



Jack O'Dwyer,  
Editor-in-Chief

# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

271 Madison Ave., New York, NY 10016  
212/679-2471. Fax: 212/683-2750  
[www.odwyerpr.com](http://www.odwyerpr.com); [jobs.odwyerpr.com](http://jobs.odwyerpr.com)

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## NYS SLATES BIG BIZDEV PUSH

Ruder Finn CEO Kathy Bloomgarden and Mower and Assocs. CEO Eric Mower are PR's representatives on a nine-member committee announced Aug. 24 by New York Governor Andrew Cuomo to develop a plan to attract businesses to the Empire State.

The "New York Open for Business" campaign will get the message out to companies throughout the world that New York is a premier place for business to invest and grow," said the Governor, who assumed office in January.



Cuomo

The push includes an RFP for a "major communications firm" to help create "a bold new campaign, across all media, to promote the advantages of doing business in New York," he said. The Empire State Development Corporation is handling that process. The budget for the multi-year budget is from \$10M to \$50M.

Cuomo noted that the massive job flight that has devastated communities throughout the state has given New York an "image of having one of the worst business climates in the nation."

The Democrat believes New York is becoming more "business-friendly" in the aftermath of the deal to balance its budget without a tax hike, ethics reforms and launch of regional economic business councils. The state also boasts of an educated work force and strong network of universities and colleges.

Other members of the Cuomo panel include Donny Deutsch (chairman of Deutsch Inc.), Shelly Lazarus (chairman of Ogilvy & Mather), Ken Chenault (CEO of American Express), Robert Wilmers (CEO of M&T Bank), and Julie Shimer (CEO of Welch Allyn), among others. RFP: <http://odwpr.us/qH10i1>.

## WS ACES 'PURE MICHIGAN' PITCH

Weber Shandwick's Detroit office has picked up the "Pure Michigan" branding account in a competitive pitch to the state's strategic fund and economic development corporation.

Mike Finney, MEDC president & CEO, says the Interpublic unit's 74-country network will help "market Michigan nationally and around the world."

Gov. Rick Snyder signed legislation in March that funded the Pure Michigan brand push at \$25M. The Pure Michigan brand began in 2006 as a tourism pitch that featured the voice of actor Tim Allen, a native of the Wolverine State.

## WPP PROFIT RISES 14%

WPP recorded a 14 percent rise in first-half operating profit to \$853M on a six percent jump in revenues to \$8.9B as the U.S. economic slowdown in ad/PR spending was offset by "good growth" in the U.K. and developing world.

CEO Martin Sorrell said Aug. 24 he believes it is too early to "predict the impact of the recent correction in the world equity markets on consumer and corporate behavior," but notes there have been no cutbacks yet.

He sees a disconnection between the "macro picture as defined by the stock markets and the micro picture as defined by individual company results." He does warn that "markets look to the future, often a year or so in advance, and are rarely wrong."

Sorrell said "boardroom fear" has CEO's cutting capital spending in favor of boosting marketing outlays.

On the deal front, WPP sees a "very significant pipeline of reasonably priced small and medium sized potential acquisitions."

Sorrell has established a \$650M acquisition war chest for the year. That's up from a \$165M annual cap.

WPP looks forward to the 2012 London Olympics and U.S. presidential election, a race that could result in \$4B spending).

## CALIFORNIA RAIL SEEKS PR AGAIN

California's high-speed rail project is reviewing its multimillion-dollar account with a new RFP after Ogilvy PR Worldwide resigned the account in June.

The \$45B plan to build high-speed train lines between Los Angeles and San Francisco has faced public criticism and various setbacks, and Ogilvy quit the account after less than two years amid reports that both client and agency were not on the same page.

The California High Speed Rail Authority issued the new RFP on Aug. 23 with a deadline set for Sept. 7.

The RFP notes that Ogilvy terminated its work in June and is currently serving in a transition role. It had billed more than \$2M through February 2011.

Ogilvy edged Porter Novelli and Mercury Public Affairs to win the account in 2009.

The Authority said there is a maximum of \$1.1M available for the PR pact in the current fiscal year with future years estimated at \$1.7M through 2014.

"Simply put, the contractor will be responsible for assisting in the success of the implementation of high-speed rail in California by explaining key decision points of the project to a broad audience," reads the RFP. That includes a long-term communications strategy and helping to execute it.

RFP: <http://odwpr.us/qW3oKL>.

## **BC REPS 'TAR SANDS' PIPELINE**

Bryan Cave is spearheading TransCanada's effort to win federal approval for its \$7B Keystone pipeline project that would transport heavy oil from the tar sands of Alberta to refineries on the Gulf Coast.

The State Dept. on Aug. 26 gave its preliminary approval of the pipeline, opening a 90-day comment period. President Obama expects to weigh in on the construction by the end of the year.

The *New York Times* ran an Aug. 21 editorial ripping the project, citing the risk of oil spills and greenhouse gas emissions connected with the process.

A coalition of green groups (Greenpeace, Sierra Club, Rainforest Action Network, Environmental Defense Fund and Natural Resources Defense Council) penned a letter to Obama on Aug. 25 that rapped Keystone as a "terrible project" that "risks many of our national treasures to leaks and spills" and "reduces incentives to make the transition to job-creating clean fuels." They said Obama's ruling is "perhaps the biggest climate test you face now and before the election."

The groups noted "there is not an inch of daylight between our policy position on the Keystone Pipeline and those of the very civil protesters being arrested outside the White House." More than 275 anti-Keystone demonstrators, including Canadians actress Margot Kidder, were arrested last week.

TransCanada says the pipeline will create thousands of jobs and improve North American energy security. Canada's natural resources minister Joe Oliver called approval of the pipeline a "very important" issue for both his country and the U.S.

TransCanada, according to federal records, has spent \$530K for U.S. lobbying outlays during the first-half of 2011. BC has received \$240K in that period from TC. It fields a team that includes David Russell, ex-chief of staff to former Alaskan Republican Senator Ted Stevens; Broderick Johnson, former Congressional liaison for President Clinton, and Jeff Berman, aide to former Democratic Majority Leader Dick Gephardt.

Neil Palmer & Associates has worked PR for the project.

## **CERRELL PREZ EXITS FOR PHILIP MORRIS**

Matt Klink, president of Los Angeles public affairs and PR firm Cerrell Associates, plans to step down from the firm after 20 years in October for a corporate affairs post at Philip Morris International in Switzerland.

PMI has been a client of the firm.

"Leaving Cerrell Associates was a difficult decision," said Klink, who joined CA in 1991. "However, the prospect of living and working in Luusanne, Switzerland, was an opportunity neither my family nor I simply could not turn down."

Cerrell CEO Hal Dash recalled Klink's key work on statewide ballot measures and large issues management campaigns, but acknowledged the PMI offer was the "opportunity of a lifetime."

Klink is one of Cerrell's four managing partners, along with Dash, president Lisa Gritzer and CFO Steve Bullock.



**Klink**

## **PLO SIGNS BELL POTTINGER FOR PR**

The Palestine Liberation Organization has hired Bell Pottinger USA for strategic communications, PR, media relations and U.S. Congressional outreach as the United Nations may vote next month to recognize Palestine as an independent state.

The United States opposes that tally and members of Congress have threatened to cut off aid in the event that statehood is granted to the Palestinian Authority.

David Sowell, who worked for Britain's Labour Party and served as PA director of Time Warner, heads the U.K.-based firm's U.S. operations.

Bell Pottinger has been active in the so-called Arab Spring, propping up governments in Bahrain and Yemen.

Parent company, Chime Communications, though blamed the uprising for a slip in PR revenues for the first-half of this year.

In announcing its financial results, Chime said the Arab Spring "created some short-term challenges, but in the medium to long-term the opportunities for us to provide communications advice to emerging governments are considerable."

Bell Pottinger has used Qorvis Communications, which handles Saudi Arabia, as a subcontractor on some Middle East work.

## **EDELMAN BACKS GIRLS SCOUTS 100TH YEAR**

Girls Scouts of the USA will work with Edelman on a variety of PR initiatives for the group's centennial slated for 2012.

CRT/tanaka, the organization's agency of record for a decade, continues in that capacity handling crisis comms. and PR counsel. The firm will also support 100th anniversary events.

Edelman's New York office will handle strategic counsel, media relations, consumer engagement, issues management support, and social and online media assets for the national celebration, which is expected to run into 2013.

In a statement, Girls Scouts CEO Kathy Cloninger called the centennial a once-in-a-lifetime opportunity to engage the nation on issues related to girls, women and leadership. "We're excited to partner with Edelman in convening that national discourse so that we can ensure that every girl has the opportunity to achieve her leadership potential," she said.

The organization counts three million members and 50M alumnae. Denise Peisch is VP for communications.

## **RI CASTS PR, SOCIAL MEDIA SEARCH**

Rhode Island's tourism promotion entity is trolling for PR and social media pitches with an RFP process open through Sept. 8.

The Rhode Island Economic Development Corporation's Tourism Division issued an RFP on Aug. 18 to provide and execute an integrated social media marketing and PR strategy.

Tourism is a key cog in the Ocean State's economy, representing \$2.31B in revenue and supporting more than 66K jobs as the fourth largest industry.

Estimated budget for PR and social media is \$10K/month.

RFP: <http://odwpr.us/pqWzqf>.

**TRUBY PROMOTED AT FORD EUROPE PR**

Mark Truby, former business editor of the *Detroit News*, has been promoted to VP of communications and public affairs for Ford of Europe, starting Oct. 1.

He takes over for Ian Slater, who is retiring after 30 years with the company.

Truby moved to Ford in Detroit in 2007 after eight years at the News, including four covering Ford. He was dispatched to Germany in February as executive director of communications and public affairs.



Truby

Slater, a native of Scotland, joined Ford in 1980 as an economist on its European staff, later moving to government affairs and public affairs in Detroit and Europe.

**APPLE CEO JOBS RESIGNS**

Apple CEO Steve Jobs, who has been on medical leave since January, resigned Aug. 24, leading to worldwide speculation about the company's future, image and creative force.

The 55-year-old pancreatic cancer survivor has turned over the leadership reins to COO/president and deputy Tim Cook. Jobs will remain chairman, a new post.

In a statement, Jobs reminded Apple shareholders that he had pledged to step down when he was no longer able to helm the company.

"I have always said if there ever came a day when I could no longer meet my duties and expectations as Apple's CEO, I would be the first to let you know. Unfortunately, that day has come," he wrote in a letter to the Apple's board which was released by the company.

Trading in Apple stock was suspended Wednesday. Shares fell in after-hours trading.

"I believe Apple's brightest and most innovative days are ahead of it. And I look forward to watching and contributing to its success in a new role," said Jobs.

Board chairman Art Levinson of Genentech hailed Jobs' "extraordinary vision and leadership" for saving Apple and guiding its rebound to become "the world's most innovative and valuable technology company." He said the board has "complete confidence" that Cook is the "right person" to become CEO.

Reacting to Jobs' exit, the *Chicago Tribune* noted he "cultivated his, and Apple's, aura close to the turtleneck" in pointing out his famously "tight-lipped" PR department.

United Press International said Jobs has a "slight Bob Dylan complex – as a person who distrusts the press, as it were."

Writing at Zdnet.com, Rachel King said Jobs' exit won't diminish Apple's brand.

"It will be a shift in the company's history, certainly," she wrote. "But it has already been proven this year that Apple's momentum can continue as Jobs steps back from the company."

Apple PR chief Katie Cotton was named one of the 10 most powerful women in Silicon Valley by the *San Jose Mercury News* in January and one of the top 50 most powerful women in business by *Fortune* last year.

**BLOOMBERG MAKES \$1B BNA PLAY**

Bloomberg is acquiring Arlington, Va.-based Bureau of National Affairs, which produces more than 300 news services for the legal, environmental, tax and regulatory sectors, for \$990M.

It plans to launch a tender offer for BNA shares on September 8 and close the deal by yearend.

The deal will expand Bloomberg's position in the nation's capital, where it has a presence via its news, government and legal arms.

Dan Doctoroff, CEO of Bloomberg, believes "BNA research and analysis will make Bloomberg's products even more valuable, and BNA will benefit from our data and technology."

In his statement, he credited BNA employees for building a "superior franchise" and expressed enthusiasm that the "Bloomberg-BNA combination will deliver more premium content to our professional audiences."

BNA, founded in 1926, will operate as a stand-alone subsidiary of Bloomberg. Its flagship properties are *U.S. Law Week*, *Daily Report for Executives* and *Daily Labor Report*.

New York Mayor Mike Bloomberg controls Bloomberg, which has 13,000 employees.

**SLATE SLICES SHAFER**

*Slate*, the online journal of the *Washington Post*, has cut Jack Shafer, its well respected media critic, in a cost-saving move.

A founding member of Slate, Shafer penned the "Press Box" column since 2000. He plans to do freelance work and contribute to Slate, which Washington Post Co. bought from Microsoft in 2004.

Slate, which has about 40 staffers, is also dropping columnist Timothy Noah, foreign editor June Thomas, and associate editor Juliet Lapidos.



Shafer

**DMN EXPANDS LOCAL COVERAGE**

The *Dallas Morning News* said it has launched an enhanced approach to its local coverage via its "neighborgo" coverage and Metro section of the newspaper.

The paper said community coverage has expanded from 44 to 71 neighborhoods and suburban areas in the Dallas area. Neighborgo content includes a police blotter, school briefs, rotating columns from elected officials, and community news for each area, along with features published in the Metro section on the specific area.

"People want to see local news and ads that are relevant to them," said Oscar Martinez, publisher of neighborgo.

**MAYO HEADS EBONY DIGITAL**

Kiarna Mayo, editorial director of Tyra Banks' Tyra.com magazine, has moved to *Ebony Magazine* as editorial director, digital.

She works with editor-in-chief Amy DuBois on content and direction for ebony.com and developing other digital platforms.

Mayo has written for *Essence*, *Marie Claire* and *Seventeen*, among others, and is co-founder and founding editor-in-chief of *Honey* magazine.

**CONDON TO EXIT USOC MEDIA POST**

Bob Condon, who handled media relations during 15 Olympic Games over 28 years at the U.S. Olympic Committee, plans to retire at the end of the year.

His exit comes ahead of the 2012 Games in London and as the USOC said last week that it would not put together a bid for the 2020 Summer Games.

“No journalist or broadcaster saddled with the staggering responsibility of covering the Olympic Games, from Los Angeles to Vancouver, had a better friend or advocate than Bob,” said Mike Moran, former USOC head of communications who hired Condon from the sports information director slot at Southern Methodist University. “It didn’t matter whether they were from the *New York Times* or the *Anchorage Daily News*. Or from *Sports Illustrated* or *Reader’s Digest*.”

**Condon**

Condon handled the media accreditation process for the Colorado Springs-based USOC for the last decade and served the International Olympic Committee press commission for eight years, counseling organizing committees on media operations and services.

Patrick Sandusky, the former Hill & Knowlton exec who helped Chicago pitch the 2016 Games, was named chief communications officer of USOC in October 2009.

Condon, who only would say he was born during World War II, will consult for the IOC and other Olympic groups part-time, is slated to marry in March. He will exit on Jan. 2, the same day he started in 1984.

“It was beautiful, and every day was magic,” he said.

**SHARPTON GETS MSNBC GIG**

Al Sharpton took over as permanent host of MSNBC’s “PoliticsNation” on Aug. 29. He had been hosting the 6 p.m. show on a trial basis.

Phil Griffin, president of MSNBC says Sharpton “has always been one of our most thoughtful and entertaining guests.”

With the civil rights activist and minister at the helm, Griffin believes the cable network will have “an incredibly strong kick-off” to its evening schedule.

**Sharpton**

Sharpton’s statement says joining the “Lean Forward” network is a “natural extension of my life work and growth. We all learn from our pain and stand up from our stumbling and one must either lean forward or fall backwards.”

He added: “I’m glad they have given me the opportunity to continue my forward lean.”

Sharpton, a former presidential candidate, founded the National Action Network and hosts a radio program that is heard in 40 markets.

**AI JAZEERA ACE RETURNS TO NBC**

Cairo-based Ayman Mohyeldin, the “Anderson Cooper” of Al Jazeera English, is returning to NBC News next month as foreign correspondent covering the action in the Middle East.

The former NBC News desk assistant in Washington joined AJE in ’96 and helped the Arab satellite TV service gain visibility, according to the *New York Times*.

Mohyeldin posted on Facebook that that his return to NBC will help the “historic developments in the Middle East” receive more coverage in the U.S.

He hopes to make a “positive difference in the way the U.S. understands the region, challenging stereotypes and misunderstandings.”

*GQ* magazine likened Mohyeldin to Cooper.

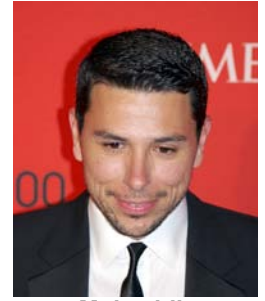
**Mohyeldin**

Photo: David Shankbone

**SLIM UPS NYT CO. STAKE**

Mexican billionaire Carlos Slim Helu and family members have increased their stake in the New York Times Co. to 10.6 percent from seven percent.

They have warrants to bolster their position to more than 16 percent by 2015.

The NYTC repaid a \$250M loan that carried a 14 percent interest rate to Slim last month. That repayment was made more than three years before it was due.

Slim invested in the company in ’09.

**NYS SLAPS NEWS CORP.**

New York State Comptroller Thomas DiNapoli has voided a \$27M education contract with a News Corp. unit, citing the “ongoing investigations and continuing revelations” about the media combine headed by Rupert Murdoch.

The contract for evaluating tests was with News Corp.’s Wireless Generation. It was part of the Empire State’s \$700M “Race to the Top” program, according to the August 27 *New York Daily News*.

In his letter to the state’s Education Dept., DiNapoli wrote that “we are returning the contract with Wireless Generation unapproved.” He also knocked News Corp.’s “incomplete record” in the education department.

News Corp. acquired a 90 percent stake in Brooklyn-based Wireless Generation in November for \$360M.

Murdoch hailed the company as being “in the forefront of individualized, technology-based leading that is poised to revolutionize public education for a new generation of students.”

Joel Klein, the former New York City chancellor and deputy White House counsel in the Clinton administration, heads News Corp.’s education thrust.

He also oversees News Corp.’s management standards committee that is exploring the hacking scandal that led to the shutdown of the *News of the World* tabloid in the U.K., parliamentary hearings and a U.S. Justice Dept. probe.

**NEWS OF PR FIRMS****POLLACK EXPANDS TO NEW YORK**

The Pollack PR Marketing Group, Los Angeles, will open a New York office September 1 with the hire of Padilla Speer Beardsley's Big Apple managing director Mike Greece.

Greece, a former Air Force public affairs officer, has been at PSB, a Pollack partner in the Worldcom network, for 11 years. He was promoted to senior VP in April.

Greece was previously with G.S. Schwartz & Co. (executive VP) and MS&LGroup in New York, and counts client experience with Ernst & Young, Elsevier and Starter Sportswear, among others. In the Air Force, he helped roll out the F-16 and B-1 aircraft while stationed in Ohio, Colorado and N.Y. PPMG CEO Noemi Pollack said the time was right for the 26-year-old firm to open in New York to serve the growing national needs of clients. She said Greece will help in "building the agency's scope and strengths."

The New York outpost is at 373 Park Avenue South, 6th floor (212/601-9341).

Pollack's client roster includes Sanyo, U.S. Digital Gaming, American Public Gardens Assn. and the Santa Monica Convention & Visitors Bureau.



**Greece**

**CHANDLER HEADS INVENTIV EUROPE PUSH**

inVentiv Health, the healthcare marketing and communications company, has organized a "super-agency" for Europe handling PR, advertising, policy and other services.

PR unit Chandler Chicco Companies will retain its brand name, but ad agencies GSW Europe and Junction 11 will take on the new inVentiv Health Communications/Europe name.

Bob Chandler, Chandler Chicco founder who is senior VP of inVentiv's marketing and communications business, will lead the European entity.

Chandler said the new model puts inVentiv's assets to work in "greater unison" with a goal to generate financial savings for clients.

The new hub is based in London, where, inVentiv said, key communications disciplines will co-locate.

**LANE ACQUIRES HENRYGILL**

Phoenix-based E.B. Lane has acquired Denver-based ad agency HenryGill, a partner of the firm for three decades.

The agencies, both independent, have collaborated for clients like Dairy Queen and Paramount Pictures.

Beau Lane, CEO, E.B. Lane who leads the combine as CEO, said firms in Phoenix and Denver have been primarily locally focused or part of large national networks.

"Merging the talent, and the strategic and creative resources from both firms will attract national brands whether they are headquartered in these broad regions or if they need our local expertise," he said.

Todd Bresnahan continues as president.

David Henry, president of HG, will serve as president of the combined agency's Denver office and has been named to Lane's executive board.

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

**JS2 Communications**, New York/DAP World, a three-year client of the firm, for a three-month PR contract for its Sleep Pretty in Pink Ear Plugs. The firm will launch a social media initiative targeting women frustrated with their husbands' snoring habits. JS2's Los Angeles office will assist.



**Affect**, New York/Sophos, information security solutions for business, to represent its Naked Security blog and help spark media conversations on security issues.

**Feintuch Communications**, New York/Brooks, Houghton & Company, merchant bank, that provides services and investments to middle-market and emerging growth companies, for PR.

**Workhouse**, New York/Grupo MYT, business financing and operation in Mexico and U.S., as AOR for integrated promotional campaigns.

**JB Cumberland PR**, New York/Frederick Hart Co., dba Compac Industries, for PR and marketing counsel for the launch of the Bottle Buddy baby formula dispenser.

**South**

**NPG PR**, Nashville, Tenn./Innovative Beverage Group Holdings, for media relations, social media, event planning and branding for its drank brand "relaxation dietary supplement."

**Southeast**

**Porter Novelli**, Atlanta/Junior Achievement USA, which runs youth programs to teach economic and financial literacy, as AOR for messaging and outreach, strategic direction and implementation, media relations, digital strategies and reputation management.

**Uproar PR**, Orlando/Turbana Corp., grower and importer of plantains and bananas, for PR.

**Midwest**

**Ruane Communications**, Chicago/PediaVision, vision assessment for children, for PR, including press releases, media relations and screening events. A national push is slated for later in the year.

**Lambert, Edwards & Associates**, Grand Rapids, Mich./The Association for Molecular Pathology, professional association, for PR for the 2,000-member group and the field of molecular diagnostics.

**Maccabee Group**, Minneapolis/TSI, precision measurement instrumentation, and Ratchet, marketing technology solutions, for PR and social media/online marketing.

**Southwest**

**Rocket Red**, Dallas/Durcon, maker of environmentally friendly surface called elements; StarLeaf, solution for voice and telepresence communications, and Glowpoint, cloud managed video services.

**Northwest**

**Xanthus Communications**, Seattle/Performance Partners, worldwide reseller for Australian business software company CALUMO, for PR.

— Greg Hazley

## NEWS OF SERVICES

### VMS SHUTS DOWN

VMS, the 30-year-old media monitoring company which was a dominant player and icon in the PR services sector for three decades, shut down operations and laid off its entire staff Aug. 26.

Staffers were told of the news during a noon meeting and conference call today from New York. Company executives spent Aug. 25 weighing options after VMS' primary lender, Capitol One, said Aug. 24 that it would no longer fund operations.

The company is believed to have filed for chapter 7 bankruptcy, although that has not been confirmed.

CEO David Stephens, who took over for Peter Wengryn last fall, told staffers that high

costs from rent agreements, coupled with VMS' lack of market share in the social media monitoring space were among factors contributing to its downfall.

"I think people are shocked," Darren Drevik, communications and marketing director of VMS who joined the company last year, told O'Dwyer's.

Staffers were paid through last week but were not offered severance or ongoing health benefits, said Drevik. Unresolved payments like expenses, as well as communications with customers, will be handled by a trustee to be appointed by a bankruptcy court.

In a statement to customers posted on its website, VMS said its board "with the input of qualified professionals have elected to close VMS.

"Unfortunately almost all VMS personnel have been terminated effective today. The decision has been made after exhaustively evaluating many different options and with sadness for our loyal staff and customers," said the statement. "At some point in the very near future a Trustee will be appointed to liquidate VMS. We anticipate the trustee will make future communications with customers. VMS thanks all customers for their loyal support."

#### Tapes Were Industry Staple

VMS, or Video Monitoring Services of America, provided videotape copies of news clips which were a PR industry staple for decades, but the evolution of digital video made for cheaper alternatives and a rise in competition from companies like Vocus, Cision and Critical Mention, among several others, in recent years. VMS also monitored advertising content.

Wengryn joined VMS as its chief financial officer in 1999 and was tapped as CEO three years later. He handled the company's transition from providing tape of broadcast clips to a services and consulting business steeped in monitoring.


The company was founded by Robert Cohen in 1981. He died in June at 82.

**EVENT:** Sep. 15-16, Alexandria, Va.; **IABC 2011**

**Employee Communication Conference**, "Creating and sustaining an engaged workforce," Information and registration: <http://odwpr.us/nv4Hg3>.

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**Nobody Looks Better**  
VIDEO MONITORING SERVICES OF AMERICA, INC.  
A BURRELLES ATTORNE

VMS ad from 1995.

## PEOPLE

### Joined

**Sabrina Guttman**, senior VP and GM, Axicom, re-joins Burson-Marsteller, San Francisco, as deputy practice chair of its U.S. technology practice. She was at B-M from 2005-07 handling the H-P account and now reports to chair Jim Goldman. She was VP of corporate comms. at Business Objects through its acquisition by SAP and managed comms. for Sun Microsystems. Earlier stints included Alexander Ogilvy PR and IBM.



Guttman

**Celeste Conklin**, communications and PR manager, Hospice of the Western Reserve, to Liggett Stashower, Cleveland, as an A/S handling ShurTech Brands and Boral North America. **Pete Grasso**, a former LS intern, returns as an A/S to manage the Robert Bosch Tool Corp., Jnauff Insulation and ShurTech Brands accounts.

**Mary Dykes**, A/E, Idea Associates, to Jackson Spalding, Atlanta, as an A/E handling Primrose Schools. **Louise Russo**, web marketing manager, Georgia Tech College of Computing, to JS' creative digital team.



Dykes, Russo

**Loretta Prencipe**, who handled PA for the Dept. of Energy's renewable power unit, to MSLGroup, Washington, D.C., as a VP. She will work in the Publicis unit's energy and environmental practice. Previously, she was communications director for SunEdison, a solar power company. Prencipe reports to Shelia McLean, senior VP.

### Promoted/Named

**Maeve Gallagher**, formerly of DKSH and Citigate Dewe Rogerson, UBS and Barclays Capital, to global head of media relations for Zurich Financial Services Group.

**Steven Behm**, a five-year Edelman veteran, has been named to lead the firm's Atlanta office as general manager, reporting to Matthew Harrington, CEO, Edelman U.S. Behm, previously a VP at Dittus Communications, built Edelman's Southeast crisis, risk and public affairs practice. The office handles UPS, Newell Rubbermaid, Georgia-Pacific, and GE Energy, among others.



Behm



Hayes

**Garet Hayes** to senior VP, Hope-Beckham, Atlanta. She joined in 2005 and handles Aaron's, Comcast and Greenberg Traurig. Also, **Allison Winters** has joined the firm as assistant A/E after an internship. **Tiffany Miller** to A/S, R&J PR, Bridgewater, N.J. She joined in 2006 and leads the firm's B2B team.

**Charles Smith**, former Olympian, professional basketball player and tech entrepreneur, to the board of advisors of New York-based brand consultancy Zito Partners.

## **WPP FIRMS TO CREATE 'BRAND USA'**

The public-private agency that promotes travel to the United States has tapped a group of WPP agencies including JWT and Hill & Knowlton for its \$200M global marketing account.

The Corporation for Travel Promotion, set up in 2011 by Congress, woos international visitors to the U.S. through marketing and PR efforts.



JWT will take the lead on the account, which will include work by sister firms Medicom, The Brand Union and H&K.

The WPP group beat teams from sister unit Ogilvy as well as Omnicom's DDB in the final pitch. The Talent Business handled the search for the CTP.

"America is a uniquely compelling and diverse travel destination, and the CTP, for the first time in our nation's history, will be creating "Brand USA," to help bring more international visitors to every corner of our wonderful country," said Jim Evans, the former Best Western CEO who took the reins as the first CEO of the CTP in May.

CTP's board includes executives from around the travel sector, including Sabre Holdings, Diamond Resorts, NYC & Co. and United Airlines. The group named Blitz Media CEO and former Arnold and Publicis exec Chris Perkins its chief marketing officer on Aug. 29.

## **HUNTSWORTH REVENUE INCHES UP**

Huntsworth, the U.K. PR and healthcare communications holding company, said revenue ticked up 1.3% in the first half of 2011 to £88.1M as gains at its Grayling, Huntsworth Health and Red units contrasted with a decline at Citigate.

Like-for-like revenue growth at Citigate fell 2.5% to £13.2M amid a "subdued" IPO and M&A market, while revenue rose at its other units.

Peter Chadlington, CEO of Huntsworth, said clients are taking much longer to make decisions, procurement is playing a greater role, and a "much higher level of sophistication" is being applied to hiring agencies, changes, he says, are here to stay but particularly visible during difficult economic times. One side effect is that the company will not see full revenue benefits from global business wins earlier this year -- British Airways, DHL and DEK -- until Q4 or early 2012.

"While we wait for these larger accounts to come on stream, particularly in Q4 and in 2012, it has been necessary for us to hold the resources in place to service the expected revenue increase, in turn putting short-term pressure on margins," he said.

U.S. operations were up 4.8% while the U.K. was essentially flat at a 0.3% increase and Western Europe fell 4.7%. Operating profit fell to £8.1M from £11.2M a year earlier. Recent client wins and existing business expansion at Grayling, which is 49% of Huntsworth's revenue base, include Google (Sweden, Russia), Audi (Middle East), European Commission for DG Employment, and BAE Systems (Middle East).

## **NEW MEXICO TOURISM CZAR PLANS PR REVIEW**

New Mexico is expected to put its tourism PR and advertising contracts out for bid later this month as a new tourism secretary seeks to put her stamp on the state's marketing efforts.

Development Counsellors International won a competitive pitch process last May to guide the low-six-figure account, ousting incumbent Ballantines PR.

Monique Jacobson, a former marketing and branding exec for PepsiCo who was named state tourism secretary in January, told the Associated Press that marketing pacts will be reviewed with a national search. RFPs could be released as early as next week.

Karyl Leigh Barnes, senior VP/partner at DCI, told O'Dwyer's the firm is planning to respond to the RFP.

Jacobson is concerned with New Mexico's ranking as 24th on a list of places people want to visit, noting she thinks it should be among the top three in the U.S.

Twelve firms pitched last year's PR review.

Publicis' M&C Saatchi is the incumbent for New Mexico's \$2.5M-a-year advertising account. PR billings are set at \$120K this year.

## **KENYA RENEWS CLS&A PACT**

Kenya, which is struggling with its worst drought in 60 years, has renewed its public policy advocacy and communications pact with Chlopak, Leonard, Schechter and Assocs. for two years at \$2.4M.

The eastern Africa nation is home of the world's largest refugee camp as more than 400,000 Somalis have fled their country, which is suffering from drought and fighting between warlords.

The United Nations has spent \$1B for humanitarian relief for drought victims in Kenya, Somalia and Ethiopia and is looking for an additional \$1.2B from members. The U.S. has earmarked \$225M.

CLS&A is charged with message development, research, media/policymaker/influencer outreach and cultivation of third parties in support of its client.

## **BEVY OF FIRMS WORK HOSTILE TAKEOVER**

A \$3.2 billion takeover bid for Transatlantic Holdings has engaged several financial communications firms as a PR and legal battle mounts amid a rival, hostile bid.

Validus Holdings, a Bermuda-based insurer, is mounting a hostile bid for Transatlantic Holdings, a rival bid to a deal by Allied World Assurance, which is favored by Transatlantic's board. Berkshire Hathaway has also pursued acquiring New York-based Transatlantic in recent months.

Brunswick Group's New York office is advising Validus and handling media interest in its hostile push, which included an Aug. 22 proxy filing urging Transatlantic shareholders to oppose the \$3.2B Allied World deal.

Joele Frank and Brainerd Communications are working with Transatlantic, which earlier this month brushed aside Berkshire Hathaway's \$52-per-share offer as inferior to the deal with Allied World, although a deal is still possible.

Abernathy MacGregor Group is counseling Allied World.

## **PR OPINION**

**Robert Cowan, public information specialist, City of Portland, has told PR Society of America** that the \$30 dues hike “may actually cause local chapters to start organizations of their own outside of the PRSA umbrella. It may be the only way for them to survive.”

Cowan, who has been working in the Audit Services Division since 1989 after being a U.S. Navy PA specialist/journalist for four years, posted in the PRSAY (public) section of the Society website last week that the “flat-out truth of it is I feel most members don’t get much out of the national organization and we get much more from our local ones.”

He said he could not afford the hike on his own and “wouldn’t expect my employer to pay this additional cost when I can’t even justify it to myself.”

Cowan said he came to the debate on PRSAY “late in the game” because he only “stumbled onto this set of comments” (16 including his) after commenting on the LinkedIn page where discussions are taking place.

### **Dues Debate Well Hidden**

Cowan unwittingly has said a mouthful.

The 16 comments (since June 2) is a pitiful turnout from the 21,000 members but understandable since the debate is buried in PRSAY rather than being prominently on the first page of the Society website where it belongs.

This is an old trick of the Society even though its Code of Ethics says PRS is dedicated to the “free flow of information.” Rather, it’s dedicated to blocking information flow (which takes no skill).

The dues hike was to be discussed in two Assembly delegate teleconferences Aug. 31 and only a few will show up there also.

Chair Rosanna Fiske, alarmed in the a.m. teleconference July 27 when a delegate asked her to comment on reports on this website about the Society’s finances, blocked any “live” questions in the afternoon session.

Questions could only be submitted on an accompanying website where they were subject to “moderation.” The same technique will probably be used Wednesday.

### **Cowan “Disappointed”**

Cowan, posting on PRSAY that he was “very disappointed” with the proposed hike, said that the “vast majority” of members posting on PRSAY share his opinion.

Members making comments are almost all opposed to the hike while leaders such as Fiske and treasurer Phil Tate argue in favor of the hike as necessary to maintain and expand services.

On this point, Cowan said members don’t need any more services from national. “In fact,” he wrote, “there is too much at the national level” and not enough at the local level where “we get more out of meeting with our local colleagues than we do from the national publications or efforts.”

Ruth Slottag, director of the Central Illinois chapter, said the chapter would fold rather than pay the hike.

Robert Reeves, Bluegrass chapter president, called the hike “disappointing to say the least,” adding, “You

can bet the local chapters, which actually provide the networking and professional development that most members join for, will not be able to get away with the \$30 increase.”

Linda Tucker, PR specialist with the City of Sacramento, said a dues hike at this point “is just flat out unthinkable.” She said the city has stopped paying association dues, eliminated travel and training expenses and has forced all employees to take off one day a month (costing her \$3,800 a year).

### **Leaders Point to Cuts**

Treasurer Tate responded that the Society has cut \$1.5 million from its budget and has “downsized” the staff. The cuts took place in 2009. Total payroll rose in 2010 and in the first half of 2011. PRS lost \$312,797 on operations in Q2 as expenses totaled \$2,890,160 and income, \$2,577,363.

Fiske last week said that members who renew and new members will be able to take part in webinars at no cost in 2011, a potential savings of \$1,800 if they take one \$150 webinar per month.

This website has sent hundreds of personally addressed e-mails to almost all of the 110 chapter presidents, noting that the Society lost \$2.9 million on the APR program from 1986-2002 and has left millions of dollars on the table by only having one national conference in New York in the 23-year period ending in 2013.

A New York conference taps into the biggest possible audience (record-breaking 4,000 in 2004) and saves on travel, meals and hotel for the 35 or so staffers who attend the conference. Advance trips are also eliminated. Many industries only have their annual conferences in New York.

A New York site also saves money for exhibitors, most of which are based in and around New York. PRS leaders “shop” the conference around the country to prove that the Society is a national organization and not run by New Yorkers.

### **APR, Geo Imbalance in Governance**

Governance of PRS is not only imbalanced by APR dominance (only 18% of members are APR but only they can hold national office) but geographically—almost all major national offices are in the hands of Southerners.

Mickey Nall of Atlanta (barring a successful challenge) will be the third chair in a row from the South. Fiske, of Miami, succeeded Gary McCormick of Knoxville.

Treasurer for an unprecedented two years in a row is Phil Tate of Charlotte, N.C. Audit chair is Cheryl Ball of Knoxville. Ethics head is Tom Eppes of Charlotte. Co-chairs of the Universal Accreditation Board are Jay Rayburn of Florida State University and John Forde of Mississippi State. Kathy Barbour of Jacksonville, Fla., is nominee for 2012 treasurer and nominee for secretary is Dave Rickey, who headed the 2009 bylaws revision task force. The sole non-Southerner on the five-member executive committee is chair-elect Gerard Corbett, San Bruno, Calif.

— Jack O’Dwyer