly," he wrote.

He said: "I've been fired from the CBC because of the risk of my private sex life being made public as a result of a campaign of false allegations pursued by a jilted ex-girlfriend and a freelance writer."

LICATA TURNS OFF NBC

Richard Licata, executive VP-communications at NBC Entertainment, is leaving the Comcast unit after a three-year stint.

He will consult there through early December to help promote the debut of a live version of Peter Pan.

In a memo to staffers, Licata said he's leaving following the death of his father. That passing triggered a personal introspection in which he thought about the important things in life.

Licata wrote of his father's lesson about "the satisfaction of re-building something from the ground up." That "passion for making things better that led me into the trenches first at FOX and then later Showtime," he wrote.

EX-PRESS SEC QUESTIONS SPOX IN UNIFORM

J.D. Gordon, a PR consultant and former Pentagon and GOP press hand, ripped Pentagon press secretary Rear Admiral John Kirby and the Obama administration in an op-ed in *The Hill* Oct. 28, questioning whether uniformed military officers speaking for the White House are "useful idiots" or "good officers."

Gordon, riffing off a recent remark by Sen. John McCain that referred to the Pentagon press secretary as "this idiot Admiral Kirby," said its "disheartening to see uniformed military officers lending their trusted credibility to back political decisions that are so severely undermining national security."

Read the piece at <http://bit.ly/1x0cir6>.

NEWS OF PR FIRMS

MWW ACQUIRES TECH LAB

MWW has acquired tech lab Ideation and tapped founder Robert Dilio as the firm's chief technology officer.

MWW chief Michael Kemper said Dilio's mandate is to enhance technology innovation within the firm, including development of proprietary tools, expansion of its digital capabilities and building custom solutions for clients incorporating data and analytics.

Dilio is a former chief technology officer for e-commerce retailer Crane & Co. and director of engineering at The Blackstone Group.

He founded Ideation in 2012 and developed the social media platform Related Noise used in several high-profile campaigns for users like Axe and *Entertainment Weekly*.



Dilio

IPREX ADDS PARIS FIRM

Six-year-old Paris PR firm Gootenberg has joined the IPREX network of independent firms.

Gootenberg focuses on brand and corporate clients in various sectors, from food to financial, including Best Western, Forrester Research, Batiwiz.com and Genworth Financial.

IPREX EMEA president González-Gil of Madrid's poweraxle said network partners have already worked with Gootenberg in the past.

The firm joins IPREX Paris member Arjuna, a crisis and corporate shop.

ARGYLE OPENS OTTAWA PA UNIT

Toronto-based Argyle Communications has opened a federal PA practice in Ottawa.

CEO Daniel Tisch said the move allows the firm, well-versed in PR and government relations, to respond to client PA needs at the federal level.

"For any organization that touches – or is touched by – public policy, legislation or regulation, dialogue with the public sector is essential," he said.

Chris Hilton, former director of ENSight Canada and senior manager of PA for the Canadian Red Cross, has joined Argyle as VP of PA to lead the Ottawa PA unit.

EDELMAN SLATES LATIN AM CSR EFFORT

Edelman has kicked off a regional program in Latin America focused on volunteerism, community grants, sustainability and compliance through its five regional offices to support access to education.

Edelman/Latin America outposts, including Mexico City, Sao Paulo, Rio de Janeiro, Buenos Aires, and Miami, will support the cause, dubbed Edelman+, through pro bono and "low bono" engagements with NGOs and other outlets.

Edelman Latin America chair Alan VanderMolen said the firm wants to "ensure we meet [client's] and society's expectations as responsible members of the global community."

NEW ACCOUNTS

New York Area

Sharp Communications, New York/Rollins College Crummer Graduate School of Business, for PR to bur-nish the Florida MBA program; JP Morgan Tournament of Champions, for PR and social media for the squash tournament returning to Grand Central Station in January 2015; Blessing Basket Project, for PR for the non-profit that enlists weavers from third-world countries to make baskets sold in the US; MLV & Co., for corporate identity work for the investment bank and broker dealer, and Okapi Partners, for web-site re-design for the proxy solicitation and investor response firm.

Feintuch Communications, New York/LifeThreads, life sciences start-up that makes a line of professional healthcare apparel (lab coats and scrubs) and patient gowns treated with an EPA-registered anti-microbial agent, for an integrated communications campaign as it prepares to launch the product. LT is based in New York with R&D and manufacturing in India.

KCSA Strategic Communications, New York/ACG New York, association of middle market deal-making and corporate professionals in New York, for PR and content and development campaigns touting thought leadership among the group's board and aimed to boost membership.

Lou Hammond & Associates, New York/City of Lexington, N.C., for tourism PR on a one-year, \$35K pact.

Dian Griesel Int'l, New York/Manhattan Scientifics, nano medicine technologies, to manage media relations.

East

French/West/Vaughan, Raleigh, N.C./PSCU, national credit union service organization, to raise its profile in the credit union sector via PR. PSCU serves 1,500 financial institutions and is owned by more than 700 member credit unions. The campaign targets credit union and financial industry publications, mainstream media, and speaking circuits.

Southeast

InGear, Pembroke Pines, Fla./Pexip, Norway-based videoconferencing services provider, for media relations. The company has a presence in 13 countries, including the US and UK.

Mountain West

DStreet, Denver/LSR, wireless product development solutions and services, to launch its TiWiConnect for connecting Internet-of-things devices to a cloud server.

West

JAM Media Collective, San Francisco/Oru Kayak, creator of a foldable kayak based on the principals of origami, for PR.

International

DDB Canada, Toronto/Investors Group, financial planning products and services, as AOR for marketing communications, following a competitive pitch with 20 agencies.

Creation, Sydney/ALDI, global grocery purveyor, as AOR for PR in Australia, including corporate and consumer PR. Creation is part of Weber Shandwick Asia.

NEWS OF SERVICES**PRSA CEO GOT \$63K BONUS**

PRSA CEO Bill Murray, who had a \$61K bonus in 2012, got another bonus of \$63K in 2013 for a total of \$430K, according to the group's 's 2013 IRS Form 990. He quit the Society March 7, 2014, effective June 1.

Murray, who had been elevated to CEO by the 2013 Assembly, gave no reason for his departure except that he had given it "deep reflection."

He joined the National Coffee Assn. as president/CEO.

The Society's 990, as delivered to the O'Dwyer Co. in PDF form for the first time, does not have a date on it. VP-PR Stephanie Cegielsky said it was filed with the IRS on Oct. 15 which would be the day after the close of the 2014 conference in Washington, D.C.

This is the fourth year in a row in which the 990 has been withheld from the Assembly. No reasons are being put forth as to why it has taken the Society so long to file the 990 when the audit was published in May.

Revenues of \$11,613,873 in 2013 had risen from \$11,157,473 in 2012. Revenues were \$11,426,867 in 2006, the year before Murray arrived. Last year was the first time that the 2006 figure had been topped by the Society which instituted a \$30 dues hike in 2012.

The Society has not answered the question of what Murray did to earn the "bonus and incentive compensation."

Joseph Truncale of the AMSP/NAPL/NAQP (three printing/mailling trade groups that have combined) will join the Society as CEO on Jan. 12, 2015. The organization of which he is CEO, the National Assn. for Printing Leadership, has net assets of \$26.8 million including investments worth \$23.7M (as of Dec. 31, 2012). No details of the contract with Truncale are available.

990 Lists Pay Packages of Seven Staffers

Pay packages of seven other Society staffers are listed by the 990. Second highest paid is CFO Philip Bonaventura, who had a base of \$212,291 and nontaxable benefits of \$40,658 for a total of \$252,949. His package in 2012 was worth \$243,765.

Other totals were John Robinson, VP, corporate development, \$201,547; Karla Voth, VP/special events/programs, \$193,802; Janeen Garcia, VP PRSSA/academic affairs, \$158,829; Alex Ortiz, senior IT director, \$151,898, and Christina Darnowski, VP/membership services, \$143,584.

Total payroll for the executives was \$1,292,128 while the remainder of the staff of about 50 were paid \$2,619,517.

There were also pension plan contributions of \$440,064 and other employee benefits of \$471,751.

The 990 shows occupancy costs as \$780,544.

PR Society Once Revealed Contracts

The PR Society at one time gave full details of contracts signed with staff heads. Ray Gaulke was given a two-year contract as of July 1, 1993 that provided \$150,000 in salary; a signing bonus of \$25,000, and a pension of \$14,000 yearly. Payroll taxes and other benefits were to total another \$12,000. Search firm Korn/Ferry, which also searched for Truncale, was paid \$50,000 plus \$8,000 in expenses.

PEOPLE**Joined**

Heidi Hovland, deputy GM, Fleishman-Hillard, to CEO of DeVries Global, New York. Hovland led FH's global consumer products work and co-founded its marketing-to-moms unit. She takes the CEO reins from Jim Allman, who slides into a chairman role. He took over last year after Edelman lured DeVries CEO Stephanie Smirnov for a managing director slot in New York. Her client experience spans Chobani, Samsung, Pepsico, Barnes & Noble (Nook) and Carnival Cruise Lines, among dozens of others.

**Hovland**

Tina Stow, APCO Worldwide VP who has specialized in PR counsel for clients implementing the Affordable Care Act, to the Pharmaceutical Research and Manufacturers of America, Washington, D.C., as VP of communications. Stow co-lead APCO's corporate communications and issues management group over the past four years. She joins PhRMA on Oct. 27 to oversee its media relations team, reporting to SVP Robert Zirkelbach. Earlier stints for Stow included LexisNexis (senior director, privacy and communications), ChoicePoint (assist. chief privacy and comms. officer) and Jackson Spalding comms.

Robin Kim to Ruder Finn as executive VP/managing director of global technology & innovation on Nov. 10 in San Francisco. She will report to chief Kathy Bloomgarden. KIM was at Edelman/Silicon Valley, leading its enterprise and B2B portfolio and several key accounts. Earlier, the 20-year PR veteran was managing director of Burson-Marsteller's EMEA operation. Ruder Finn West and RFI Studios digital represent clients such as Samsung, Amgen, Nokia, Bridgelux, Cengage and Shire.

**Kim**

Ayofemi "Femi" Kirby, comms. director for the Congressional Black Caucus, to MWW, New York, as A/S in the firm's corporate comms. unit. She was previously comms. director for Rep. Adam Smith (D-Wash.).

Laura Oliveto, VP, AutoCom Associates, to The Miller-schin Group, Auburn Hills, Mic., as VP of client rels.

Phyllis Tate, finance manager, Edelman/DC, to Spectrum, Washington, D.C., as finance director. She previously held finance roles at Alamo Rent-a-Car and Chrysler.

Promoted

Tish Van Dyke, Deidre Campbell and Amy Hemingway, global sector chairs, Edelman, for food and beverage, financial services and energy, respectively, the top final three slots in the firm's plan to tap global chairs across its five key sectors. All three report to Kym White, global director of sectors and global chair of Edelman's health sector. The firm in September tapped Maria Amundson as global chair for technology.

Sheri Sandefur Killingsworth, national marketing manager, Lincoln Property Company, to VP of marketing and communications, LPC, Dallas.

UTAH SLATES BUSINESS PR PITCH

The Governor's Office of Economic Development is circulating an RFP for a comprehensive PR and integrated marketing campaign on a first-year budget of \$250K.

The GOED is charged with diversifying the economy of the "Crossroads of the West" and encompasses national and global business recruitment, as well as tourism and the Utah Film Commission. Gov. Gary Herbert installed a new PR-savvy executive director, Val Hale, in late July. For the business pitch, it envisions a firm providing market research, PR, event planning, government relations and creative marketing efforts like PSAs to tout Utah's low taxes and operating costs, as well as quality of life and young population.

The state expects to award a five-year contract.

Utah is home to Overstock.com, 1-800-Contacts, Sinclair Oil, Intermountain Healthcare, and a large National Security Agency data center, among major employers. Google has taken over the City of Provo's fiber network for its Google Fiber high-speed Internet push, while eBay has grown its Draper presence to more than 1,800.

Proposals are due Nov. 21 through the state's online procurement system. Info: <http://bit.ly/1tTvGai>.

BRUNSWICK AIDS TULLET IN LIBOR PROBE

British brokerage Tullett Prebon is relying on Brunswick Group for a PR defense after the UK's Serious Fraud Office filed criminal charges against TP broker Noel Cryan in the ongoing LIBOR manipulation scandal.

In a statement via Brunswick, London-based TP said it "notes the announcement by the SFO" and called Cryan a "former employee." He was fired in September 2013 for gross misconduct.

The brokerage said last week it is cooperating with the UK's Financial Conduct Authority and other regulators and government agencies.

Brunswick London partner Kim Fletcher and director Craig Breheny speak for TP.

The SFO on Oct. 28 said it charged Cryan with conspiracy to defraud over a 10-month period in 2009.

Reuters reports that US and UK authorities have now charged 18 individuals and fined 10 banks and brokerages in the ongoing probe of manipulations of the London interbank offered rate, or LIBOR. Banks like JP-Morgan and Royal Bank of Scotland have paid out more than \$6B.

Cryan has sued TP over his firing, denying allegations that he attempted to manipulate the benchmark rate.

McSHANE ADDS BEAUTY BUZZ TO COYNE

Kate Barbera-McShane, a 12-year marketing/agency veteran, has joined Coyne PR's beauty & fashion practice.

The veteran of the LOFT unit of Ann Inc. held the PR & strategic partnerships post, working to build brand awareness and launch its Lou & Grey lifewear offering.

Earlier, McShane was at Edelman handling leadership programming and seasonal consumer activations for TJ Maxx and Marshall's.

She also worked on "big picture" programs for Unilever's Dove and Axe lines at the No. 1 independent shop.

At Parsippany, NJ-headquartered Coyne, McShane will have input on clients such as David's Bridal, Casio Baby-G and Hey Gorgeous!

Deborah Sierchio, senior VP, heads the beauty/fashion practice.

EMBATTLED MORTGAGE SERVER RELIES ON PR

Mortgage servicing giant Ocwen Financial is leaning on outside PR and IR support after New York State's Dept. of Financial Services said it uncovered "serious issues" with the company, including backdating of letters to borrowers about loan modifications and foreclosures.

Ocwen CEO Ron Farris responded to the DFS' Oct. 21 public release of its letter outlining its concerns with an open apology letter on Oct. 24 to homeowners. "Having potentially caused inadvertent harm to struggling borrowers is particularly painful to us because we work so hard to help them keep their homes and improve their financial situations," the company said. "We recognize our mistake. We are doing everything in our power to make things right for any borrowers who were harmed as a result of misdated letters and to ensure that this does not happen again."

Ocwen, which had 2013 revenue of \$2B, saw its shares take a beating on Wall Street after the DFS went public with its warnings last week.

Sard Verbinen & Co.'s New York office – principal Margaret Popper and VP David Millar -- is advising Atlanta-based Ocwen and handling media relations. ICR is Ocwen's outside IR firm, led by managing director Stephen Swett and partner Brad Cohen.

Reuters reported that Ocwen's initial statement said 283 New York borrowers received letters with erroneous dates, but the company amended the statement later in the day to say it was aware of others but didn't know how many.

New York DFS Superintendent Benjamin Lawsky said "in many cases" borrowers were given 30 days from the date of loan modification letters but didn't receive the letters until the 30 days had already lapsed. Other letters giving borrowers a date to cure a default and avoid foreclosure were received months after the cure date, Lawsky said. Ocwen has pledged to hire an independent firm to investigate the claims. Farris also promised "further communication" with borrowers on the matter.

ICR FEEDS FRESHPET IN IPO

New Jersey-based refrigerated pet food producer Freshpet has engaged ICR for financial communications as it slates a \$135M initial public offering.

Ten-year-old Freshpet, backed by investors including MidOcean Partners and Tyson Foods, said revenue for fiscal 2014 hit \$74M, up 38% in the final six months through June 30. Debt is \$84M.

ICR managing director Katie Turner and managing partner Michael Fox are on the Freshpet account.

FreshPet CEO Richard Thompson is former chief of Meow Mix.

PR pros, including Tina McCorkindale and Marcia DiStaso, chair and chair-elect of the PRSA Educators Academy, hail “dialogic looping” (i.e., people talking to each other) as the sine qua non of PR. But they don’t practice it.

We e-mailed both and 14 other directors of the Academy and 11 leaders of the Society’s Student Assn. after spending a half hour with one of the Society’s student leaders at the national conference in Washington, D.C., Oct. 11-14. Only one of the 27 replied—a student who declined a free offer of O’Dwyer products.

The student who came to our “exhibit” in the bar of the Marriott Wardman Park had shown fascination with O’Dwyer products including the Directory of PR Firms; the 68-page October healthcare issue of O’Dwyer’s magazine; the 92-page May rankings issue; the 92-page January PR Buyer’s Guide issue, and copies of our weekly 8-page online and printed NL.

Asked why the O’Dwyer “exhibit” was in the bar of the Marriott Wardman Park and not with the other 45 exhibitors, we told the student that the Society not let us exhibit or even enter the exhibit hall or cover any of the general sessions.

Her curiosity piqued, we gave her the four-page article that exposed (and killed) the Society’s practice from 1978-94 of selling copies of authors’ articles without their permission. That seemed to make the Society permanently mad at us, we said.

Another article covered the \$21 million lawsuit against the O’Dwyer Co. that involved the Society. We were sued in 1994 by publisher Dean Rotbart after covering his speech at the 1993 Society conference in Orlando.

The speech correctly noted that tips and ads influence story coverage. But we noted that such influences were unethical under the Society’s Code.

The Society had obtained unlimited copyright to the talk and videotaped it with two cameras, intending to make it the centerpiece of a new video library. However, following the O’Dwyer revelations, it decided not to sell the tape to anyone.

Rotbart charged inaccurate, malicious coverage of his talk. All charges were dismissed by Federal District Court which called Jack O’Dwyer “a good reporter.”

The student drank all this in and we said she could have the Directory and all the other materials in our “exhibit” if she came back at 5 p.m. on Monday, Oct. 13. No other student had visited us. She came back, thanking us profusely for the materials and giving us a bunch of candy as a gift. We asked her to spread the word with her PR professors and Student Society members.

Student Loved it, Why Not Others?

Since the student was so entranced by our products, we figured we’d offer the same materials at no cost not only to the 11 national leaders of the Student Society but the 16 board members of the Educators Academy. Value of the package was \$350.

The results were not surprising since we have done this test before. The only person answering was a student

who said he has several different addresses and so could not get anything from us. No one wanted any of the materials the student had scooped up with such enthusiasm.

The educational value of the O’Dwyer materials cannot be challenged. So why is there a block on them? The answer is that old style “PR” is being practiced, the kind that increasingly vocal forces want to put six-feet under.

We conclude that the professors have, under the mandate of old-style PR, brainwashed themselves. That’s bad enough, but brainwashing students is even worse.

Old-Style PR Is Dead Say Brits, Aussies

What is “dead,” according to former Europe, Middle East & Africa Edelman executive Robert Phillips, is the idea that information can be “managed” and that institutions can somehow “implant messages” in target audiences.

Also “dead” to our mind is the idea that people can be blocked from knowing things. Of course, if they don’t want to know things, there’s no way to get through to them. Phillips, who wrote “Trust Me, PR Is Dead,” says PR has “abused and exhausted trust” which is “hard-won every day by actions, not words.” Communications has to be “rooted in actions, not words,” he says.

He quotes Pierre Goad, head of communications at HSBC, world’s second largest bank with 125 million customers and 6,600 offices, as saying, “Implanting messages doesn’t work with five-year-olds let alone 255,000 grown-ups (HSBC employees). We don’t waste time crafting the perfect message and the most efficient channel to plant communications in people’s heads.”

The Centre for Corporate Public Affairs, Melbourne, is saying the same thing—PR was too much involved in “crafting and pushing messages” whereas the new order is based on companies, employees and the public “engaging with each other.” Social media is often the venue for this, it notes.

CCPA’s five-page article on the topic, titled “PR Is Dead,” noted that only one percent of the organizations it surveyed had a “PR” function.

We agree that people are talking more than ever among themselves via social media and that organizations must join the conversation.

But SM is only a small part of the web. People may learn about something in SM but if their curiosity is whetted they are going to seek answers via the web where many of them will be supplied by traditional media, Wikipedia, and other sources.

“CEOs should beware PR salesmen that talk trust and promise otherwise,” says Phillips.

McCorkindale and DiStaso, who wrote 23 pages on the use of social media for the PR Society’s *PR Journal*, saying that communication can only take place via “openness, trust and dialogue” (i.e., “dialogic looping”), have failed to dialogue with us.

One indication that the PR Society is drowning in past practices is its continued obsession with Accreditation, a program found wanting in numerous ways by consultant Laura Freebairn-Smith. — *Jack O’Dwyer*