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# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

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## EGYPT HIRES WPP'S GLOVER PARK GROUP

The embattled government of Egypt has returned to the U.S. lobbying game, hiring WPP's Glover Park Group for public diplomacy and government relations duties.

The move comes as President Obama this month decided to hold up a promised shipment of helicopters, fighters, tank kits and \$260M cash to the military government that ousted freely elected president Mohammed Morsi in July.

The decision to postpone a portion of \$1.5B in annual military assistance to the Egyptians is part of Obama's decision to "recalibrate" ties to the Arab country.

Badr Abdel Atty, Egyptian foreign affairs minister, said Obama's move "raises serious questions about U.S. readiness to provide stable, strategic support to Egyptian security programs amid threats and terrorism challenges it has been facing."

The PLM Group had represented Egypt up until January 2010, working under a \$1.1M annual pact.

It is the firm of Speaker of the House-designate Bob Livingston's Livingston Group, ex-Connecticut Congressman Toby Moffett's Moffett Group and White House insider Tony Podesta's Podesta Group.

## KETCHUM'S THOMPSON RETURNS TO PITTS.

Jerry Thompson, an Atlanta-based Ketchum partner who led its Home Depot work and recently chaired its energy practice, has decamped for Pittsburgh ad agency MARC USA to head its PR operations.

PR clients of MARC include Rite Aid, Cooper Tire and Rubber, and the Pennsylvania Lottery. "We are committed to building and investing to make our PR capability an even more vital part of our overall offering," said President/CEO Michele Fabrizi.

Thompson started out in Pittsburgh for Omnicom-owned Ketchum before transferring to Atlanta for the firm to head the Home Depot work. He then founded and led Ketchum Energy in 2009 and has served clients like Chevron, BP and Florida Power & Light.

He was previously VP of marketing for the Steel Recycling Institute and did a stint at Burson-Marsteller.

The independent MARC has 200 staffers and more than \$320M in annual billings.



Thompson

## OMNICOM'S Q3 PR RISES, NET FALLS

Omnicom, which is merging with Publicis Groupe, said PR revenue rose six percent in the third quarter to \$332.5M while net income across all OMC units for the quarter fell 3.9% to \$196M.

Organically, PR revenues at units including Ketchum, Porter Novelli and Fleishman-Hillard were up 4.6% for the period and up 3.4% to \$987M for the first three quarters of the year.

Overall, revenue for the quarter ticked up 2.5% over Q3 of 2012 to nearly \$3.5B, including a 3.2% gain the U.S. to \$1.8B and a 1.6% increase on the international front to around \$1.7B. "It has been an exciting 9 months for Omnicom, with solid financial results," said CEO John Wren. "Our goal now is a strong finish to the year and an on-schedule closing of our merger with Publicis next year." The company started breaking out non-GAAP revenue figures this quarter to discount costs associated with the Publicis deal. For Q3, costs totaled \$28.1M.

Advertising climbed 3% (4.8% organically) to top \$1.6B for Q3.

OMC spent \$106.4M on acquisitions and earn-outs this year. Total debt as of Q3 topped \$4B while cash/investments was more than \$1.5B.

## PUBLICIS NOTES 'WEAK' PR AMID GAINS

Publicis said a "weak performance" in North American PR took a bite out of its 4.5% third quarter revenue growth in the region of 825M euro.

Overall, the Paris-based marketing conglomerate reported Q3 global revenue of nearly 1.7B euro, up 3% (3.5% organically).

CEO Maurice Levy said the quarter met internal forecasts despite uncertainty in war-torn Syria and 2014 World Cup host Brazil, as Europe posted "moderate" growth (.4%) for the first time in 2013. Levy said the Omnicom merger is "going to plan" amid the "arduous task" of seeking regulatory approvals around the globe.

Publicis PR units include MSLGroup and Kekst and Company.

## BANKRUPT DETROIT PAYS \$85K FOR PR

Detroit paid \$60K to Abernathy MacGregor Group and \$25K Duffey & Petrosky during the six-month period ending Aug. 31 for PR services related to the city's bankruptcy filing, according to an interim report released Sept. 30.

D&P's Bill Nowling is serving as spokesman for bankruptcy manager Kevyn Orr. Abernathy MacGregor has handled outreach to the finance sector and Wall St.

### **IPG Q3 REVENUES RISE 1.8%**

Interpublic Oct. 18 reported a 1.8 percent rise in Q3 revenues to \$1.7B and a 7.7 percent jump in operating profit to \$141.5M.

Net income tumbled 27.3 percent to \$49.2M due to a \$45.5M charge for early retirement of debt.

CEO Michael Roth called the quarter one of “solid growth,” buoyed by robust performance in its specialist group and digital operations.

IPG made gains in the U.S. and emerging markets, but faced more challenges than anticipated in Europe, which was bolstered in 2012 by the London Olympic Games.

The firm’s constituency management group, which includes Weber Shandwick, GolinHarris, Devries, Jack Morton, Octagon and FutureBrand, showed a 2.5 percent slip in Q3 revenues to \$329.5M. It was up 6.6 percent to \$951.9M for the nine-month period.

Weber Shandwick CEO Andy Polansky said the overall PR group “outperformed” the market and posted strong gains. Roth warned that IPG is “considering targeted year-end cost actions to appropriately position the company for further operating margin expansion in 2014 and beyond.”

For the full-year, IPG posted a 2.2 percent advance in revenues to \$5B and a two percent in operating profit to \$273.9M.

### **GLOVER TO EXIT ASHCROFT FOR TENEO**

Juleanna Glover, the former PR aide to Dick Cheney and Rudy Giuliani who formed The Ashcroft Group with former Attorney General John Ashcroft in 2005, is moving to Teneo Strategies as a managing director on Nov. 11.

Teneo is the firm of former FTI Consulting chief Declan Kelley and President Bill Clinton aide Doug Band. Another FTI alum, Paul Keary, is COO, and Burson-Marsteller and Bloomberg vet Richard Powell is president.

Glover was press secretary for Vice President Cheney and Steve Forbes’ presidential bid before taking a senior role with Clark and Weinstock.

Teneo has also added Edelman New York PA chief David Vermillion as a managing director in New York.



**Glover**

### **IMAGINE DEFENDS CLEARWATER**

The city of Clearwater has reappointed Imagine Communications as its PR agency following a competitive pitch.

“Imagine Communications looks to build upon their progress in cementing the Floridian icon’s status as America’s premier beach destination for all ages,” Gabriele Sappok-Klink, president of the New York-based firm, told O’Dwyer’s via an email.

Imagine, which has had the account for three years, recently launched Clearwater’s “Turn off the Cold,” promotional push.

### **FOSTER OF J&J TYLENOL CRISIS FAME DIES**

Larry Foster, who led Johnson & Johnson’s PR campaign during the Tylenol cyanide poisonings of 1982 and 1986, died Oct. 17. He was 88.

The former VP-corporate relations worked at J&J for more than three decades, serving three CEOs, before retiring in 1990.

The Penn State graduate worked as a reporter and editor at the *Newark News* before moving to J&J in 1957 to help establish its first PR department.

Upon retirement, Foster wrote a biography of Robert Wood Johnson, a history of J&J (“A Company That Cares”) and “Robert Wood Johnson and His Credo: A Living Legacy.”

Seven people died in the Chicago area in 1982 after swallowing Extra Strength Tylenol laced with cyanide.

A product recall began nearly a week later after another poisoning incident in California.

J&J offered a \$100K reward after the 1982 and 1986 deaths.

PRSA gave Foster its Gold Anvil Award in 1989 for his contributions to PR.

Foster was president of the Arthur W. Page Society (1990-1992) and chairman of The Wisemen (1986-90).

A funeral mass was held on Oct. 21, at the Church of the Holy Trinity, Westfield, N.J.

In lieu of flowers, Foster’s family has asked the contributions should go to Central PA Food Bank, 3908 Corey Road, Harrisburg, PA 17109.



**Foster**

### **CA EYES INDIA TOURISM PR**

California’s large tourism promotion agency is dangling a six-figure pact to woo tourism from India.

Visit California released an RFP on Oct. 4 for an India market representative to guide PR and foster ties with the travel



trade in a bid to build on the 194K visitors from the country in 2011, good for 30% of Indians visiting the U.S. that year.

The Golden State has allocated \$200K for the year-long contract, which includes communications and PR, travel trade and product development with tour operators, airlines and similar vendors.

The state has invested in the India market since 2009 through co-operative programs and events, but Visit California notes increased competition from other destinations via the Brand USA program.

The state also faces the hurdle of air travel between California and India, which can be challenging.

Firms are being asked to submit a non-binding notice of intent to bid.

Proposals are due Nov. 12. RFP: <http://bit.ly/1fJ6ZGQ>.

**GREENWALD TO EXIT GUARDIAN FOR START-UP**

Glenn Greenwald, the columnist who broke the Edward Snowden NSA-leak story, is leaving the U.K.'s *Guardian* newspaper for a news start-up reportedly backed by eBay founder Pierre Omidyar.

"The decision to leave was not an easy one, but I was presented with a once-in-a-career dream journalistic opportunity that no journalist could possibly decline," Greenwald said in a statement, adding that because the news of his departure leaked before an announcement was prepared, details will be "unveiled shortly."

The 46-year-old Brazil-based reporter and lawyer previously wrote for Salon.com and penned three books, with another on the Snowden affair in the works.

Jennifer Lindauer, spokeswoman for the Guardian, said the paper is disappointed with his exit but "can appreciate the attraction of the new role he has been offered."

Greenwald told BuzzFeed the new venture would be a general media outlet and news site, including politics, sports, entertainment and features.

Reuters reported that Omidyar, who earlier backed a news site in Hawaii, *Honolulu Civil Beat*, is a key backer of the Greenwald project.



**Greenwald**

**INTERNATIONAL NYT LAUNCHES**

The *International New York Times* officially launched Oct. 15 with a letter from publisher Arthur Sulzberger on the front page that promised to maintain the tradition of journalistic excellence and innovation of the predecessor paper *International Herald Tribune*.

The IHT will be a "news report tailored specifically for the valued members of our global audience," he wrote.

The idea is to create "a single, unified global media brand, which will allow us to expand our digital hubs, grow our editorial team, add more international voices in news and opinion, and increase the coverage provided by some of our best writers from around the globe."

Sulzberger noted that the NYT only few decades ago was a "respected but metropolitan paper" that transformed itself into a national newspaper.

He wants the IHT to follow that path on a global basis because the "need for high-quality, authoritative, on-the-ground reporting and analysis from around the world has never been greater."

**VANDEHEI TAPPED AT POLITICO, CAPITAL NY**

Politico co-founder and executive editor Jim VandeHei will succeed Fred Ryan as CEO and chief Capital New York.

Allbritton Communications CEO Robert Allbritton said the parent company is giving VanderHei "a big new portfolio and mission" of running the business and developing new ventures.

He said VanderHei started as editor and has "grown into a strategic business thinker who just happens to have journalistic instincts."

Allbritton noted that Vanderhei and Politico editor-in-chief John Harris "share my vision for creating a first-class business and editorial culture and taking calculated risks during this period of upheaval and opportunity."

**ROSENBLATT LEAVES DEMAND MEDIA**

CEO and co-founder of Demand Media Richard Rosenblatt will resign the helm of the content provider effective Oct. 31.

Co-founder Shawn Colo will take the interim CEO slot, while James Quandt moves to the chairman post.

A search is underway for a permanent CEO.

Demand, which launched in 2006, relies on freelancers to produce written and video material.

Google's decision to change its search algorithm to eliminate low-grade content has hurt Demand's performance.

Colo said he's been involved in all facets of the business and remains bullish about Demand's business model.

Prior to Demand, he was principal at Spectrum Equity Investors, a \$4 billion private equity firm.

Demand is based in Santa Monica.

**SEVENTEEN FORGES YOUTUBE ALLIANCE**

Hearst Corp.'s *Seventeen* magazine is establishing a YouTube channel for the teenage girl audience.

The channel will feature original Seventeen material from venture partner Awesomeness TV, which is part of DreamWorks Animation, and items created by the audience.

Awesomeness has a network of more than 80K teen-oriented YouTube channels that reach more than 25M viewers.

Seventeen's "Hello Style" fashion channel on YouTube has about 175K subscribers.

Hearst recently unveiled a cable TV network for *Esquire*.

**RODALE HIRES DOW JONES VETERAN**

Rodale has hired Dow Jones veteran Scott Schulman for the president slot at the health and fitness-oriented publisher. He starts Oct. 28.

Schulman departed Dow Jones after a 13-year run with the June 2012 arrival of Lex Fenwick as CEO.

He was president of the corporate market groups and publisher of the *Wall Street Journal's* online version.

Maria Rodale, CEO, credits Schulman for understanding the "business of digital content" and possessing the smarts to make the "bold moves" needed to drive growth and profitability.

Rodale publishes magazines such as *Men's Health*, *Bicycling* and *Runner's World*.

**MEDIA NEWS****SUNIEWICK SEEKS NBCU/COMCAST SYNERGY**

Maggie McLean Suniewick has been named senior VP of strategic integration at NBC Universal to seek programming, technology and marketing synergies with parent company Comcast.

She reports to Steve Burke, CEO of NBCU, and Neil Smit, CEO of Comcast Cable.

Suniewick, who retains the executive VP-programming title at Comcast, takes charge of NBCU's "Symphony" cross-marketing effort that had been headed by Page Thompson, who is now president of Universal Parks.

Prior to the programming slot, Suniewick was VP-strategy and development for Comcast Interactive Media and a seven-year veteran at Oxygen Media.

Suniewick's promotion comes as NBCU is gearing up to broadcast the Sochi Winter Olympics from Russia.

**METAL PACKAGERS HIT USAT ON BPA**

The North American Metal Packaging Alliance, the D.C.-trade group for the makers of products like aluminum cans for beverages and food, is targeting USA Today for its "distorted" coverage of Bisphenol A, which is used to coat the insides of aluminum containers.

The Alliance, which uses Stanton Communications for PR help, said this week that USAT has "consistently chosen to represent selectively" science on the health risks of BPA, most recently in an Oct. 8 piece about breast cancer. The group says the paper cited conclusions from a study that was later revised and declined to mention the "vital role" BPA resin has in "protecting public health."

Alcoa, the American Beverage Association, Coca-Cola and Dow Chemical, among others, support the Alliance. "Perhaps it is time for USA Today to recognize its readers want the full story and provide articles that appropriately consider all the research on BPA, not just that which supports the advocacy agenda of one organization," said Alliance chair and Crown Packaging exec John Rost.

**SOLOMON TO EDIT FORBESLIFE**

Michael Solomon, executive editor of digital start-up Byliner, has been named editor of *ForbesLife*, the luxury lifestyle mag of Forbes Media.

He oversees content for the magazine, which is "polybagged" with Forbes five times a year, as well as luxury content for Forbes.com.

Prior to Byliner, he was features director for the *Daily Beast*, executive editor for ESPN Books and editor of *Premier* magazine. He is also a former features editor for *Esquire*.

Solomon reports to *Forbes* magazine editor Randall Lane.

**IANNOTTA HEADS AEROSPACE MAG**

Ben Iannotta, an intelligence, military and aerospace journalist, has been named editor-in-chief of *Aerospace America*, the magazine of the American Institute of Aeronautics and Astronautics. He takes over for Elaine Camhi, who retired in August.

Iannotta started out at the *Washington Post*, before moving to *Space News* and Gannett's *C4ISR Journal*. He founded DeepDiveIntel.com in 2012.

The AIAA counts 35,000 individual and 100 corporate members.

**TWITTER LOSS SOARS, CHALLENGES ABOUND**

Twitter, the "global platform for public self-expression and conversation in real-time," registered a rise in September quarter-ended red ink to \$64.6M from \$21.6M, according to its Oct. 15 amended S-1 filing with the Securities and Exchange Commission ahead of its initial public offering.

Revenues soared 105 percent to \$168.8M from a year ago.

Twitter's advertising revenues from promoted Tweets, accounts and trends rose 123 percent to \$153.4M during the quarter.

The micro-blogging service has the bulk of its monthly active users overseas. Twitter had 53M users in the U.S. and 179M elsewhere at the end of September.

Twitter's growth is faster in Argentina, France, Japan, Russia, and Saudi Arabia than in the U.S.

The challenge is to monetize that overseas user base, which only accounts for a quarter of Twitter revenues. Each U.S. timeline view generates \$2.58 vs. 36 cents overseas.

According to the SEC document, many international markets are not familiar with digital advertising, which will "require a significant investments of time and resources to educate advertisers" about the benefits of promoting products and services via Twitter.

There are also government regulatory hurdles in the European Union and difficulties in emerging markets where users access Twitter via phones with limited functionality, rather than through smartphones, tablets and desktops. Twitter believes its operating results could be harmed by censorship or barriers erected by overseas governments.

China has blocked Twitter, while temporary shut-downs have occurred in Iran, Pakistan, Libya and Syria for political reasons.

As of Sept. 30, Twitter employed 2,300 compared to 1,200 a year ago.

CEO Richard Costolo who was paid a \$200K salary in 2012, took a pay cut to \$14K in August. He earned \$11.3M in 2012 stock awards/options.

Costolo signed an executive employment letter effective Oct. 1 that has no specific term and provides for at-will employment.

Adam Bain, who earned \$200K in 2012 salary and \$6.5M in stock/options/incentives for global revenue president duties, and Christopher Fry, who earned \$145M in pay and \$10.1M in options for senior VP-engineering work, have similar executive employment letter.

**Snags Google Exec**

Twitter has recruited J.J. Hirschle from Google as the microblogging company gears up its campaign to attract advertisers ahead of its IPO.

Hirschle, who handled media and entertainment advertising at Google, joins Twitter on Oct. 28.

## NEWS OF PR FIRMS

### RUTH EDELMAN DIES AT 84

Ruth Edelman, who helped her husband, Dan, build the Edelman PR empire from a small Chicago start-up firm, died Oct. 20 in Chicago, following an eight-month battle with acute myeloid leukemia. She was 84.

Her son, Richard, who is CEO of Edelman, called his late mother a "true partner" to Dan, visiting offices around the world and opening the door for new clients.

"She was the best new business person, finding a new CEO in town at a cocktail party, befriending him, then bringing Dan over to close the deal," said Richard. "She offered Dan advice on acquisitions or hires based on a superb intuition."

Dan predeceased her in January.

A Wisconsin native, Edelman earned an economics degree from the Univ. of Wisconsin-Madison before moving to Chicago, where she met Dan and married in 1953. She was a deputy chairman of Daniel J. Edelman Inc. and an advocate for mental health issues, serving as patient advocate and philanthropist for the National Depressive and Manic-Depressive Association and receiving the group's prestigious Jan Fawcett Humanitarian Award.

Following a private funeral in New York on Oct. 22, a Chicago memorial service is slated for Oct. 24 at Temple Sinai (15 West Delaware Place) at 11 a.m., followed by shiva at the Casino Club (195 East Delaware Place).

Edelman is survived by her sister, Rosalie Aronin, sons Richard and John, daughter Renee, daughters-in-law Roz Edelman and Susie Krohn, and three grandchildren, Richard's daughters Margot, Tory and Amanda.

More on Edelman is at [edelman.com](http://edelman.com).



Edelman

### NY MEMORIAL SET FOR ALICIA RAINBOLT

A memorial service is slated for Oct. 26 for Alicia Rainbolt, the 32-year-old VP at New York-based Lou Hammond & Associates who died from brain cancer last month.

She previously held account supervisor posts at Hill+Knowlton Strategies and Ruder Finn.

Friends of Rainbolt are invited to a service set for 10 a.m. at Redeemer Presbyterian Church on West 83rd Street in Manhattan on Oct. 26.

Services were held in Houston late last month.

A memorial fund was also set up in her honor at <http://bit.ly/17pnDmS>.

**Jackie Townsend Konstanturos**, former head of The Townsend Agency and recently CMO at Biosurplus, has formed The Townsend Team, a group of marketing strategists focused on B2B tech, higher education and life sciences clients.

Services include marketing strategy, media training, executive coaching, PR, copywriting, design and digital, among others. Charter clients include BioSurplus and Anametrix. Info: [townsendteam.com](http://townsendteam.com).

## NEW ACCOUNTS

### New York Area

**Bullfrog & Baum**, New York/Hotel Le Sereno (St. Barth, French West Indies), for PR for the launch of Le Sereno Restaurant.

**Ogilvy PR**, New York/Altec Lansing, audio electronics manufacturer, for strategic planning, content development, media relations and social media support, and Bitdefender, security and anti-virus software creator, for media relations.

**Keith Sherman & Associates PR**, New York/San Francisco Ballet engagement at Lincoln Center; "Homeward Bound," live telethon on the Military Channel to raise money for American vets suffering from PTSD; Columbia University Medical Center, for its event marking the 20th Anniversary of the film "Philadelphia" and a day of discussion about AIDS, and the national tour of comedian Colin Quinn.

**The Halo Group**, New York/Retail Gaming Solutions, lottery merchandising and affinity programs, for fall launch Lottery Rewards, a retailer based, interactive second chance sweepstakes for lottery players, for development of loyalty program parameters, brand identity, website, and a communications program.

### East

**West Cary Group**, Richmond, Va./Virginia Eye Institute, chain of eye care and surgical locations, for adv., mktg., comms. and PR.

### Midwest

**Lambert, Edwards & Associates**, Grand Rapids, Mich./SB Financial Group, publicly traded provider of financial services, based in Defiance, Ohio, for financial comms. following a re-branding initiative.

### Southwest

**Zion & Zion**, Tempe, Ariz./AV Homes, Inc., publicly traded national homebuilder, for a 30-month AOR assignment covering marketing, advertising, branding and PR/social media.

### West

**LANE**, Portland, Ore./Key Technology, design and manufacture of process automation systems for food and other industries, for IR; Travel Portland's Regional Cooperative Marketing Program; Rim Hospitality, hotel management company; United States Tennis Association Pacific Northwest; Blue Heron French Cheese Company; José Andrés Foods; Riverhouse Food Products; Skout Natural Foods, and Eid Passport, identity management solutions, for PR.

**K/F Communications**, San Francisco/Extreme Reality, full-body software-based 3D motion control for touchless user interface experiences to any computing device and operating system via a camera; Defense.Net, IT security; M-Files, enterprise content management, for PR.

**Agnes Huff Communications Group**, Los Angeles/Hotel Shangri-LA, as AOR for national and global PR for the oceanfront hotel in Santa Monica marking its 75th year in 2014.

**Konnect PR**, Los Angeles/Menchie's, self-serve frozen yogurt franchise, as AOR for PR.

**PMBC Group**, Beverly Hills, Calif./Locca, Austrian start-up focused on GPS location devices, for PR.

**NEWS OF SERVICES****HACKERS CRACK PR NEWSWIRE DATABASE**

Hackers broke into a PR Newswire database containing thousands of overseas customer records earlier this year, the company acknowledged last week.

PRN CEO Ninan Chacko said a database that primarily houses access credentials and business contact information for customers in Europe, Middle East, Africa and India was compromised. "We are conducting an extensive investigation and have notified appropriate law enforcement authorities," he said. "Based on our preliminary review, we believe that customer payment data [was] not compromised." The data was found on a hacker server where stolen Adobe source code was recently discovered, according to *ComputerWorld*.

IT security writer Brian Krebs wrote on Oct. 13 that the date/time stamps on the PRN data indicated the breach occurred on or after March 8. He said when a copy of the data was presented to PRN they confirmed ownership.

PRN acknowledged the breach publicly on Oct. 16 in a blog post by Chacko, after privately notifying customers.

While Krebs said there are no indications the data was used maliciously, Alex Holden, the chief information security officer for Hold Security who worked with Krebs on the story, said the PR information reads like a "who's who of PR firms and Fortune 1000" companies and suggested it could have been used to wreak havoc on financial markets.

Cision was the victim of a phony press release scam last week in Sweden, causing it to beef up security procedures after shares in two biometric companies spiked.

PRN, which uses both digital and human safeguards in disseminating content, said it is requiring new passwords for customers in the hacked database. "From an internal perspective, we continue to implement security improvements and additional protocols to help further protect user portals and customer and proprietary information," he wrote in a blog post.

Both Cision and PRN have notified authorities of the breaches.

**MD HEALTH ENTITY SEEKS PR VENDOR**

The Maryland Health Care Commission is on the hunt for a PR services vendor to monitor traditional and social media with a goal of improving media outreach.

The commission, based in Baltimore, is an independent regulatory body whose chair also heads the Old Line State's health exchange board under the Affordable Care Act.

An RFP covers monitoring and analytics, a daily digest of clips for the commission's PR liaison, and building a media contact database.

Proposals are due Oct. 28. RFP: <http://bit.ly/18CpTeb>.

**UPCOMING:** Washington, D.C. media panel for public information officers and PR pros on communicating research to the press. Panelists from CNN.com, Wired.com, Huffington Post, NY Times and Wall Street Journal. Info: <http://bit.ly/16q1Q0v>.

**PEOPLE****Joined**

**Mary Cunney**, senior media supervisor, MSLGroup, to GolinHarris, New York, as media director. She was previously at Edelman and has handled United Technologies, Invest in France, Rolls Royce and WorldFund, among others.

**Cunney**

**Ellen Satterwhite**, program director, Gig.U, The University Community Next Generation Innovation Project, to The Glen Echo Group, Washington, D.C., as director. Earlier, she was consumer policy advisor to the FCC's Consumer and Governmental Affairs Bureau.

**Erin Donovan**, independent consultant and former comms. staffer at the American Chemistry Council, to the Consumer Specialty Products Assn., Washington, D.C., as VP of communications. She was previously with Rowan & Blewitt and DuPont. CSPA reps makers of insecticides, cleaners and polishes, among other products.

**Dominga Gardner** to director of PR, BCF, Virginia Beach, Va. Destiny Gensemer, formerly of Murphy O'Brien and Ballantines PR, joins as an A/E handling the Virginia Beach CVB and Alexandria CVB accounts.

**Rebecca Boles**, interim publisher of the Pensacola News Journal, to Gulf Power Company, Pensacola, Fla., as corporate communications director. GPC is owned by Southern Company.

**Freshwater**

**Tim Freshwater**, former vice chairman of Goldman Sachs, to Brunswick Group, Hong Kong, as a senior advisor, the latest Brunswick foray into Asia. He previously held senior posts at global law firms Slaughter and May and Jardine Fleming.

**Mark W. Kroeger**, 61, to executive VP and chief communications officer, Scripps Networks Interactive, Knoxville, Tenn. He has led IR and corporate comms. as senior VP for the past five years and reports to CFO Joseph NeCastro. He first joined the company in 1978 as a reporter at its Evansville, Ind., paper.

**Promoted**

**April Nelson** to group director at Beehive PR, St. Paul, Minn., overseeing a portfolio of financial services, education, retail and healthcare accounts. She joined in 2010 and has repped 6pm.com, Rasmussen College and Coloplast Corp.

**Nelson**

**Dan Berger** and **Nathaniel Brown** to senior VPs, corporate communications, 21st Century Fox. Bergen is in Los Angeles, while Brown is based in N.Y.

**Brian Fulton** to senior VP, DVL PR & Advertising, Nashville. He joined in 2009.

**Amy Rohn** to senior VP and director of PR, Lindsay, Stone & Briggs, Madison, Wisc. The new post at the firm reports to president/COO Phil Ouelette and founder/CEO Marsha Lindsay. PR clients include Chiquita, TriCalm, and Marshfield Clinic.

## **CHICKEN CO GETS PR HELP IN CRISIS**

Foster Farms, the Livingston, Calif., poultry producer suspected by the USDA as the source of a salmonella outbreak this month, is leaning on a San Francisco PR firm for support.

The company is working to win back customers after the USDA accepted its plan to address food safety violations and allowed Foster to keep its products on shelves and three plants open. Amid the government shutdown last week, the USDA released a public health alert on Oct. 7 about salmonella contamination in raw chicken processed at the Foster facilities. An estimated 300 people fell ill during the outbreak.



San Francisco-based Fineman PR is Foster Farms' longtime PR firm and helping the company manage the PR fallout from the crisis. Agency president Michael Fineman and VP Lorna Bush rep Foster Farms.

Food safety officials have raised eyebrows – and drawn some high-profile media criticism – for not issuing a recall. California public health director Ron Chapman said the chicken is safe for consumption.

Foster Farms president and CEO Ron Foster expressed “regret” for any illness borne from its products in a statement Oct. 10. “We have worked relentlessly to address these issues and will continue to do so as we work to regain consumer trust and confidence in the Foster Farms brand,” he said.

## **JF STEERS \$240M+ TRUCKING SHOWDOWN**

Knight Transportation is relying on PR support from Joele Frank, Wilkinson Brimmer Katcher as it makes a hostile bid for rival USA Truck.

USA Truck rebuffed Knight's unsolicited \$9-per-share offer on Sept. 26, the same day Knight went public with the bid. Both companies are publicly traded.

Lippert/Heilshorn & Associates counsels USA Truck on the IR front.

Phoenix-based Knight said Sept. 30 that it has increased its stake in USAT to 11.3% of outstanding shares and is talking to the company's largest shareholders. Joele Frank vice chair Andrew Brimmer, partner Andrew Siegel, and managing dir. James Golden advise Knight.

USAT, based in Van Buren, Ark., said Knight's offer “substantially” undervalues the company and is not in the best interest of shareholders. It also chided the company for going public after rebuffing a USAT offer to meet.

On Oct. 10, it launched a breach of contract suit against Knight, alleging that it used confidential information to begin “a creeping hostile acquisition.” Knight said its offer – worth \$242M including assumption of USAT debt – is a 39% premium on USAT's Sept. 25 closing price and values the company at \$95M.

USAT adopted a shareholder rights plan last year, after posting a \$6.1M Q3 net loss, to protect against a takeover. Q2 2013 revenue was \$115.5M, up 7.7%.

## **NRDC NAMES BENENSON COMMUNS. CHIEF**

Lisa Benenson has left a senior VP role at the U.S. Fund for UNICEF for the top communications slot at the Natural Resources Defense Council in New York.

The former journalist heads a global staff of 40 covering marketing, digital and other communications disciplines as chief communications officer for the non-profit environmental group with 1.4M members and activists.

Climate change, ocean revival, clean water and endangered wildlife are among the NRDC's top causes.

She exits UNICEF after a year overseeing marketing and communications.

Benenson was previously a consulting editor at *Newsweek* and the *Daily Beast*, founding editor of *Hallmark Magazine*, and held top roles at *Working Mother* and *Working Woman*. She started out as a reporter and editor for *Newsday* and the *Denver Post*.

Former White House correspondent Ed Chen is director of communications for the NRDC in D.C.

## **RALPH LAUREN SHUFFLES PR, COMMS., MKT.**

Designer clothing company Polo Ralph Lauren Corp. has reorganized its corporate communications, marketing and advertising operations.

Licensing chief Jeff Morgan takes the new role of president, Polo Ralph Lauren Media Group atop its global marketing, advertising, media, corporate communications and e-commerce operations. He reports to CEO Ralph Lauren and COO Roger Farah.

The publicly traded company has also created a new senior VP role overseeing global marketing, PR and licensing taken by former marketing and advertising senior VP Paddy Byng. David Lauren, one of Ralph's three sons who was EVP of advertising, marketing and corporate communications, takes a senior VP role, adding e-commerce to his duties under Morgan.

PRL also promoted Mary Randolph Carter to senior VP, advertising.

In a statement, Ralph Lauren said the four execs would play a key role in the company's long-term strategic marketing, advertising and communications initiatives on a global scale.

Longtime VP of corporate communications Ann Buford remains in that role.

## **PENTAGON PRESS CHIEF TO RETIRE**

Pentagon spokesman George Little today said he will retire Nov. 15. as press secretary and assistant to the Secretary of Defense for PA.

He held the job for more than two years and earlier did a four-year stint as spokesperson for the CIA.

The search is on for his successor.

In a statement, Little noted that he has a “wonderful wife and two young sons” and needs “to turn more of my focus to weekend soccer games, helping with school homework and building Lego sets.”

He thanked President Obama for the opportunity to serve in his administration and praised DOD Secretary Chuck Hagel, predecessor Leon Panetta and former CIA chief Mike Hayden as outstanding public servants.

## PR OPINION

**The death on Oct. 17 of Lawrence Foster, 88, former VP-PR of Johnson & Johnson,** has touched off a slew of false references to how J&J reacted in the wake of seven people dying in 1982 after taking poisoned Tylenol Extra Strength capsules.

Obits are laced with words such as “immediate,” “gold standard of crisis communications,” “forthright press relations,” and “concise and rapid response,” none of which are true.

J&J’s quest for profits and its inability to stop selling its flawed, most profitable product, led to the death of 23-year-old Diane Elsroth <http://tinyurl.com/cmkm2up> of Peekskill, N.Y., on Feb. 17, 1986. She took Tylenol capsules that had been spiked with cyanide just like they were in 1982.

Only after her death did J&J pull the capsules from the market. CEO James Burke, addressing a press conference at the National Press Club Feb. 19, 1986, was asked if he was sorry that J&J ever re-introduced the capsules. “Yes, indeed, I am,” he replied.

Many pharmacists would not sell anything in capsules because they could be easily pulled apart and spiked.

### **No Withdrawal; Burke Dined with Students**

J&J “held off on the huge recall through the first weekend after the deaths,” says an essay by Tamara Kaplan of Penn State titled “The Tylenol Crisis: How Effective PR Saved Johnson & Johnson.”

An announcement went out immediately telling people not to consume any Tylenol products.

Burke spent the weekend of Oct. 1-3 with his son at Middlebury College, Vermont.

An obit on Burke by Katie Thomas in the Oct. 1, 2012 *New York Times*, says: “Three days into the first Tylenol poisonings in 1982, he (Burke) traveled to Vermont to visit his son for parents’ weekend at Middlebury College. His son said he had assumed that his father would be too busy to make the trip but Mr. Burke insisted and took eight of his son’s friends out to dinner. He sat and asked each of them, ‘If you were me, what would you do,’ James Burke, who is an independent film producer, recalled on Monday. He asked everybody he could think of what would be the right thing to do, and then took what made sense to him and his values.”

The “right thing to do” was never sell anything again in capsules.

### **“Tamper-Resistant” Packaging Debuts**

J&J, which didn’t hold a press conference after the seven Chicago murders, suddenly decided to hold a teleconference Nov. 11, 1982 at New Brunswick, N.J., when it wanted to tout its “tamper-resistant” packaging.

This was classic PR spin and misdirection—focus attention on the packaging when the real culprit was the flawed capsules. J&J did not want to have a press conference after the initial murders because there would have been many questions on how the company delivers Tylenol to stores.

Scott Bartz, a J&J employee from 2000-07, in his

499-page *The Tylenol Mafia*, described the many hands that Tylenol’s main ingredient, acetaminophen, goes through on its way from J&J to stores.

Some Tylenol was shipped in bulk in fiber drums (powder or capsules) to repackagers who bottled it and packaged it. Cartons containing 72 Tylenol bottles were shipped to distribution centers where they were opened by warehouse workers who put individual bottles into “picking” machines. Workers boxed the items for stores. Rack jobbers then restocked the shelves, another handling.

Details surrounding the death of Elsroth raise many doubts and questions.

The FBI at first said the poisoned capsules were in a bottle that had not been tampered with. X-rays showed no signs that the bottles had been invaded—no cuts, no holes and no needle marks. However, the FBI on Feb. 26, 1986 suddenly reversed itself and said that “previously undetected signs of tampering have now been discovered using sophisticated scientific examination...it was possible to invade the bottles after packing was complete...”

### **Foster Gives Version to Students**

Foster, who received the Gold Anvil of PR Society of America in 1989 in recognition of PR for Tylenol, which had won a special Silver Anvil of the Society in 1983 (after it lost in the “Emergency PR” category), said in an interview with his alma mater, Penn State, that he knew how the bottles were invaded in 1986.

The murderer, he said, “managed to cut through the bottom of the plastic container bottle, remove the capsules, put the cyanide capsule in, and they managed to get the piece back in the bottle and get it on the shelf so it was undetectable. In other words, you don’t have to go through any of the safety seals at the top of the bottle.”

Bartz found this explanation to be preposterous—“completely false and unbelievable” because it conflicted with what both J&J and the FBI have been saying for many years.

Foster left out the problem of invading the box sealed with glue that could only be dislodged by tearing it, said Bartz.

### **NYT Swallowed Many J&J Pills**

NYT has a long record of writing positively about J&J’s handling of the Tylenol murders.

“Tylenol made a hero of Johnson & Johnson: The recall that started them all,” was the headline on a story in the March 22, 2002 NYT by Judith Rehak. It praises Burke for his “forthrightness in dealing with the media” and says J&J only two months later (it was actually six weeks) put Tylenol back on the market in “tamper-proof packaging.” J&J only referred to “tamper-resistant” packaging.

The PR on Tylenol was called “Exhibit A in the lesson book on forthright crisis management” by Peter Goodman in the Aug. 21, 2010 NYT feature that ran nearly three pages.

J&J was praised for its “fast and adept” handling of the 1982 Tylenol murders in an article a May 3, 2010 article by NYT reporter Natasha Singer.

— **Jack O’Dwyer**