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O'Dwyer's Newsletter

The Inside News of
PR and Marketing
Communications

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FLORIDA LOTTERY PR GOES INTO PLAY

The Florida Lottery is reviewing a three-year PR contract with a search for an agency with a Sunshine State presence and \$2M in annual billings.

The 23-year-old Lottery issued an "invitation to negotiate" with PR firms on June 17 with a deadline for proposals of July 11.

Florida Governor Rick Scott in February named the lottery's PR chief, Cynthia O'Connell, head of the nation's No. 3 lottery. She is a Hill & Knowlton/Tampa vet.

While the PR contract budget has been \$250K-a-year, the Lottery said the scope of work has increased and projected a tentative budget for planning purposes of \$1M.

MRD Consulting replaced Weber Shandwick in 2002 and has handled the account since then.

The Lottery, which raises money for public education in Florida, plans to award a three-year contract for the development and maintenance of its public image and brand.

The Lottery said it desires a firm with a Tallahassee office, but will sublease space in its own headquarters to an agency if necessary. Download the review document at odwyerpr.com/rfps.



Florida Lottery

CULP STEPS DOWN AT KETCHUM

Ron Culp, a partner at Ketchum and director of the firm's North American corporate practice, is stepping down to consult and pursue interests in teaching and career coaching.

Culp, an agency and corporate veteran for over 35 years, directed Ketchum's Midwest operations for three years before adding oversight of its corporate practice in 2009.

London corporate practice head Rod Cartwright will take over global director duties for the corporate unit in the fall when his own successor is named.

Culp is well-known in PR for his "Culpwrit" blog for mentoring students and young PR professionals, as well as his role as adjunct professor at DePaul University and guest lecturer at other schools.

He moved to Ketchum from Sard Verbinen & Company and earlier served as senior VP, PR and government affairs, for Sears, Roebuck and Co. Earlier stints included Sara Lee Corp., Pitney Bowes, and Eli Lilly.



Culp

QORVIS WORKS KUWAIT BEAT

Qorvis is working in Kuwait, whose Prime Minister Shaikh Nasser Al Mohammad Al Sabah is facing calls for political reform.

CEO Michael Petruzzello would not confirm information that Qorvis provided press training and social media skills to the PM and Defense Minister.

"We are bound by confidentiality agreements with all of our clients we work out of that office," he told O'Dwyer's via email. Petruzzello described the Kuwaiti operation as a "small office" that works for "a variety of clients."

Qorvis has been in the midst of the Arab uprising. The Kingdom of Saudi Arabia paid Qorvis \$350K for the six-month period ended March 31. Media outreach, communications training and development of content for YouTube and Twitter were among duties.

Qorvis also collected \$225K from hotspot Bahrain during the period, but severed ties with Yemen in November. The firm continues work for the Kurdistan region of Iraq.

MICHIGAN CASTS NET FOR PR

Michigan is casting a net for agencies to handle PR, digital and marketing communications to support its economic development efforts with an RFP open through mid-July.

The state in January consolidated its marketing under the "Pure Michigan" slogan, backed by a multimillion-dollar marketing budget.

The Michigan Strategic Fund, the state's marketing arm through the Michigan Economic Development Corp., issued an open RFP June 22 for an integrated PR and marketing program, including traditional PR and outreach, digital and direct marketing, social media, events, partnerships and possibly targeted advertising.

The RFP outlines several goals, but primary is the development and execution of a PR and social media campaign. Other PR objectives include an increase in media interview volume to at least 30 per month and a 10% boost in ad equivalency and impressions.

Edelman alum Elizabeth Parkinson took over as VP of marketing and communications for the MEDC in January.

Proposals are due July 14. Download the RFP at odwyerpr.com/rfps.



The daily grind is far behind.
More freshwater coastline than any other state. PURE MICHIGAN
For the love of Michigan

U.S. NUKE SECTOR SEES PR AS KEY

Development and implementation of a strategic communications plan is one of seven building blocks the U.S. nuclear power industry has identified as part of its response plan to the meltdown this spring of the Fukushima nuclear facility in Japan, which has eroded support for nuke power among U.S. citizens.

In a joint report released June 8 and titled “The Way Forward,” (PDF) the nuclear industry’s top players and monitors – the Nuclear Energy Institute, Institute of Nuclear Power Operations and Electric Power Research Institute – laid the groundwork for ensuring safety and confidence in the sector.



A global Ipsos/Reuters poll released June 23 said global support for nuclear power has “plummeted” following the Japan disaster as 62 percent now say they are opposed to it, down 16 points. A majority still support it in the U.S. (52%), but 26% of the U.S. citizens who said they oppose nuclear power said that stance is because of the events in Japan, an alarming trend for the domestic industry.

In the report released this month, the nuclear sector cited a strategic communications plan as the fourth of seven pillars for moving forward after Fukushima. That includes a focus on sector outreach campaigns to “recover” policymaker and public support for nuclear energy. Reputation management, intra-industry communications, state and local outreach, as well as executive and Congressional interface were all highlighted.

On the flip side, Pasadena’s Jensen Communications is whipping up buzz for Musicians United for Safe Energy, or MUSE, a group of veteran rock stars planning a large Los Angeles benefit concert for Japan disaster victims with an anti-nuclear message.

Jensen is the 29-year-old firm of Michael Jensen, whose client roster has included some of the headlining acts set to appear at the Aug. 7 event, including Crosby, Stills & Nash and Jackson Brown. Several of the acts took part in the fabled “No Nukes” concert in New York 30 years ago in the wake of the Three Mile Island disaster in Pennsylvania.

MARSH FINDS FINN

Finn Partners has picked up an executive visibility, thought leadership and content marketing outreach work from Marsh Inc. the big insurance broker.

Peter Finn’s operation is to use its ties with business and trade press plus digital/social media expertise to position Marsh’s leadership in front of top journalists and editors to enhance the firm’s position as the leader in the risk management arena.

Dan Prince, global director of marketing & communications at Marsh, praised FP’s “innovative approach to client programming and dedication to financial services.”

Alicia Young, managing partner at FP, heads the account. FP is slated to become an independent unit within Ruder Finn Group later this year.

Marsh has more than 24K staffers and is part of March & McLennan Cos.

DELTA SEEKS TO CLEAR AIR ON SAUDI TIES

Delta Air Lines issued a statement June 24 to clarify its tie-up with Saudi Arabian Airlines after outrage over reports that the partnership would force the Atlanta carrier to bar Jews from boarding flights to Saudi Arabia.

That airline says it neither operates service to the Kingdom nor shares codes with any airline that does. It does not plan to enter any reciprocal plan with SAA, such as sharing frequent miles.



Delta’s agreement is a “standard interline” pact that enables passengers to book tickets on multiple carriers. The airline points out that competitors American Airlines, US Airways and Alaska Airlines have interline pacts with the Saudis.

The news reports caught the eye of Abraham Foxman, national director of the Anti-Defamation League, who penned a letter to Delta CEO Richard Anderson to “ensure that Jewish, Israeli and other non-Muslim passengers do not face discrimination as a result of the partnership.”

The ADL called on Delta to make it clear to officials of SAA and the Saudi government that “it will not be a party” to discriminatory policies.

Foxman noted Saudi Arabia’s past practice of banning travelers who had an “Israel” stamp in their passports, a practice that “runs contrary to the spirit and intent of Delta’s non-discrimination policy.”

While this practice affects all travelers who previously visited Israel, it has a disproportionate impact on Jewish passengers, said Foxman.

FD GUIDES SABMILLER’S RAID ON FOSTER’S

FD is guiding SABMiller as the world’s No. 2 brewer – after InBev – pushes an unsolicited \$10B bid for Foster’s Group, the No. 1 beer company in Australia, which was rejected last week.

SABMiller, owner of Miller Lite, Peroni, Grolsch and Castle brands, sees an opportunity to “strengthen Foster’s brand portfolio and work with the local team to bring our innovation, global scale expertise to the business,” said CEO Graham Mackay in a statement.



Australia is viewed as having a “strong, wealthy and growing economy with consistent long term population growth” and is well-positioned to capitalize on its nearness to the burgeoning Asian market.

Foster’s has seven of the top brands in Australia. Its management rejected the SABMiller bid as “incomplete, non-binding and conditional.”

Foster’s board “believes the proposal undervalues the company and plans not to take any further action on the SABMiller offer.”

Butcher & Co. and Bespoke Approach handle media for Foster’s. FD’s offices in the U.K. and Australia are working the SABMiller beat.

GANNETT CUTS 700 WORKERS

Gannett Co. is slashing 700 staffers from its 82-member newspaper group, an amount that accounts for two percent of its overall workforce.

The cuts are the largest since July 2009, when Gannett sliced 1,500 jobs. It is the fourth layoff since summer 2008.

In 2010, Gannett employed 32,600 workers. News of the layoffs comes soon after several austerity measures were introduced at the company to cut costs.



Dickey

Many newspaper employees took a week-long unpaid furlough during the most recent quarter, and practically every company employee was forced to take a similar furlough during the first quarter.

In a June 21 memo, Gannett U.S. newspaper unit president Bob Dickey blamed the need for job cuts on economic conditions.

“National advertising remains soft and with many of our local advertisers reducing their overall budgets, we need to take further steps to align our costs with the current revenue trends,” Dickey wrote.

Gannett Co. came under fire earlier this year after the *New York Times* reported that its CEO Craig Dubow received a salary of \$9.4 million in 2010, which was almost twice what he earned in 2009.

He also received a \$1.25 million cash bonus, based in part on his success in reducing company costs through layoffs.

AMI BUYS OK!

American Media Inc. has purchased the U.S. edition of *OK! Magazine* from Richard Desmond's Northern & Shell, owner of the U.K.'s *Daily Express*, *Daily Star* and Channel Five.

Launched in the U.S. in 2005, *OK!*, “the magazine the stars trust,” has a weekly circulation of 800K and readership of 6.6M with a median age of 29.

Its website gets nearly 3M unique visitors and 9.4M page views per month.

David Pecker, CEO of New York-based AMI, says the acquisition will increase “market share in newsstand unit sales from 30 percent to 36 percent.”

The deal “allows us to offer our advertisers a wider range of celebrity coverage than any single publication or group of titles from any publisher,” he said in announcing the deal.

The addition of *OK!* to AMI's *Star*, *National Enquirer*, *TV Guide*, *Soap Opera Digest*, *Soap Opera Weekly* and *Country Weekly* creates a total audience of 40M readers.

The *OK!* site with AMI's *RadarOnline.com* and *StarMagazine.com* will generate 10M unique visitors per month.



SALON MEDIA CEO SHIFTS TO GOOGLE

Richard Gingras is exiting the CEO post at Salon Media Group July 9 to head the global news products group at Google.

He held the CEO post since May 2009 and previously was a “media product strategy advisor” to the search giant.

Gingras founded Goodmail Systems in '02 and headed the now defunct email provider until '07.

He helped round up seed money that launched Salon in '95.

Gingras told the *New York Times* that the decision to leave Salon was an emotional one. He said he has “enormous respect for the brand and the people putting it out in spite of their challenges and tight resources.”



Gingras

NYT'S HELFT MOVES TO FORTUNE

Miguel Helft, a technology reporter for the *New York Times*, has joined *Fortune* as a senior writer in San Francisco to cover the Silicon Valley scene and tech developments.

Andy Serwer, *Fortune* managing editor, says Helft will also contribute to a “steady flow of breaking news, deep access and regular insights” to *Fortune.com*.

The five-year NYT veteran covered Apple, Google and Facebook for the paper's business desk.

He also wrote for the *San Jose Mercury News*, *The Industry Standard* and *Los Angeles Times*.

FACEBOOK CREATES AD COUNCIL

Facebook is creating a “client council” of marketing and ad executives to plot advertising strategy ahead of its anticipated initial public offering in 2012, according to the *Financial Times*.

Carolyn Everson, VP-global marketing solutions and a Microsoft veteran, says the council will include people who view Facebook not as just “an ad platform, but think about it as a way to transform a business.”

Nick Brien, CEO of McCann Worldgroup, and Wendy Clark, senior VP-integrated marketing at Coca-Cola are the first two members of the council.

An IPO could value FB at as much as \$100B.

GORE RAPS MEDIA, OBAMA ON WARMING

Current TV chair Al Gore is urging Americans to lobby local newspapers and TV stations to tell them to stop publishing and broadcasting reports that deny global warming.

Gore penned a 7,000-word *Rolling Stone* piece this month that faults President Barack Obama for ignoring climate change and takes shots at the media for being manipulated by “polluters and ideologues.”

The Current TV boss wants the media to stop treating “deception and falsehood on the same plane as scientific fact” while calling it “objective reporting of alternative opinions.” To Gore, the media have abdicated their fact-checking role, which leads to creation of public policy that “completely ignores the best available evidence of what is true and what is false.”

CNN'S CHARLES DIES AT 64

Nick Charles, CNN's first sports anchor, died June 24, from bladder cancer. He was 64.

The former taxi cab driver began at CNN on June 1, 1980, the opening day of the Turner Broadcasting unit. He paired with Fred Hickman on the "Sports Tonight" show. *People* magazine was dubbed Charles one of America's most handsome men, according to a report on CNN.com.



Charles

Charles, who was living in Santa Fe at his time of death, had been chronicling his battle with cancer on CNN.com. He discussed the dying process and how he was preparing family memories for his demise. Charles made a series of birthday videos for his five-year daughter, Giovanna, for the years to come.

Charles, whose name was Nicholas Charles Nickeas, grew up in Chicago. He got his first journalism job at WICS in Springfield in 1970 and worked at stations in Baltimore and Washington before joining CNN.

Jim Walter, CNN president, called Charles' death a "loss to CNN, to the sports world and to fans and friends everywhere with him to the end of his extraordinary life."

FIRM RELEASES POTTER PR STRATEGY

A U.K. PR firm is red-faced after a staffer mistakenly sent a PR strategy memo for the rollout of a "Harry Potter" project to several media outlets.



The Scotland-based firm, StonehillSalt, specializes in publishing, the arts and tourism PR and counts Potter author J.K. Rowling as a client.

The memo, published online by outlets receiving it on June 21, including *The Independent*, detailed a calendar for rolling out the unnamed project, a website called "Pottermore" unveiled June 23.

The document, dated December 2010, was apparently written by lead PR agency, Colman Getty of London, and lays out a plan for publicizing the Potter project through the end of 2011. London agency Adam & Eve is noted to be handling marketing for the project's launch.

Rebecca Salt, a partner at Stonehill Salt, said the release was a mistake. "Much as we would like to say this is an elaborate stunt to create excitement, I am afraid it was a simple error," she told the Independent.

The website was officially rolled out June 23 at a London press event as an online community revolving around the blockbuster book series.

The leak, however, prompted a flurry of speculation about the then-unknown project forcing StonehillSalt to

deny rumors that another Potter book was in the works leading up to the launch event. Rowling posted an online video launching the site and also shot down the innuendo about another book, as well.

FDA SETS 9 LABELS FOR CIGARETTES

The FDA on June 20 released nine graphic warning labels for cigarette boxes and advertising in the U.S., which the agency said are the most significant changes in 25 years.

The Food and Drug Administration has set a September 2012 deadline for the warnings to be deployed on packs, cartons and ads after first proposing the changes in November.

The mandate came from the Family Smoking Prevention and Tobacco Control Act, passed by Congress and signed into law by president Obama in 2009.



View all 9 labels at FDA.gov.

Secretary of Health and Human Services Kathleen Sebelius called the labels "frank, honest and powerful depictions of the health risks of smoking," adding that the FDA believes they will help encourage smokers to quit and prevent kids from smoking.

The nine labels were culled from a group of 36, which were involved in an 18,000-person study and put up for comment from interest groups and health professionals.

Tobacco use costs the U.S. \$200 billion a year in medical costs and lost productivity while claiming 443,000 deaths annually, according to the Centers for Disease Control and Prevention.

RIOT KISSING COUPLE GETS PR HELP

The kissing couple at the center of an enigmatic photo of Vancouver's riots this month has taken the next step on the road to cashing in on the moment -- hiring PR counsel.

The *Herald Sun* of Australia reports that Aussies Scott Jones and Alexandra Thomas are reconsidering an earlier pledge to not cash in on the exposure and have hired an entertainment-savvy PR firm in that country to explore options.



"Overseas people know more about that photo than the Stanley Cup," the couple's new PR rep, Max Markson, told the paper.

Jones and Thomas have given several interviews, including NBC's "Today" in the U.S., in the wake of the photo -- taken by Getty's Rich Lam -- which is spreading virally around the web.

NEWS OF PR FIRMS

REGAN ACQUIRES EPSTEIN IN FLORIDA

Regan Communications Group, Boston, has acquired Barry R. Epstein Associates of Boca Raton, Fla., giving a Sunshine State presence.

RCG founder and chairman George Regan Jr. said the firm has been looking for the right deal to expand to Florida and called the addition of Epstein a "perfect fit."

Epstein, a Chamber of Commerce vet in Florida, opened his shop in 1979 with Diplomat Hotel as its first client. The firm's roster has since included Tyco International, Kenny Rogers Roasters and Milberg Weiss.



Epstein

BEDBUG SUMMIT WINS TOP N.J. PR HONORS

A pest control company's PR push for a bedbug summit, executed on a shoestring budget and garnering national attention, took Best in Show honors at PRSA/N.J.'s annual Pyramid Awards on June 15.

The campaign by Cooper Pest Control and its Bedbug Central information hub drew national media coverage as a seminar on bedbugs became the "BedBug University: North American Summit," landing segments on the top three morning talk shows and 1,500 placements overall.



L-R: Ken Hunter, VP of R&J PR and past president, PRSA-N.J.; Jared Winley, senior manager, public and media relations, NY Jets; Nick Filis, PR coordinator, NY Jets, and Rich Lukis, Coyne PR president and head of PRSA-NJ.

Coordinated by Calvin Allen, director of strategic communications for Cooper, the effort won Pyramids in the competition's special events and "PR on a shoestring budget" categories, as well.

On the agency side, New Jersey-based heavyweights MWW Group and Coyne PR were the top winners with four and five awards, respectively, in the competition.

The New York Jets' communications team won the chapter's Award for Excellence in the field of PR.

Rich Lukis, president of Coyne PR and head of the New Jersey PRSA chapter, called the Jets unit one of the most PR-savvy organizations in the state. He gave them props for generating positive press and deflecting negative attention last season, as well.

Coyne nabbed two marketing comms. awards (Disney Parks and Medco Health Solutions), in addition to two honors for media relations (Breastcancer.org and SkyJump Las Vegas at Stratosphere Hotel & Casino), and a Pyramid for special programs (Goodyear Tire & Rubber Company).

MWW won Pyramids in financial/investor relations (North Jersey Community Bank); marketing comms. (Samsung Mobile); multicultural/diversity comms. (Samsung Telecommunications America, and digital comms/social media (Nikon).

NEW ACCOUNTS

New York Area

Susan Magrino Agency, New York/Virgin Atlantic Airways, for consumer PR in the U.S. following a review. The account includes media relations outreach and consumer programming for its key U.S. hubs like New York, Los Angeles, San Francisco, Boston, Miami, and Washington, D.C.



The Bromley Group, New York/The Clarks Companies North America, footwear brand, for media relations, product placement, special events, celebrity seeding and creation of a U.S. social media presence.

East

French/West/Vaughan, Raleigh, N.C./Hood River Distillers, importer and producer of distilled spirits, to develop new creative campaigns for four brands including Pendleton Whisky, Yazi Ginger Vodka, ULLR Nordic Libation, and Broker's Gin. Also, Glover Quin, cornerback for the Houston Texans football franchise, for marketing and PR.

Southeast

Dodge Communications, Atlanta/Center for Connected Medicine, Pittsburgh-based health information technology group backed by companies like IBM, Verizon and Google, for PR, branding, messaging and marketing collateral.

Midwest

Duffey Petrosky, Farmington Hills, Mich./Greektown Casino-Hotel, Detroit, as AOR for marketing comms.

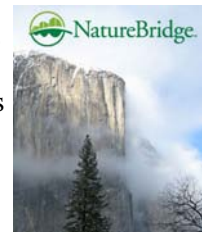
Southwest

Melissa Ingram PR, Phoenix/The British Association of Mixed Martial Arts, for PR as the group seeks to expand its fan base outside of the U.K. into North America.

Creative Options Agency, Tucson, Ariz./Kelly Hansen, lead vocalist for the band Foreigner, for PR and corporate sponsorships.

West

Bateman Group, San Francisco/NatureBridge, residential environmental education partner of the National Park Service, as AOR for PR. NB runs programs at Yosemite and Olympic National Parks, as well as the Golden Gate and Santa Monica Mountains National Recreation Areas.



Chemistry PR, San Diego/One Life Diet, weight loss program, for media relations, social media, community outreach and strategic PR.

Canada

Fleishman-Hillard, Toronto/Toronto 2015 Pan/Parapan American Games Organizing Committee, for strategic comms., following an RFP process. Stellick Marketing Communications of Toronto was tapped for sports PR.

Asia

Ogilvy PR Worldwide, Hong Kong/Wines of Chile, as AOR for the China region after a five-way competitive pitch. Hong Kong, mainland China, Japan and South Korea are covered.

— Greg Hazley

NEWS OF SERVICES**SYNAPTIC BULKS UP CLIENT SOLUTIONS UNIT**

Richard Knafelc, an account manager at PR Newswire, has moved to Synaptic Digital in Los Angeles, as VP, client solutions, one of three moves by the broadcast and digital PR company.

Knafelc started out with Internet Wire before moving to VMS as an account rep.

Joining Synaptic in New York is Christopher Jordan, a senior sales executive for Critical Mention who takes the title of director, client solutions. Previous stints included Momeo.com and Info USA.

Synaptic has also moved digital producer Sharon Fraade to its client solutions unit. The five-year Synaptic veteran was a TV news producer. She had been focused on production and distribution of the company's Narrative Marketing campaigns for Fortune 50 clients.

NAVY RENEWS PR SOFTWARE SEARCH

The Navy has released a new RFQ for PR management software, after a December solicitation was canceled in January amid budget constraints.

The Office of Naval Research's corporate strategic communications office wants to contract with a PR software vendor to monitor and track traditional and non-traditional media, as well as send out releases to target audiences.

Deadline for proposals is July 5. RFQ outline can be downloaded at <http://bit.ly/muh2u5>.

VMS FOUNDER COHEN DIES AT 82

Robert Cohen, founder of Video Monitoring Services of America, has died at 82.

The Philadelphia native served in the Army Counter Intelligence Corps during the Korean War, was ad director of Hat Corp. of America, president of the Philadelphia Men's Apparel Assn. and CFO/partner at Waterman Advertising before setting up VMS.

He was a "mentor, leader, shrink and inspiration to his employees," according to Cohen's obit in the *New York Times*.

Donations to honor Cohen should go to the National Kidney Foundation.

ADMEDIA WORKS MORPHEUS DEAL

M&A advisory firm AdMedia Partners said digital media client Morpheus Media has been acquired by CREATETHE GROUP, a digital agency and ecommerce technology provider.

Morpheus works digital marketing for clients like Louis Vuitton, Dior and A&E Television Group.

CREATETHE handles luxury and fashion brands like Oscar de la Renta and DeBeers.

BRIEFS: Business development shop RSW/US was named Cincinnati's 27th fastest growing, privately-held company, according to the *Cincinnati Business Courier*. The firm recently added **Juri Tults** as VP of client services. She was previously with Indianapolis ad agency Jackson Integrated. ...**Business Wire** has launched mobile-compatible websites for its NewsHQ online newsroom and InvestorHQ IR website solutions.

PEOPLE**JONES TARGETS BOSTON**

Washington, D.C.-based Jones Public Affairs has opened a Cambridge, Mass., with the addition of two staffers to the Harvard Square outpost.

Ken Deutsch, a digital specialist who was director strategic services and partnerships at Morningside Analytics, heads the new office as senior VP. He was a senior VP of PA at Virilion and founded the non-profit Direct Change.

**Deutsch, Conti**

Jones has also added Dana Conti as a VP in Cambridge. He was a VP at tech firm Schwartz Communications.

Joined

Andrea Koppel, former journalist and director of international communications for the American Red Cross, to Mercy Corps, the Washington, D.C.-based global humanitarian group, as VP of global engagement and policy, a new post. She led the Red Cross' communication strategy for its Haiti assistance program following the catastrophic 2010 earthquake there. She was previously senior VP of communications at M+R Strategic Services and was a correspondent at CNN.

Bobby Amirshahi, senior director of public affairs, Cox Enterprises, to Time Warner Cable, New York, as VP of communications for New York City. He was previously director of corporate communications for Viacom/MTV Networks and started out at the Telecommunications Industry Assn. in D.C.

Scott McKee, VP of marketing for iRacing.com, to Kia Motors America, Irvine, Calif., as director of PR, overseeing product and corporate communications. He was general manager, retail programs and comms., for Land Rover North America, and worked marketing and other posts for Aston Martin, Jaguar and Mercedes-Benz USA.

Barbara O'Connor, former professor at Sacramento State University and director of its Institute for the Study of Politics and Media, to Lucas Public Affairs, Sacramento.

Brenda Bates, director of comms., BPP, University College of Professional Education, to The World Gold Council, London, as director of communications. BPP was the first for-profit college granted university status in the U.K. Bates previously helped run the financial PR firm Mainland PR, facilitating a merger with Broadgate PR in 2009.

Promoted

Lauren Barrett, Brooke Bloom, Elizabeth Elmore, Sarah Reed, Eric Tiele and **Eric Ward** to assistant A/Es, McNeely Pigott & Fox PR, Nashville, Tenn.

**Bloom, Tiele**

CHIPOTLE HIRES PR HELP IN FED PROBE

Chipotle Mexican Grill has hired crisis counselor Mark Fabiani as the eatery chain faces a federal immigration audit and criminal probe of its workforce.

Chipotle, which has 1,100 restaurants and 26,500 employees in the U.S., has fired hundreds of workers amid the growing U.S. Immigration and Customs Enforcement probe.

The company hired attorneys from Washington, D.C., powerhouse law firms Patton Boggs and Skadden, Arps, Slate, Meagher & Flom as the U.S. attorney's office in Washington joined ICE on the case, according to Reuters.

Fabiani is a partner in Fabiani & Lehane and a veteran crisis counselor from the Clinton White House. He takes up the Chipotle PR effort as another client, Lance Armstrong, continues to mount a PR defense.

Chipotle fired more than 400 employees in Minnesota late last year and about 40 in Washington, D.C., and Virginia earlier this year, according to reports, as the company said it found documents produced to verify eligibility for employment were fraudulent.

"The company believes its practices with regard to the work authorization of its employees, including the review and retention of work authorization documents, are in compliance with applicable law," Chipotle said in its first quarter earnings report. "It is not possible at this time to determine whether the Company will incur any fines, penalties or further liabilities in connection with these matters."

BRAZIL POWERS F-H

Brazil's Secretariat for Social Communication, which is the PR arm of the Office of the President, kicked in \$1.6M of Fleshman-Hillard's \$2M in total fees reported to the Justice Dept. for the six-month period ended April.

That span covered the Jan. 1 inauguration of Dilma Rousseff as the first woman president of the nation. She succeeded the popular Lula de Silva.

The Omnicom unit handled an array of political events including Brazil's participation in the United Nations' COP16 Conference on Climate Change (Nov./Dec.) in Cancun, G20 Summit of Finance Ministers (Feb.) in Paris and Rosseff's state visit to attend the BRICS Summit (April) in Beijing.

F-H also pitched Brazil's sponsorships of the Olympics in 2012 and World Cup in '14. The country plans to spend \$1T in construction projects related to those sporting events.

Turkey generated the remainder of F-H's foreign agent fees.

That activity including a mix of cultural (jazz series at Turkey's D.C. Embassy), sports (meeting with Turkish National Basketball Assn. players), economic (kick-off of first direct flight linking D.C. and Istanbul) and political (support of NATO intervention in Libya) work.



EDELMAN TAPS RUSCHEINSKI FOR INNOVATION

Edelman has named Nancy Ruscheinski, U.S. president & COO, its chief innovation officer and global vice chair.

The newly created innovation position is designed to spur development in the search, video, social and mobile sectors, explore "whitespace" opportunities to generate news streams of revenue via pilots and partnerships and foster a culture of bottom-up sourcing and sharing of ideas, according to Edelman's announcement.



Ruscheinski

Ruscheinski, who takes the post July 1, is a 24-year veteran of the No. 1 independent firm and a key driver of the launch of Edelman's \$80M digital practice, which has 450 staffers.

She has counseled Kraft Foods, Wrigley, Burger King, Humana and SC Johnson.

She assumed the U.S. presidency post three years ago after helming Edelman's Chicago office for seven.

OREGON ENERGY GROUP EYES PR POWER-UP

Energy Trust of Oregon, an energy efficiency and conservation group funded by customers of the state's four top energy companies, is looking to power up its PR and is accepting proposals through early July.

The Trust issued an open RFP June 13 for PR and media relations support of its programs to assist Oregon residents with saving money spent on power and investing in renewable energy sources.



A firm must have experience with a statewide campaign in Oregon and a track record of earned media resulting in consumer awareness.

The work includes updating its existing PR effort and developing a plan for 2012, proactive and reactive PR support, and social media.

The Trust is funded by a surcharge on utility bills in the state and operates under a 1999 Oregon law

Proposals are due July 1. RFP: odwyerpr.com/rfps.

COLEY MOVES TO TREASURY

Anthony Coley, who joined Brunswick Group in '09 as director of its Washington office, moves to the U.S. Treasury Dept.'s public affairs unit as senior spokesperson and deputy assistant secretary next month.

Steve Lippin, Brunswick's senior partner, told Politico that Coley served as "a highly effective communications strategist."

Prior to Brunswick, Coley was communications director to the late Sen. Ted Kennedy and the Health, Education, Labor and Pensions Committee that the Massachusetts Democrat chaired.

Earlier he was press secretary to former Governor Jon Corzine and communications director for the State of New Jersey.

Coley also worked on Capitol Hill for ex-Senator Zell Miller and Congressman Harold Ford and was regional communications director for the Kerry/Edwards ticket in 04.

PR OPINION

Some chapters of PR Society of America are rebelling over the \$30 dues hike sought by national, saying if there's any increase it should go to the chapters "where 90% of the services occur."

These chapters are right. The \$225 national dues is already a crushing burden on chapters that normally get far less than \$100 yearly in dues but provide the invaluable local meetings and networking opportunities.

Chapters point out they are under intense competition from local PR and publicity clubs that charge as little as \$25 a year.

Chapters are also saying that no one checked with them before the dues hike was proposed.

That's typical of national which signed a 13-year, \$6 million lease in downtown New York in 2004 and killed the printed members' directory in 2005 without consulting even the Assembly.

New Contract for Murray?!

First thing chapters must do is find out if the executive committee of PRS has given president and COO Bill Murray a new two or three-year contract.

He forfeited his right to be "president" when he came to my office March 19, 2010 and said he would refuse to deal with me—classic blackballing when he told PRS/MN June 23 that blackballing a news medium is against the PRS Code.

Since his pay/fringes was \$373K in 2009 (he won't tell us his 2010/11 pay) he is probably at the \$400K level now and a two-year contract would mean a commitment of \$800K.

This is a lot of money to pay a plain vanilla administrator when PRS h.q. is already overloaded with high-priced, career administrators—VP-corporate development John Robinson (\$140K); VP-special events Karla Voth (\$135K); VP-marketing Barbara McDonald (\$126K); VP-membership Jennifer Ian \$121K, and webinar/seminar director Judith Voss (\$115K).

These are their 2009 paychecks. Members won't find out 2010 salaries until the end of this year.

No Rapport with Members

The fact that Murray drew only 19 to a free breakfast June 23 in Minneapolis shows how remote he has been from the membership. He has established no rapport with the rank-and-file but has concentrated on the APR "leaders."

Despite claims of a pay freeze, PRS Q1 payroll rose 8% to \$1,390,314 or a hefty 57% of revenues of \$2,249,824.

It rose 3% in 2010 to \$5,529,699 (average of \$110K for the 50 or so staffers).

No Dope, No Dough

Chapters have got to put their foot down. They must demand, besides Murray's 2010-11 pay and whether he has a new contract, the following before there is any more talk of a dues hike:

- Return the full membership list and the geographical and corporate indexes forthwith in the form of a PDF and stop saying the online directory is just as easy to

use. It's not.

- Give members and non-members back the current full roster of the Assembly and stop telling members you don't know who is in the Assembly until the delegates take their seats each year.

- Either broadcast live or tape the Assembly so members and non-members can hear every word said. Give members back the verbatim transcript of the Assembly, an item that costs about \$1,000.

- Forget this dues hike unless chair Rosanna Fiske presents herself for questioning in person at open meetings of the ten largest chapters. Members are fed up with her and other "leaders" hiding behind e-mail barricades. She has only spoken to one chapter in her first six months based on available records—her own Miami chapter. She found time to keynote the "Hispanicize 2011" conference in Hollywood April 7.

- Stop illegal proxy voting in the Assembly. Robert's Rules, which PRS has adopted, say adoption of RR satisfies any state demand for a specific rule against proxies. Can't you read?! Stop following only those laws you feel like following.

- Stop violating Section 958-605-2-1 of the Financial Accounting Standards Board that says dues must be booked over the course of the dues year and not on receipt as PRS does. This bloats the Society's "net assets" figure by \$2.2M. Stop referring to your net assets (warped as they are) as "reserves." --Open PRS's full finances to reporters so they can cover the Society.

- Hire a bunch of senior members to work at h.q. so they can find out what really goes on there. PR is the only trade assn. that bars its own members from working there (except for two or three staff members who are well under control). How much of the \$433,593 in "travel" in 2010 (actually travel, meals and hotels) is meals for the staff?

- Emulate the major professional groups (ABA, AMA, AICPA, etc.) all of which have staff heads of their own profession. Such groups have assemblies that meet twice a year and boards that are "subordinate" to the assemblies (as called for in RR).

UAB Is an Ethical Backwater

The Universal Accreditation Board should enforce its "Usage Guidelines" that say APR must not be used for any competitive purposes.

Delegates Michael McDougall and Christopher Veronda told the 2010 Assembly that the Guidelines say APRs "cannot imply the lack of APR in any way affects a competing professional's competence" and that an APR can be "revoked" for APRs who disobey that.

APRs who control PRS are violating this rule by barring non-APRs, who comprise more than 80% of the membership, from running for national office since the mid-1970s.

There is hot competition for those offices because they can be used to dress up resumes for many years and used in job-seeking and pitching accounts. The elected chair gets an almost unlimited expense account to travel the country.

— Jack O'Dwyer