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O'Dwyer's Newsletter

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HARVEY WEINSTEIN RELIES ON SITRICK & CO.

Embattled Hollywood mogul Harvey Weinstein is using Sitrick and Co. as he deals with a slew of sexual harassment allegations, a cascade of condemnation by celebrities/politicos and ouster from The Weinstein Co., which is now in the process of changing its name.

Sallie Hofmeister, who joined Sitrick after two decades in journalism, is serving as spokesperson for Weinstein.

She worked **SITRICK AND COMPANY** as business editor in for the *New York Times* and reporter/editor for the *Los Angeles Times*.

As assistant managing editor of the LAT, she was in charge of the paper's arts & entertainment coverage and spearheaded the expansion of its digital operation to include video segments, live chats, TV programming and Twitter accounts.

Weinstein has threatened to sue the NYT, which broke the bombshell story about his alleged sexual misbehaviors.

SKDKnickerbocker and Ketchum are among PR firms to either deny working for Weinstein or cut ties with him.

Blicksilver PR Works 'Bailout'

Owen Blicksilver PR is handling news this week that Colony Capital agreed to pump a cash infusion into embattled The Weinstein Co. and to negotiate the acquisition of the entire company or key assets.

The immediate investment will help stabilize TWC's operations and "provide comfort to our critical distribution, production and talent partners around the world," said board member Tarak Ben Ammar in a statement.

Colony is the private equity arm of Colony Northstar, which has \$56B in assets under management.

It has worked with TWC through a joint venture established with Miramax to develop content from its library.

Tom Barrack, who founded Colony in 1991, is a key advisor to President Trump. He also helped stave off foreclosure of Michael Jackson's Neverland Ranch.

Kristin Celauro, Blicksilver managing director, represents Colony in the deal.



Georgina Chapman

Estranged Wife Seeks Crisis PR

Georgina Chapman, co-founder of the high-end Marchesa fashion brand, actress and estranged wife of

(Continued on pg. 2)

LIPIN LAUNCHES GLADSTONE PLACE PARTNERS

Steve Lipin, ex-Brunswick Group US chief and *Wall Street Journal* lead M&A reporter and finance editor, has opened Gladstone Place Partners in New York.

The firm's mission is to advise clients on critical matters at the nexus of the corporate world, financial markets and media.

GPP will focus on corporate financial communications (M&As, IPOs, spinoffs, activism), reputation/positioning, issues management (IR/stakeholder outreach, media programs, thought leadership platforms) and corporate governance matters (succession planning, proxy/compensation disclosures).



Steve Lipin

"Chief communications officers and their teams are facing an increasingly wide array of challenges while working to tell their story to an ever-expanding range of constituencies and media

(Continued on pg. 2)

SORRELL TARGETS ADK'S DEAL WITH BAIN

WPP chief Martin Sorrell stepped up criticism of Asatsu-DK's planned sale to Bain Capital, dismissing the \$1.3B offer as significantly undervaluing Japan's No. 3 advertising agency.

The British ad/PR conglomerate, which owns a 24.7 percent stake in ADK, questions whether ADK's board shopped the company before accepting Bain's bid.

"Have the board ever considered or discussed any alternative bona fide offers or proposals for the company which may be of greater benefit to the stakeholders in the business including its clients and its people or has the only consideration been management's concern about their own position in the future," asked WPP in a statement released Oct. 12.



Martin Sorrell

Sorrell faults ADK for failing to improve performance of its overseas operations and to exploit digital opportunities.

He alleges ADK "improperly attempted to terminate its co-operation and business alliance agreement with WPP, which it knows full well that it cannot do, as on previous occasions it had abided with this instruction."

ADK has said that its WPP alliance yielded neither a "concrete plan for action" nor business synergies.

It also knocked WPP for its inability to "make swift and flexible decisions."

HARVEY WEINSTEIN RELIES ON SITRICK & CO.

(Continued from pg. 1)

Harvey Weinstein, is “actively looking for crisis PR” help, according to *US Weekly*.

The magazine reports that Chapman always knew of Weinstein’s “questionable behavior” and was pressured by friends to leave him because “they thought it would ruin her brand.”

On Oct. 10, Chapman issued this statement: “My heart breaks for all the women who have suffered tremendous pain because of these unforgivable actions. I have chosen to leave my husband. Caring for my young children is my first priority and I ask the media for privacy at this time.”

She married Weinstein, 65, in 2007.

LIPIN LAUNCHES GLADSTONE PLACE PARTNERS

(Continued from pg. 1)

outlets,” Lipin told *O’Dwyer’s*, “We have put together a diverse team of professionals here at Gladstone Place to help them navigate this landscape effectively and look forward to rolling up our sleeves and getting to work.”

Lipin, who left Brunswick in April, has assembled a group that includes president/COO Lauren Odell (nine-year Brunswick vet and JPMorgan alum) and senior advisor Louis Susman (former Ambassador to the UK and vice chairman at Citi Investment Bank).

He also recruited *New York Times* digital alum Danielle Belopotosky, Reuters veteran Michael Flaherty and Brunswick pros Vanessa Esparza and Felipe Ucros as senior VPs.

TRANSUNION TAPS CGCN GROUP

TransUnion, the Big Three credit reporting service, hired Republican advocacy shop CGCN Group for issues related to data security, privacy and cybersecurity that may come before Congress in the aftermath of the massive Equifax hacking scandal.

Principals Steve Clark (one-time top lobbyist at regional phone company Ameritech); Sam Geduldig (aide to Congressman John Boehner before he became Speaker of the House); Jay Crawford (ex-policy advisor to Boehner); and Mike Nielsen (legislative aide to former Utah Senator Robert Bennett) anchor TransUnion’s nine-member lobbying team.

Chicago-based TransUnion shuffled its lobbying line-up this year, terminating American Defense International and Roberti Global, while Thompson Coburn has been inactive.

Eris Group (\$24K quarterly retainer) and long-time lobbyist Kate Moss (\$20K) remain on TransUnion’s payroll.

Equifax in September revealed its data breach that occurred earlier this year affects 145M Americans. It turned to Edelman for crisis management work.



WOULD YOU WORK FOR WEINSTEIN?

By Fraser Seitel, author of the “The Practice of Public Relations”



Depending on where you sit, Harvey Weinstein is either a sick, troubled pig or just a pig. The disgraced former movie mogul is now despised by just about everybody (with the apparent exception of NBC News).

But what’s lost in the daily revelations of new Harvey sexual victims and Weinstein Company indignities is the other related, rapid fall from grace that was nearly as precipitous as Harvey’s.

Lisa Bloom, crusading daughter of crusading mother Gloria Allred, publicity-seeker par excellence and eager Harvey Weinstein public relations spokeswoman, resigned in shame after being pilloried for agreeing to speak for Harvey “Oink Oink” in the first place.

Bloom’s dramatic public demise provides a cautionary lesson for any public relations counselor tempted to go to work for a deep-pocketed but ethically suspect client.

While any miscreant is guaranteed by the U.S. Constitution the right to a lawyer, there’s no such similar guarantee for a public relations counselor. In PR, you don’t have to work for anybody you don’t want to represent. For in public relations, as in life, you’re judged by the company you keep. And if you choose to go to work for O. J. Simpson or Bashar el Assad or Nelly or Harvey Weinstein or another of that ilk, you are judged accordingly.

Which is precisely what happened to Lisa Bloom, whose public relations representation of Mr. Weinstein was doomed from the start.

First, she’s a lawyer, not a public relations professional. And just as hedge fund manager Anthony Scaramucci proved unqualified to handle PR, so, too, did Lisa Bloom.

A PR professional confronted with Weinstein’s transgressions would have immediately acknowledged them publicly, asked for understanding and moved on to a course of remediation. But Bloom, the lawyer, instead chose to parse Weinstein’s failings, describing him as “deeply bothered by some of his emotional responses and temper ... and chagrined the issue still plagues him.”

Every time she opened her mouth to defend Mr. Weinstein’s indefensible, decades-old piggish treatment of women, she pounded his — and her own — reputation further into the ground.

Second, Bloom’s representation of Weinstein was irreparably tainted. Not only was she paid extravagantly to represent him publicly, but Weinstein had earlier agreed to produce a mini-series based on a book Bloom had written.

Now, all of this might have been just peachy had it not flown in the face of Bloom’s entire career. Up until she signed up with a serial sexual harasser, Bloom had earned a reputation as an outspoken defender of sexually harassed women.

And so, mercifully, after a week in the Weinstein saddle — and no doubt sufficiently shoved by her aghast mother — Ms. Bloom resigned. But the damage to her reputation and her business was done. What self-respecting woman claiming harassment would ever again hire the

(Continued on pg. 3)

WOULD YOU WORK FOR WEINSTEIN?

(Continued from pg. 2)

woman who defended Harvey Weinstein?

As further proof of the dangers in representing the Weinsteins of the world, in the wake of Bloom's resignation, one of Harvey's other public relations counselors, Lanny Davis, surreptitiously slunk away as well.

Davis, of course, was the Bill Clinton lawyer-apologist, who morphed into a self-acknowledged public relations expert. Among the erstwhile lawyer's more prominent public relations clients were the former president of the Ivory Coast, who was jailed for crimes against humanity by the International Criminal Court, and the former president of Equatorial Guinea, who was charged with torturing opponents as well as stiffing Lanny on his consulting bill.

At least Lanny shouldn't have similar problems collecting from Harvey Weinstein.

MGM DISPUTES LV SHOOTING REPORT

Joele Frank Wilkinson Brimmer Katcher handled MGM Resorts International's statement that challenges the revised timeline of the Oct. 1 Las Vegas massacre offered by the police. Stephen Paddock carried out the attack from the 32nd floor of MGM's Mandalay Bay hotel.

Clark County Sheriff Joe Lombardo said Oct. 9 that Paddock shot security guard Jesus Campos before he opened up on the Route 91 Harvest festival, a rampage that killed 58 and wounded nearly 500. The initial report said Campos was shot after he fired on the concert crowd.

Debra DeShong, MGM's VP-global industry affairs, noted in the statement that the ongoing investigation has a lot of moving parts.

Her company "cannot be certain about the most recent timeline that has been communicated publicly" and believes "what is currently being expressed may not be accurate."

MGM "understands the public's desire for information and the importance of getting our community and the public at large the information they deserve," and is "doing everything we can to support law enforcement's effort to do so."

DeShong joined MGM in July from Subject Matter, a DC-based strategic communications firm. She served as chief of staff for Caroline Kennedy, former US Ambassador to Japan.

MATTIS CHAMPIONS OPENNESS WITH PRESS

"You cannot allow any of your people to avoid the brutal facts. If they start living in a dream world, it's going to be bad." CNBC (Dec. 2, 2016) rated that statement as one of Defense Secretary James "Mad Dog" Mattis' top quotes on leadership and success.

Frequently cited as one of the adults in the Trump White House, the retired Marine Corps General has declared war on the president's favorite target, "fake news."

Unlike the commander-in-chief who berates the press at every opportunity and prefers to hunker down in his Twitter bunker, Mattis wants senior military leaders to be as open and transparent as possible with the media.

"Communications is the job of the commander, not just the public affairs officer," he told a closed-door senior

leadership session of generals and admirals on Oct. 6, according to a report in Defense One written by its executive editor Kevin Bacon.

In a follow-up, Pentagon press secretary Dana White said the DOD "has the responsibility to communicate with the American people about what our military needs to stay the most lethal force on earth. The media plays a critical role in that conversation."

Defense One noted that Mattis' talk to military leaders comes "amid some of the worst press relations with elected officials in Washington since Watergate."



Mattis

The Secretary, who has limited his own press conferences in favor of informal settings with reporters, believes a skeptical press is healthy for the Pentagon.

"I don't see you all as adversaries. I see you as, at times, allowed to be more skeptical than I can be in a leadership role, and skepticism is part of a healthy—keeping the organization healthy," Mattis told reporters in August.

Mad Dog understands that the free press and flow of information represent America's strengths. He wants commanders to avoid the dream world that is based on fake news because facts always triumph in the long run.

'STRONG BRAND' IS VITAL FOR PE FIRMS

A strong brand is a must-have for private equity firms when it comes to fundraising, deal sourcing and recruiting. That's the conclusion reached by a [new study from BackBay Communications and PitchBook](#), a capital markets financial data and software company.

The study asked 45 private equity firms about the importance of branding, as well as what the best methods are for building a strong brand. Seventy percent regard a strong brand as "very important" with the remaining 30 percent saying that it was somewhat important.

Ninety-one percent of respondents said that the importance of a strong brand has grown over the past two years. Competition for deals (56 percent), uptick in the number of private equity firms (19 percent) and fundraising (19 percent) are drivers of that increase.

On the brand-building front, 42 percent of private equity firms say they are taking steps to increase their visibility, and 58 percent are increasing their marketing budgets.

How does a private equity firm build a strong brand? Strong investment returns (79 percent), investment discipline (63 percent) and creating a cohesive firm culture (58 percent) are rated the most effective means.

Respondents said that the best ways to leverage these attributes are personal meetings (63 percent) and conference speaking (58 percent), with websites (37 percent) and media interviews (32 percent) further down the list.

There's disagreement of the significance of social media. About one third (32 percent) of private equity firms said social media is a necessary channel to distribute firm news and views. While 26 percent of respondents said they are considering using social media in the future, 26 percent don't see it as necessary for private equity.

PR OPINION

PRSA staff's aversion to national conferences in New York (one in past 25 years) has cost upwards of \$4.5 million in the past ten years.

There's no doubt about the staff's fondness for distant cities for meetings although the June "Leadership Rally" of 135 chapter, district and section officers is always in New York.

Staff at conferences, often numbering 30 and more when much of the work could be done by local volunteers, get a week or two on the Society's tab—meals, entertainment, travel and personal business expenses. Advance trips are also on the Society.

Travel/meals/hotel expenses were \$464,880 in 2015 when the conference was in Atlanta; \$489,526 when it was in Washington, D.C., and \$434,970 when it was in Philadelphia, for a total of \$1,389,376. PRSA has yet to send the O'Dwyer Co. its IRS form 990 for 2016 which has the travel expenses.

Average is \$464K yearly which works out to \$4.6 million over a ten-year period. Not all of the expenses are conference related but there's no doubt most of them are. In this day of the phone and internet, why is all this travel needed?

Thirty-one Staffers in Boston

Registered for the Oct. 7-10 meeting in Boston were 31 PRSA staffers.

They included CEO Joseph Truncale, CFO Philip Bonaventura, marketing officer John Robinson, controller Wai Cheung, VP Karla Voth, VP Jay Starr, VP Alex Ortiz, sr. mgr. Don Bill, web mgr. Michael Benoit, program manager Caroline Berman, pubs. dir. John Elsasser, regional rep Donald Mounce, mgr. Colleen Seaver, client services mgr. Richard Spector, exec asst. Donna Jonas, sections mgr. Vada Wilson, digital comms. Troy Thompson, dev. coord. John Kesaris, prof. dev. dir. Jason Barnhart, and admin. assts. Melissa Murray and John Gumbiner.

Staffers without titles who attended were Albert Chau, Crystal DeStafano, Dean Essner, Ilene Glantz, Rod Granger, Samantha Lake, Michael Molaro and June Ramadham.

Amber Pardes was listed as the sole PRSA/Boston volunteer, helping at a "reception event." PRSA staff at conferences make it clear to locals that the conference is their "show."

The Society has yet to release any report on the Assembly Oct. 7. Board, chapters and Educators Academy, doormats to the staff, are tongue-tied.

Members Will Like List

Members will no doubt be interested in the list, particularly veterans who, until 2005 when the printed members' directory was discontinued, had access to the full list of staff members including their titles, phone numbers and emails.

Fewer than a half dozen staffers have been listed on the Society's website in recent years. The absence of such data makes it impossible to track staff turnover.

No staffers are listed in the non-members area of the reconstructed PRSA website which members have called "user-unfriendly."

Cruise Movie Recalls Nasty PRSA Episode

"American Made," a current movie starring Tom Cruise that has grossed more than \$100 million, recalls a particularly nasty episode in PRSA's history.

Cruise plays TWA pilot Barry Seal who became a drug smuggler for the Medellin Cartel in the 1980s. He also brings guns to the Nicaraguan Contras who were trying to overthrow the government.

The "Iran-Contra" connection turned into a political scandal for the second Reagan Administration since it was discovered that senior Reagan officials secretly helped in the sale of arms to Iran even though it was the subject of an arms embargo. The plan was to fund the Contras in Nicaragua.

Wikipedia called it "one of the biggest covert CIA operations in the history of the U.S."

PRSA leaders got involved when CIA head Bill Casey in 1983 asked five of them to help with fund-raising ideas at a confidential meeting in his offices. The CIA is barred from operating in the U.S.

Four PRSA Leaders Met with CIA Head

Attending the confidential meeting were 1972 PRSA president Kalman Druck; three-term PRSA treasurer Ken Clark; James Bowling, Burson-Marsteller, and William Greener Jr., SVP, G.D. Searle.

Harold Burson was invited but declined when he heard the meeting was about "support for the Contras." According to government documents, the CIA would secretly raise funds for the Contras.

According to notes taken by Clark, which surfaced in government documents, Casey liked the fund-raising ideas given to him by the four execs and wanted "a follow up."

Harrison Asks for PRSA Action, Gets Clobbered

Summer Harrison, who was with David Apter & Assocs., D.C., called on the PRSA Ethics Board to investigate reports that were in the O'Dwyer NL and major newspapers. The PRSA members should have known they were "advising the taking of illegal action," she told the board. "The CIA has never been known for holding public gala fund-raising events," she said.

The Ethics Board, playing dumb, asked Harrison to forward what charges she was hearing. B-M executive Elias Buchwald began an investigation of Harrison rather than the charges and she demanded his removal from the probe. He again queried her and she refused to reply to him.

Harrison was then hit with two charges of ethical violations including speaking to the press about the charges against the PRSA leaders and failure to respond to an EB inquiry. She lost her job at Apter, which later closed, and moved to Hawaii.

A full O'Dwyer report is on odwyerpr.com.

The EB exonerated the four PR execs of any wrongdoing.

Harrison worked in D.C. from 1980 to 1988 when she headed the D.C. Statehood Coalition Media Outreach. She moved to Hawaii where **she is currently executive director at Medical Disability Advocacy**, University of Manchester.

– Jack O'Dwyer