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Editor-in-Chief

# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

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## CDC SEEKS INPUT FOR RAPID RESPONSE PR

The Center for Disease Control and Prevention focused on environmental health and toxic substances is reaching out to PR and advertising agencies for input on mounting rapid communications responses to issues, specifically asbestos, a precursor to a possible RFP.



A detailed "sources sought" request by the National Center for Environmental Health, Agency for Toxic Substances and Disease Registry said the call for interested agencies could precede a solicitation for pitches or be used for informational purposes in PR planning by the federal agency.

The request, however, includes many details of an RFP and asks for input on PR assignments like plans for developing Q&A messaging for asbestos-related communication, fact sheets and backrounders, media distribution and planning, press event logistics, and other PR-related tasks.

The NCEH does health studies and other investigations at hazardous waste sites like Superfund locations. "Issues at such sites often arise suddenly in response to emerging science, news events and or new information presented," says a copy of the document issued April 13 to PR and ad agencies.

It notes an "urgent need to have in place response mechanisms to address public concerns" arising from such issues.

The request is open under federal procurement rules to agencies eligible to pursue federal contracts.

Responses to the request are due by April 29.

## LEWIS CONNECTS WITH UNISYS

Lewis PR has won an RFP review for IT giant Unisys' U.S. corporate PR account.

The San Francisco-based firm, as AOR for the U.S., said it will work with the Unisys corporate PR team to highlight thought leaders, products and services in traditional and new media.

The federal government market will also be a focus.

Weber Shandwick was the incumbent, handling the account since 2008.

Jim Kerr, VP of global PR and regional communications for Unisys, said of the hire: "We want to make sure the world knows the kind of work we're doing."

Unisys, based in Blue Bell, Pa., had revenue topping \$4B in 2010.



## IPG'S ROTH GETS 60% COMP HIKE TO \$10.2M

Interpublic CEO Michael Roth enjoyed a 60 percent surge in 2010 total compensation to \$10.2M as the financial turnaround of the once-troubled ad/PR combine picks up steam. IPG recorded a 96 percent rise in 2010 net to \$281M on an 8.7 percent revenue rise to \$6.5B.

The bulk of Roth's financial gain stems from the rise in value of stock awards from \$1.7M in 2009 to \$3.3M last year. Non-equity incentive plan comp jumped from \$1.5M to \$3.4M. Roth's base salary remained at the \$1.4M mark, according to IPG's proxy.



Roth

Frank Mergenthaler, executive VP and chief financial officer, registered a 63 percent jump in overall comp to \$4M, while Philippe Krakowsky's package rose 60 percent to \$3M.

IPG's compensation committee of the board gave Roth a "very good" rating for a strong 2010 operating performance, while Mergenthaler and Krakowsky got "exceptional" scores.

## B-M BAGS POLAND'S EU PRESIDENCY

Burson-Marsteller has picked up a \$1.5M piece of business from Poland as that country is slated to helm the EU presidency in July, according to the *EUObserver*.

The WPP unit is to help Polish officials brush up on media relations skills, arrange press trips, monitor global coverage and organize cultural events.

B-M's offices in Warsaw and Brussels will coordinate the activities. They will focus on logistics and PR "nuts and bolts," rather than promoting the political policies of Poland and its Prime Minister Donald Tusk.

The presidency offers Poland a high-profile platform to counter "anti-Eastern European snobbery" held by Western European members of the EU, such as France.

B-M is to be paid by funds from the EU, which set aside money for the Polish presidency in 2004 when Poland joined the EU.

The \$150M presidency budget will support more than 100 additional staffers for the Polish Embassy to the EU in Brussels.



## **OMC 1Q NET JUMPS 24%**

Omnicom Group reported a 23.6 percent surge in first-quarter net to \$201.9M on a 7.9 percent rise in revenues to \$3.2B.

PR operations (Fleishman-Hillard, Ketchum, Porter Novelli and Kreab Gavin Anderson) inched ahead by 3.9 percent, trailing the 7.8 increase of OMC's advertising unit, 8.8 percent jump in specialty operations and 8.9 percent advance of the CRM group.

Organic PR growth rose 1.9 percent.

OMC CEO John Wren shelled out \$224M in acquisitions during the period.

Those additions include Voce Communications (acquired by Porter Novelli in February), Communispace (consumer research), Clemenger Group (Australia), Fanscape (social media), Saffirio Tortelli Vigoriti (Italy) and EJE (Puerto Rico).

## **PHOENIX AIRPORT REVIEWS RELOCATION PR**

Phoenix's international airport is reviewing its six-figure PR account supporting a program that offers homeowners a buy out if they reside in an area affected by air traffic noise.

Phoenix Sky Harbor International Airport issued an open RFQ on April 20 and is calling for PR pitches through May 18.

The campaign backs the city's Voluntary Acquisition and Relocations Services Program, or VARS, which is funded by the Federal Aviation Administration.

Phoenix-based PR and advertising agency Arvizu is the incumbent on a \$324,000, year-long contract through June.

The account includes community outreach and PR targeting multicultural audiences.

Download the RFP at [odwyerpr.com/rfps](http://odwyerpr.com/rfps).

## **NASDAQ'S DAVI TO MARSH & MCLENNAN**

Silvia Davi, VP of corporate communications and global broadcast media strategy for Nasdaq OMX, is stepping down after eight years there to head corporate communications at insurance and professional services provider Marsh & McLennan Companies.

Nasdaq OMX last June tapped Newsweek PR chief Frank De Maria to lead global PR and corporate communications.

Jeremy Lehrman of M&MC corporate communications told O'Dwyer's that Davi will make the move on May 2.

The post had been vacant. Al Modugno left the company as senior VP and director of external communications in October after 14 years.

Davi was a PR director for Instinet before moving to Nasdaq, which acquired Instinet in 2005. Earlier, she was at Edelman and Ogilvy PR Worldwide.

Marsh & McLennan posted 2010 revenue of \$10.5 billion.



**Sky Harbor Int'l**



**Davi**

## **SURVEY: SPILL LOOMS OVER GULF HOTELS**

Only 37 percent of hotels in the Gulf Coast region say they have recovered financially from the effects of last April's BP oil spill, according to a survey.

Seventy-one percent of the hotels surveyed across Alabama, Florida, Louisiana, Mississippi and Texas said group sales were affected by the spill while 72% said some form of hotel business was lost following the disaster.

One-third saying they lost "a lot" of business because of the disaster and fewer than half said group bookings have returned to pre-spill levels.

TKG said surveys conducted last year in May and June after the spill showed hoteliers reported cancellations steadily increased throughout those two months. The end of June showed an upswing, but only because cleanup crews were taking rooms.

Several hoteliers told the research firm that the disaster has sparked contingency planning, as 20% said they now have a plan in place and 21% are working on one.

## **SV WORKS SEAGATE-SAMSUNG DEAL**

Sard Verbinnen & Company is counseling longtime client Seagate Technology and supporting media relations as the data storage company moves to acquire Samsung Electronics' hard drive business for \$1.4B.

The deal, announced April 18 and expected to close by the end of 2011, puts Korean-based Samsung's disk drive arm under Seattle-based Seagate in exchange for cash and stock, as well as a seat on Seagate's board.

Paul Kranhold, managing director for SV&C, and John Christiansen, principal, are handling the Seagate business for the firm out of its San Francisco office.

The company's called the acquisition a "broad strategic alignment."

Edelman handles Samsung's global PR account, as well as its semiconductor business while Weber Shandwick works U.S. corporate communications and consumer PR.

## **CANCER SITE START-UP SEEKS PR**

IHadCancer.com, a start-up social network and information center revolving around people's cancer stories, is on the hunt for a PR agency via open RFP.

The site is being developed by Mailet

Lopez, a breast cancer survivor who also co-founded New York digital agency Squeaky Wheel Media.

Lopez is looking for PR assistance for IHadCancer's web presence and overall brand, including media relations and outreach, according to the RFP on the developing site.

Info has been posted at this link.



**Samsung hard drives**



## **NET PLUNGES 58% AT NEW YORK TIMES CO.**

The New York Times Co. on April 21 reported a 58 percent plunge in first-quarter net to \$5.4M due to soft advertising “reflecting the uneven economic environment,” according to a statement from CEO Janet Robinson.

Total ad revenues dipped 4.4 percent to \$299M. Print ads slipped 7.5 percent while digital was up 4.5 percent.

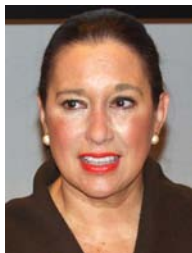
Robinson cited the launch of digital subscription packages as an “important milestone” for the company.

The NYT sold more than 100,000 digital subs since the paywall was erected in March. Robinson is “pleased with the number of subscribers” as “initial volume has meaningfully exceeded our expectations.”

The company said it “does not yet have visibility into conversion and retention rates for these paying customers after the initial promotion period, although early indicators are encouraging.”

The NYTC wrapped up the first-quarter with \$352 in cash and short-term investments.

While optimistic about the future, Robinson noted that challenges for the “company and for the larger economy are not yet behind us.”



**Robinson**

## **HARMAN TO NEWSWEEK/BEAST BOARD**

The wife of the late Sidney Harman has been named to the board of Newsweek Daily Beast.



**Harman**

Former California Congresswoman Jane Harman, 66, promises to “support the best of journalism – in print, digital and mobile,” according to a statement from the Harman family.

The statement said the family “fully endorsed Sidney’s vision to save and restore *Newsweek* and to merge it with the Daily Beast.”

Audio magnate Sidney Harman bought Newsweek from the Washington Post Co. and merged it with IAC/Interactive’s *Daily Beast* website. The 91-year-old died from leukemia earlier this month.

Jane Harman resigned her seat in Congress earlier this year to serve as president & CEO of the Woodrow Wilson Center.

## **FIRED ISSA SPOKESMAN LANDS AT CALLER**

Kurt Bardella, who was fired as press secretary to Rep. Darrell Issa in March after sharing emails from reporters with the *New York Times*, has landed at the *Daily Caller* as director of communications.

He takes over for his replacement in Issa’s office, Becca Glover Watkins, who was spokeswoman for the Caller before moving to the congressman’s office in early March.

The news and aggregation website was founded by pundit Tucker Carlson.

Carlson said in announcing the hire that Bardella would help promote the site, its reporters and bloggers to the Hill and media outlets. He’ll also pitch in for tech

projects “in the pipeline.”

Bardella was fired by the powerful California Republican Issa after *Politico*’s editor John Harris raised concern with the congressman that Bardella had shared emails from Politco reporters with Times reporter March Leibovich for a book project.

Issa fired Bardella a few days after saying he would investigate the claim. “Though limited, these actions were highly inappropriate, a basic breach of trust,” Issa said in dismissing the press secretary.

Bardella was press secretary for Sen. Olympia Snowe (R-Me.) before joining Issa in January 2009. He previously worked in PR at San Diego-based Benedetto and Danon PR.

## **TWO JOURNALISTS DIE IN LIBYA**

Photojournalists Tim Hetherington and Chris Hondros were killed April 20 in Misurata, Libya after their position came under bombardment from forces loyal to Col. Gadaffi.

Hetherington died on the scene of the attack, while Hondros was taken by rebels to a hospital, where he died hours later from a brain trauma.

Two other photographers were seriously wounded.



**Hetherington, Hondros**

Hetherington, who was born in the U.K., was on assignment for *Vanity Fair*. He is remembered as co-director of “Restrepo,” a documentary about U.S. soldiers based on an outpost that was under siege in Afghanistan’s Korengal Valley, which is billed as “the deadliest place on Earth.”

Restrepo was co-directed by Sebastian Junger, writer of “The Perfect Storm.” It was nominated for an Academy Award and named the best documentary at the 2010 Sundance Film Festival.

Hondros was working for Getty Images. Getty released photos of house-to-house fighting taken by Hondros on April 19.

The *New York Times* and *Wall Street Journal* featured a photo by Hondros in their April 21 editions.

In a statement, Getty said: “Chris never shied away from the front line having covered the world’s major conflicts throughout his distinguished career and his work in Libya was no exception.”

The Committee to Protect Journalists reports that four journalists have been killed in the Libyan revolt.

The Government of Libya expressed “sadness” over the deaths.

**Fifty-four magazines launched and 24 closed** during the first quarter of 2011, according to MediaFinder.com. Top categories for new launches were regional interest, food, and women with titles like *Plum Miami*, *Gourmet Italian Kitchen*, and *Harmony Magazine*. The crafts category topped the list of closures. *Access Direct TV*, *Continental*, and *Parade HealthyStyle* were among those shuttering.

**ADLER PUTS MARK ON REUTERS**

Stephen Adler, who assumed the editor-in-chief slot at Reuters News two months ago, has hired journalism heavyweights Paul Ingrassia and Jim Gaines.

Ingrassia, an automotive writer, is former president of Dow Jones Newswires. He takes the deputy editor-in-chief slot for news content creation at the wire service.

Gaines, ex-managing editor of *Time*, *Life* and *People*, is now ethics, standards and innovation editor at Reuters.

Adler also added Reg Chua, former editor-in-chief of *South China Morning Post*, to the data editor spot to capitalize on various databases of Thomson Reuters. Stuart Karle, ex-general counsel of the *Wall Street Journal*, is now COO in charge of staff functions at Reuters.

Adler, a veteran of *BusinessWeek* and the *Wall Street Journal*, says while Reuters is committed to “being second to none in speed, accuracy, relevance, and fairness,” he wants to carve out a reputation for “enterprise, insight, analysis, and originality.”

**ROLLING STONE CHIDES PENTAGON**

*Rolling Stone* has chided a report from the Pentagon inspector general, charging its “Runaway General” article that triggered last year's ouster of General Stanley McChrystal contained inaccuracies.

The report concluded that “not all of the events at issue occurred as reported in the article.”

The magazine, in a statement on its website, notes that the IG “offers no credible source — or indeed, any named source — contradicting the facts as reported in our story.”

RS believes the Pentagon study confirmed its reporting since DOD “was unable to find witnesses who acknowledged making or hearing the comments as reported.”

The magazine said it is not surprised that no one stepped forward “given that the civilian and military advisors questioned by the Pentagon knew that their careers were on the line if they admitted to making such comments.”

To RS, “asking unnamed sources to reveal their identities strikes us as an exercise in futility.”

McChrystal issued an apology after the Runaway General piece was published because the content of the article fell “far short” of this personal standards.

**WAL-MART TAKES SOCIAL MEDIA PLUNGE**

Wal-Mart Stores signed a deal to acquire Kosmix, the Mountain View, Calif.-based social and mobile commerce company in Mountain View, Calif.

The firm was founded by Venky Harinarayan and Anand Rajaraman, whose first company Junglee as sold to Amazon.com in 1998.

With completion of the acquisition slated by the end

of June, Kosmix will become part of @WalmartLabs, the retailer's Silicon Valley think tank.

Wal-Mart vice chairman CEO Eduardo Castro-Wright says the deal was made because “social networking and mobile applications are increasingly becoming part of our customers' day-to-day lives globally, influencing how they think about shopping both online and in retail stores.”

Kosmix, a platform to break down social content by topic, is paired with RightHealth, health and medical information, and TweetBeat, a real-time social media filter for live events that attracted more than 5M visitors last year.

Wal-Mart registered fiscal 2011 revenues of \$419B.

**NPR DIALS UP PR FIRM SEARCH**

Embattled National Public Radio is looking for a PR firm to burnish its image after a string of reputational mishaps, including the ouster of President Vivian Schiller, and a reinvigorated Republican campaign to strip it of federal funding.

Public radio is looking to reshape opinion about it “in light of an escalating effort by others to define us in ways that are antithetical to what we stand for and who we are,” according to an offering sent to prospective PR firms.

The *Wall Street Journal* obtained a copy of the document that calls for a program to “engage and empower non-NPR employees of influence to be spokespeople and representatives for NPR.”

NPR also is eager for PR firm to help bolster sagging morale. Staffers “feel personally affected by recent events” and the media combine feels that some might even feel “beaten up.”

Corporate headhunter Spencer Stuart is searching for Schiller's replacement.

**HUFFPOST ADDS TIMES' ZELLER**

*New York Times* energy reporter Tom Zeller has moved to the newly combined AOL Huffington Post Media Group as senior reporter, energy & environment.

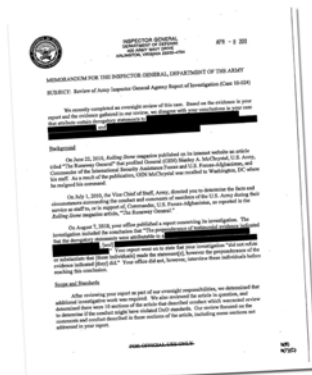
HuffPost founder Arianna Huffington called Zeller “one of America's most respected energy reporters” and said he'll cover the “economic and social implications of energy and climate policy, including the impact on the health of our communities.”

In a statement, Zeller, former editor-at-large for *National Geographic* magazine, said it's been “a source of great pride for me to walk through the doors of the *New York Times* every day,” but added, “I also think it's critically important that we continue developing and nurturing a diverse new ecosystem of quality journalism across a variety of platforms and business models.”

He founded the Times' “The Lede” blog and oversaw its “Green Inc.” blog, in addition to reporting and editing.

AOL HuffPost also said April 25 that Princeton University's associate dean of religious life, Paul Raushenbush, is leaving the college to become senior editor for HuffPost Religion, which he helped establish.

Jaweed Kaleem also recently joined HuffPost from the *Miami Herald* as a religion writer.



Download IG report (PDF)

**NEWS OF PR FIRMS****PUBLICIS Q1 REVENUE UP 10.7%**

Publicis' first quarter revenue rose 10.7% to nearly \$1.8B over 2010 on the strength of net new business wins worth \$1.9B, the French PR/ad conglomerate said April 21.

**Levy**

CEO Maurice Levy said momentum in the U.S. and Europe – particularly France and Germany – boosted revenue, as well as the continued trend toward digital.

Levy said the U.S. market is “going better and picking up” as he noted organic growth jumped 8.1% in North America to euro 632M, including 8.4% in the U.S. on the strength of digital efforts and new business.

New accounts for its MSLGroup PR division in Q1 included U.S. assignments for Special K, Sodexo, Home Depot and Ancestry.com, along with TAKA (U.K. and Dubai) and AstraZeneca (China).

Levy pointed to Publicis' 6.5% organic growth (up from 3.1% for Q1 '09) as “particularly impressive in light of the challenging base effect we are facing.”

**BACKBAY JUMPS THE POND**

Boston-based BackBay Communications has opened a London office in the city's West End to support U.K. and European clients of the firm.

Bill Haynes, president of the firm, said the firm has handled European PR work for clients for several years out of Boston and New York, but noted its financial services client base has grown to be increasingly global.

“We believe this is an ideal time to open an office in one of the world's leading centers for international finance to serve existing clients and attract new ones,” he said.

Toby Mitchenall was named director of the London outpost, joining the firm from the editor's slot at Private Equity International, a publication on the private equity industry. He was previously a manager at Citigate Dewe Rogerson.

BackBay clients include Grant Thornton, Pamlico Capital, Ridgemont Equity Partners and TA Associates.

**ROBBENS HELMS PR NETWORK**

Francine Robbens, parent at PRP - Public Relations Partners in Brussels, was elected president of Public Relations Global Network, the global group of 42 independent firms.

**Robbens**

She takes the helm from Patricia Pérez of Los Angeles-based VPE PR.

The group also announced the addition of three member firms in France, Switzerland and Brazil. They include YESwecan PR, Paris; Cabinet Privé de Conseils, Geneva, and LVBA Comunicação PR, São Paulo.

In a statement, Robbens said of the appointment: “As president, I will be aiding in the extraordinary exchange of ideas among PRGN's talented and knowledgeable members, as they lead the way in defining the communications industry.”

Clients of the 48-year-old PRP firm include Nintendo, Scotts, Danone, and Sphinx.

**NEW ACCOUNTS****New York Area**

**Susan Magrino Agency**, New York/“Diamond Dishes: From The Kitchens of Baseball's Biggest Stars,” a book by Julie Loria to be published this month by Lyons Press, for a strategic media relations campaign.

**M Booth**, New York/Montage Deer Valley, Park City, Utah, community, as AOR for PR.

**Child's Play Communications**, New York/MAM USA, designer brand for baby care products, for media relations, social media and mom-targeted word-of-mouth programs.

**Montage Deer Valley****East**

**Brandware PR**, Atlanta/Porsche Cars North America, exclusive importer of Porsche vehicles for the U.S.

Work includes external and internal comms., including brand, product and lifestyle PR, media and community relations, media events and social media on a multi-year contract. The firm previously provided project support the client.



**Concepts PR**, Washington, D.C./Dept. of Labor's Office of Disability Employment Policy, for a five-year blanket purchase agreement to provide content, web design, marketing and outreach, editing and public awareness support services, following a competitive pitch. The firm is one of multiple contenders for BPA assignments.

**Southwest**

**Richards Partners and Click Here Inc.**,

Dallas/Lifeline Skin Care, a subsidiary of Int'l Stem Cell Corp., for digital marketing strategy and PR, respectively.

**West**

**Glodow Nead Comms.**, San Francisco/

DestinationWeddings.com, wedding planning and honeymoon services, as AOR for lifestyle PR.

**Schwartz Communications**, San Francisco/

DealPulp.com, daily deals and coupons; Foodler.com, delivery and takeout ordering from local restaurants, and iTwin, secure USB device maker for file transfers, as AOR for consumer PR.

**Nadel Phelan**, Scotts Valley, Calif./Wedge Networks, network-based security solutions, as AOR for PR.

**Bateman Group**, San Francisco/Recyclebank, discount/deal site for “green” customers, as AOR for PR after a previous assignment, including corporate, partnership and consumer communications. The firm said it is opening a new offices in the Brooklyn neighborhood of Park Slope.

**DRIVEN PR**, Temecula, Calif./Elite Gudz, a Long Island-based design studio for multimedia, street art and toys, as AOR for PR.

**DIÁLOGO**, San Diego/Train!, Spanish-language development training, for event planning and conference industry education with organizations that depend on Spanish-language stakeholders, following an agency review.

— Greg Hazley

## **NEWS OF SERVICES**

### **PRN REVENUE UP 9% IN Q1**

PR Newswire parent company United Business Media reported a 13.7% increase in first quarter revenue to £237.7M, including a 9.1% rise at PRN as targeting distribution and monitoring business brought in £46.9M (about \$76M) during Q1.

UBM said that continued growth at PRN's digital/broadcast division MultiVu and Edgar filing service Vintage complemented a "robust performance" in its U.S. newswire. Its margin decreased on higher IT costs, sales and product investments and other factors.

Events are PRN's largest segment at 84.1M in Q1, a 33% increase on acquisitions and an improved climate.

### **SYNAPTIC PROMOTES FOUR**

Monica Elias has been promoted to senior VP, client solutions, at Synaptic Digital, New York.



**Willits, Elias, Heath**

The digital and broadcast PR services company also promoted three to VP in the client solutions unit: Nellie Chung, Julia Heath and Deirdre Willits.

### **BW KICKS OFF STUDENT VID CONTEST**

Business Wire has kicked off a contest for college students for a chance to meet Warren Buffett at a September event with the Berkshire Hathaway chief in New York.

The Future of Public Relations and Communications College Video Contest is part of BH-owned Business Wire's ongoing 50th anniversary and open to fulltime U.S. and Canadian students at two and four-year colleges. Entrants must submit a video of their "vision of where they see public relations and communications headed in the coming years."

BW said the top five videos will be posted to its Facebook page where fans can "like" and comment.

Deadline is July 15. Info: [facebook.com/businesswire](https://www.facebook.com/businesswire).

### **AD COUNCIL TO HONOR PEPSICO'S NOOYI**

The Advertising Council said it will honor PepsiCo chairman and CEO Indra Nooyi with its annual public service award November 16 at the Waldorf-Astoria Hotel in New York City.

The Ad Council has been giving the award to corporate leaders for a commitment to public service since 1953.

Nooyi's award will be presented by last year's recipient, Brian Roberts, Chairman and CEO, Comcast Corporation.

The council said under her direction, PepsiCo's "Performance with Purpose" mission has positively impacted individuals and communities by supporting social and environmental causes throughout the world. PepsiCo's Pepsi Refresh Project also directed millions of dollars to fund more than 1,000 ideas across the U.S.

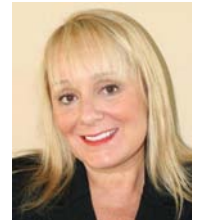
## **PEOPLE**

### **Joined**

**Parris Bowe**, previously with Lippe Taylor and Edelman, to Ogilvy PR Worldwide, New York, as senior VP, consumer marketing. She worked in-house at Sony Music Entertainment. **David Hanon**, recently with Waggener Edstrom Worldwide, joins the N.Y. consumer marketing unit as a VP. Also, **Ryan Aynes**, director of social media, JAR Group, joins as a VP in Ogilvy's 360-Degree Digital Influence division.

**Eileen Newman**, former VP of comms. for Fidelity Investments, to KCSA Strategic Communications, Boston, as VP of communications. **Paul Sagan**, who held senior comms. posts at Thermo Electron corp., Allmerica Financial and Camp Dresser & McKee, joins as VP of IR.

**Christine Bock**, founder of California-based Bock Communication in 1995, to Ruder Finn, Los Angeles, executive VP focused on mobile and telecom work. Richard Funes, president of RF/Americas, said Bock established her firm when the mobile and telecom sector "was still emerging." RF counsels Vonage, WiSpry, BoxTone, and Symphony Technologies.



**Bock**

**Emily Passini**, political director for the Democratic Legislative Campaign Committee, to Howard Consulting Group, Washington, D.C., as director of public affairs.

### **Promoted**



**Gidez**

**Chris Gidez** was named to the new post of global crisis practice leader for Hill & Knowlton, report directly to chairman & CEO Jack Martin. COO Ken Luce said crisis counsel is "critical" to the firm's success. Gidez, a Chevron and Texaco veteran, joined the firm in 2005 and has headed its U.S. risk management and crisis speciality group.

**John Procter** to partner, Gibraltar Associates, Washington, D.C. He was the agency's first employee in 2007 and joins six others in the role. Procter, a former press officer for the Coalition Provisional Authority in Baghdad in 2004, leads the firm's media relations division.

**Amanda Chaney, Nicole Floyd, Katie Hill** and **Erin Mercer** to senior A/Es, McNeely Pigott & Fox PR, Nashville.

**John Ferrari** to senior VP, finance, MWW Group, East Rutherford, N.J.



**Hill, Floyd**

He's an eight-year veteran of the firm.

**Marc Drechsler**, co-founder of Ketchum Pleon's financial unit, is relocating from Dusseldorf to New York to "drive the firm's financial communications offering," Ketchum said. Drechsler, as a senior VP, joins the firm's international group headed by Paul Cohen. He was previously with Citigate Dewe Rogerson.

## **SUSTAINABLE FISH GROUP TROLLS FOR PR**

The Marine Stewardship Council, a non-profit organization that promotes sustainable fishing, is looking to hire a PR firm.

The Seattle-based operation offers an eco-label to fisheries, retailers and restaurants to certify best practices in seafood management. It has given its blessing to Sodexo, Kroger, Costco and Wal-Mart.

MSC wants to target major media such as the *New York Times*, *Wall Street Journal*, *San Francisco Chronicle* and *Los Angeles Times* to promote its “business-based approach to environmental change.”

The PR firm also will also “buffer MSC against critics,” according to the RFP.

Greenpeace, for instance, has blasted MSC’s credibility, alleging that it has certified some fisheries where researchers have very little scientific data.

MSC anticipates a four-to-six month media campaign. It has budgeted \$50K for that effort. There’s a chance for a Phase 11 effort to build on the success of the initial media program.

That budget is set at \$25K.

Mike DeCesare, MSC’s communications director, is handling the search. He can be reached at [mike.decesare@msc.org](mailto:mike.decesare@msc.org) and 206/631-2496.

DeCesare told O’Dwyer’s a PR firm is expected to be in place by June. 1.

## **ARBITRATOR: SNIPES OWES SITRICK \$68K**

Sitrick and Company has filed papers in Los Angeles County Superior Court confirming \$68,000 is owed to the firm by actor Wesley Snipes, who is in jail on a three-year sentence for tax evasion.

An April 13 filing by Sitrick shows that the PR firm and Snipes’ representatives went through an arbitration panel which earlier this year handed down a final decision after the actor and PR firm agreed to a \$60,000 retainer plus fees as he faced trial on the tax charges in Florida in late 2007 and early 2008.

Sitrick was hired by Snipes’ attorney, Daniel Meachum.

The filing shows Snipes made two payments to Sitrick in January 2008 - of \$54,000 and \$46,000 - but the panel awarded Sitrick an additional \$68,000 based on work done in for the January 2008 trial. That figure breaks down to more than \$37K in PR fees and expenses, \$19K in attorneys’ fees and \$11K in interest.

Sitrick’s contract, signed by Michael Sitrick, set an hourly rate from \$165 to \$695.

The firm’s contract indicates it customarily requests a “success fee” if its PR services result in “significant benefits” to a client.

Snipes is serving a maximum three-year sentence in minimum security federal prison in Pennsylvania after being convicted on Feb. 1, 2008 of three misdemeanor counts of failing to file tax returns.



## **PR FIRMS WORK RESTAURANT DEALS**

Financial PR firms are enmeshed in large deals in the restaurant sector, as an upscale eatery chain faces a hostile takeover and a bankrupt casual dining brand sells off a group of restaurants.

Joele Frank, Wilkinson Brimmer Katcher is working with McCormick & Schmick’s Seafood Restaurants as the chain reviews a hostile takeover bid by Landry’s Restaurants.



M&S, via the PR firm, said April 13 that it is reviewing the unsolicited offer valued at more than \$173M. The restaurant has also hired proxy firm Mackenzie Partners.

Landry’s, controlled by LSRI Holdings and owner of a 10.1% stake in M&S, went public with its \$9.25-per-share bid April 7 saying M&S’ management and board did not respond to communications. It set a deadline of May 6 for the offer, which is a 30% premium over M&S’ share price on April 1.

Joele Frank partner Matthew Sherman leads the M&S account.



On the other end of the culinary spectrum, Abernathy MacGregor Group is handling communications for Praesidian Capital, which got court approval April 11 to acquire 20 of the remaining restaurants from the bankrupt Charlie Brown’s Steakhouse chain.

AMG senior counselor Rivian Bell works the Praesidian account.

Charlie Brown’s parent CB Holding filed for Chapter 11 protection in November and soon closed 47 of its eateries.

Kekst and Company has worked with CBH through that process and the sale of other units, including 12 Bugaboo Creek Steak House restaurants and seven Office Beer Bar & Grills.

## **EDELMAN CROWNS KING**

Edelman has moved Kevin King into the global practice chair of its 350-member digital group with the decision of Michael Slaby to join President Obama’s re-election bid.

The seven-year Edelman pro was managing director of the digital group and chief strategist on key accounts.

Edelman Digital generates about 11 percent of the No. 1 independent firm’s \$522M revenues from clients such as Unilever, eBay, American Petroleum Institute and AstraZeneca.



**King**

The firm has upped digital pros David Armano and Steve Rubel. Armano becomes executive VP-global innovation & integration.

Rubel assumes the executive VP-global strategy & insights post.

King, Armano and Rubel report to Alan VanderMolen, president/CEO-global practices & diversified insights businesses.

## PR OPINION

**Nutritionists, alarmed that one-third** of Americans are overweight, are especially targeting “sports drinks” such as Pepsi’s “G” series of Gatorade and Coke’s Powerade, saying they are not only fattening but possibly dangerous and certainly expensive.

Boston’s Carney Hospital says obesity causes nearly 10% of all annual medical spending, doubling in a decade. Boston Mayor Thomas Menino has banned “sugary beverages” in civic buildings.

The recently introduced “G” series of Gatorade products, while about half as sweet as regular Gatorade, contains three teaspoons of sugar per 20-ounce bottle, the standard size.

Traditional Gatorade had 8.75 teaspoons per 20 ounces plus 270 mg. of salt and came under heavy attack of nutritionists.

This reporter visited two supermarkets over the weekend and could find no “regular” Gatorade at all.

Mary Cade, widow of the Dr. Robert Cade, lead inventor of Gatorade in 1965, said he would have been upset by the minimizing of the Gatorade name in the new packaging. A big “G” dominates packaging and “Gatorade” is in small grey type and perpendicular.

**Nutritionists say consumers should not** be fooled by content labels on “G” and similar products that provide calorie counts in terms of “8-ounce” servings.

Thirsty youths and athletes are not going to drink less than half a bottle of “G” or some other drink, especially when guzzling it is helped by the “wide-mouth bottles,” they say.

Another beef, from a communications standpoint, is that the label on a “G” product is hard to read – tiny grey type against a slightly less grey background. It should be white against grey just like the “G” is shown.

The standard Coke size many years ago was six ounces. Now if you order Coke in a fast-food place or restaurant you get something close to a quart.

The Pepsi jingle for many years said: “Pepsi-Cola hits the spot/12 full ounces that’s a lot/twice as much (as Coke) for a nickel too/Pepsi-Cola is the drink for you.”

A 12-ounce can of regular Coke or Pepsi contains nine teaspoons of sugar. Nutritionists ask, “Would you put six teaspoons of sugar in your eight-ounce cup of coffee?”

Standard Gatorade was only supposed to be taken after lengthy vigorous exercise (1.5 to 3 hours) when you have sweated a lot and need to replace liquids, salt and glucose. Never drink a sports drink if you have not exercised, nutritionists say. For a quick recovery of body chemistry after a workout, drink water and eat a healthy meal as soon as possible, they say.

**Responding to criticisms of too much sugar** and salt in Gatorade, Pepsi in 2007 introduced its “G2” series with about half the sugar but still lots of salt – 440 mg. in a 32-oz bottle or 110 per 8-oz serving.

Food writer Amy Brantley said Jan. 28, 2008 that G2, while lower in sugar, also had a “slightly bitter aftertaste.” An 8-pack of 20-oz. bottles sold for “around \$5” at that time. The same 8-pack was priced at \$6.59 at a supermarket April 24, 2011.

The website delish.com was tough on one of the new Coke products – Odwalla. Eric Burkett wrote March 19, 2010 that Odwalla’s Blueberry B has lots of vitamins: “a 16-ounce bottle provides 720% of recommended daily allowance of B6 and several other vitamins – but they’re superfluous, at best. Your body simply passes the excess through. All the juices and purees are sugar – the bottle contains almost 12 teaspoons of

sugar.”

The blockage of information and communications is common with Pepsi and its products.

Reporters with questions about G products find that no PR pros are listed on the site and are instructed to fill out a form with at least ten blanks as though they were making a credit card purchase.

“Sports” and “energy drinks” are estimated to have about \$10 billion in sales this year. The sodas and snacks sold by Pepsi appear to be immensely profitable not only to the company but to the retail outlets that market them.

Pepsi says the retail value of its products was more than \$130 billion in 2010. Since its revenues were \$57B, this indicates that stores are marking up the Pepsi products 100% or more.

A chief reason that a penny-per-ounce tax on sodas was blocked in New York state last year was that thousands of small grocery stores said they would be put out of business if sales of soda declined.

The sports drink formula was created at the Univ. of Florida in 1965 when the “Gator” football coaches noticed that the sweat-drenched players, after hours in the sun, practicing often in full uniform, were both hungry and thirsty.

Stokley-Van Camp gussied up this simple formula and embarked on a marketing/ad blitz that made Gatorade especially appealing to athletes and the youngsters who admired them. Stokley sold the product to Quaker Oats in 1983 and Pepsi bought it in 2001.

UF and the inventors of Gatorade sued Stokley over the division of the profits and the Gatorade Trust was created in 1973. UF has received \$12 million a year in royalties totaling more than \$150M.

Former California Gov. Arnold Schwarzenegger (an iconic body-builder) wanted to ban sports drinks from schools throughout the state and won initial approval from the State Senate.

### **Pepsi Undergoing PR Shakeup**

While Pepsi PR has been putting forth an image of the company as a good citizen, its lobbyists have been working behind the scenes against taxes and other restrictions on sugar consumption.

The renewed assault on sugar may be behind the PR shakeup at Pepsi.

Nearly half of Pepsi’s \$57 billion in sales come from sweetened drinks (Pepsi, Mountain Dew, Gatorade, and international sales of 7Up).

PR head Julie Hamp, who had been at General Motors 25 years before joining Pepsi in 2008, heading GM PR in Europe in recent years, lost her direct report to CEO Indra Nooyi (pronounced “newi”).

Replacing her is Tim Cost, who has mostly been in investor relations (chair of NIRI 1998-99). Pepsi’s stock is below where it was three years ago.

A senior PR VP and three VPs departed – SVP Mark Dollins, and VPs Lynn Markley, Bernadette Wade and Patti Sinopoli.

Sinopoli was a part-time employee the past three years but had worked for Pepsi and its Quaker acquisition 21 years, rising to VP-corporate affairs for Quaker Tropicana Gatorade. She reported to Hamp. Peter Land, chief marketing officer at The Breeders’ Cup (horses) from 2007-09, is now the chief press contact at Pepsi, replacing David Dececco. He was with Edelman from 1998-07 as global mng. director and was director of marketing comms. at the NBA from 1993-98.

The Pepsi website lists no PR people. Boxes are provided where reporters may submit questions.

— Jack O’Dwyer