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O'Dwyer's Newsletter

The Inside News of
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DCI WINS CALIFORNIA TOURISM PITCH

DCI Counsellors International won the competitive pitch for the "Visit California" tourism marketing campaign that is run through the Golden State's travel and tourism commission.

The RFP process began in January to promote growth in the \$95B business that generates \$6B in state/local tax revenues and employs 875K Californians. The work covers the U.S. and Canada.



Kathryn Burnside is director of communications for Visit California.

PEPSI TAPS BRUNSWICK MD FOR TOP POST

Jim Wilkinson, managing partner at Brunswick Group and former top Bush administration aide, has been tapped as executive VP of communications for PepsiCo.

He fills the shoes of Julie Hamp, who left the top communications slot at the beverage and snacks giant last month.

Wilkinson was chief of staff to Treasury Secretary Henry Paulson through the 2008 financial crisis and earlier held communications posts under Secretary of State Condoleezza Rice, Gen. Tommy Franks and the White House. At PepsiCo, he reports directly to CEO Indra Nooyi to lead the \$65B company's global communications team.



Wilkinson

Jake Siewart, the former Clinton White House secretary who took the top communications post at Goldman Sachs last month, reportedly considered the PepsiCo post.

Former Edelman MD Peter Land is senior VP/communications.

DC SUSTAINABLE ENERGY ENTITY SEEKS PR

The Washington, D.C., entity contracted to foster energy efficiency and renewable energy programs and industry development in the District is on the hunt for agency support to handle PR and marketing.

The District of Columbia Sustainable Energy Utility has released an RFP for firms to handle a range of assignments, from PR, media relations and social media to advertising and brand development.

The utility is run by the non-profit Vermont Energy Investment Corp. Proposals are due April 30.

RFP: <http://bit.ly/1kkkEg>.

OMNICOM'S NET INCHES AHEAD

Omnicom reported April 17 that Q1 net inched ahead 1.3 percent to \$204.6M as revenues increased five percent to \$3.3B.

CEO John Wren told investors "2012 is off to a very good start" as "revenues exceeded our internal forecast."

The Fleishman-Hillard, Ketchum, Porter Novelli and Marina Maher PR group registered 6.5 percent growth to \$306.9M during the quarter.

In his presentation, Wren noted "our PR businesses showed improvement for the first time in several quarters."

In the "improving but fragile economy," OMC is focused on costs it can control and continues to build its digital infrastructure.

OMC's 4.4 percent U.S. organic growth rate was spurred by strong results in brand advertising, media, sports and event marketing offset by a decline in the specialty healthcare business.

The advertising and PR conglomerate spent \$33.1M for acquisitions in Q1 for Medical Collective Intelligence (Japanese market researcher), Channel 5 Communications (Australian retail marketing agency) and a controlling stake in Moscow-based Fleishman-Hillard Vanguard.

EX-WEINER AIDE TO DKC

Marie Ternes, chief of staff for former Congressman Anthony Weiner and political director of his 2005 campaign for New York City mayor, has joined DKC as executive VP in its government affairs division.

She had been running O.T. Solutions, a public policy shop focused on telecommunications, energy and civil rights.

Sean Cassidy, DKC president, said in a statement that Ternes "understands government, public policy and the media, three areas that are at the heart of what we do as a firm."

Ternes reports to Allison Lee, head of DKC Government Affairs. Lee joined DKC in 2009 and was an original partner of the influential Patricia Lynch Assocs. shop.

Earlier, Lee served as New York and New Jersey representative for former U.S. Dept. of Housing and Urban Development Secretary Andrew Cuomo, who is now governor of the Empire State.

**PR Rankings Issue:
Leading Gainers
Among Top
Independent Firms**



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MEXICO GIVES R&R G20 SUMMIT PR DUTIES

Mexico has hired R&R Partners to handle PR and media relations for the run-up to and aftermath of the G20 Summit slated for Las Cabos in June.

The Las Vegas shop is to promote the political and economic agenda of President Felipe Calderon as well as the general proceedings of Latin America's first summit of the world's richest economies.

Calderon's priorities include economic stabilization, improving the financial architecture in the interconnected world, food security/commodity pricing and global climate change, according to R&R's "earned media plan."

The R&R document calls Calderon the "perfect spokesman at this time in history" because development issues to be dealt with at Las Cabos are the "very same policies that turned around the Mexican economy from the depth of recession in the mid 1990s."

R&R's international target cities include the U.S., Europe and Asia – Beijing, Paris, Berlin, Tokyo, London, Washington and New York.

The firm, which commenced G20 work on Feb. 15, does not have a written contract, but estimates its fees for the five-month program is \$500K, plus expenses.



C&W RAISES FLAG FOR TEAM USA

Cohn & Wolfe on April 18 kicked off the U.S. Olympic Committee's "Raise Our Flag" campaign, a grassroots effort designed to raise money for London-bound American Olympians.

People can visit the TeamUSA.org site to buy a stitch in the flag that the U.S. squad will carry during the opening ceremony celebrations.

The PR pitch: buy a \$12 stitch and become a "member of the team behind the team."

The website features a searchable "donor's wall," a tally of stitches, state-by-state breakdown of donations along with images/videos of Olympians.

The 100 day countdown to London clock began April 18 with a Times Square event starring gold medalists Carl Lewis, Greg Louganis and Shannon Miller.

GUGLIELMETTI TO KAPLOW

Nadina Guglielmetti, VP-digital strategies at Waggener Edstrom, has joined Kaplow as senior VP & director of digital, social media and consumer strategy. She will work with chief digital officer David Richeson on Kdrive, the firm's social media unit.

Liz Kaplow, CEO, praised Guglielmetti's "15 years of experience conceptualizing, developing and launching measurable and impactful online programs."

Guglielmetti began her career at Calvin Klein Cosmetics and also worked on brands such as Estée Lauder, Origins and Redken 5th Ave. NYC.

At L'Oréal's Redken unit, she served as interactive and media director. Guglielmetti also was with Pfizer in Rome, where she launched its Italian website.



Guglielmetti

PUBLICIS PR TICKS UP 6%

Publicis reported first quarter revenue up 13% to € 1.5M (\$1.9B) with expectations for stronger growth in the second half of 2012.

"We remain confident about this year despite macroeconomic uncertainties that beg caution," said CEO Maurice Levy. "We believe that the second half of the year will see stronger and steadier growth than the first half-year."

Growth at its PR units, which fall under its Specialized Marketing Services division, hit 6% at firms including MSLGroup and Kekst and Company. The SAMS division overall was 19% of Q1 revenue, vs. 21% in Q1 of 2011.

Overall organic growth was up 4.1%. Levy called "mature markets" like North America and Europe "reasonably steady" on gains of 3.3% and 3.6%, respectively, while emerging markets and digital growth (15.6) topped 10 percent.

Publicis last month bought two experiential marketing shops in Asia to boost its MSLGroup PR unit. It acquired U.S. tech PR giant Schwartz Communications last fall.

Levy said the ad/PR conglomerate paid €644.4 million to buy back 18M Publicis shares from Japan's Dentsu during the quarter.

UNIVERSITY PR EXEC IN SEX ASSAULT BUST

The University of Texas at San Antonio, which is in the midst of an agency pitch process to guide PR for its new Division 1 football program, has placed a school spokesman on administrative leave following an arrest for sexual assault of a 15-year-old boy.

David Gabler, associate VP of communications for the 31,000-student institution, was found with the boy, who he met in an online chat room, in a parked vehicle at 2:15 a.m. on April 13 near a park in the city, according to police records reported by the San Antonio Express-News. Police reportedly found evidence in the car of sexual activity.

Gabler joined the school in 1995 from a similar post at Trinity University.

Gabler posted \$75K bond and was released the same day. His attorney denies the allegations and said his client looks forward to proving his innocence in court. Gabler was placed on administrative leave pending an investigation, according to Christi Fish, associate director of media relations as UTSA.

PSB GOES HOLLYWOOD

WPP's Penn Schoen Berland polling firm has acquired First Movies International, market researcher and consultant to studios including Disney, Paramount, Sony Picture and Twentieth Century Fox.

Though mostly noted for advising President Bill Clinton, Sen. Hillary Clinton and U.K. Prime Minister Tony Blair, PSB has been in the entertainment and media business since 2001. Jon Penn heads that unit.

Mark Penn, CEO of PSB and Burson-Marsteller, said of the deal that "it's essential that our "entertainment clients, like our corporate clients, have a finger on the pulse of their consumers in every corner of the globe."

Leading Gainers Among Top Independent PR Firms

Firms in the Top 25

Firm	City	2011 Net Fees	Employees	% Change from 2011
1. Cooney/Waters Group.....	New York	\$20,433,000	70	+45.0
2. Levick Strategic Communications.....	Washington, DC	12,459,523	51	+38.1
3. Atomic PR.....	San Francisco	15,008,254	92	+35.0
4. WCG.....	San Francisco	47,577,000	231	+29.0
5. Allison+Partners.....	San Francisco	19,400,000	120	+25.0
6. CJP Communications.....	New York	12,574,399	52	+24.4
7. ICR.....	Norwalk, CT	32,030,483	92	+21.0
8. Edelman.....	New York	604,740,732	4,120	+15.9
9. Coyne PR.....	Parsippany, NJ	18,010,000	107	+13.6
10. DKC.....	New York	12,100,000	150	+12.1

Firms Ranked 26 Through 50

Firm	City	2011 Net Fees	Employees	% Change from 2011
1. Davies Murphy Group.....	Burlington, MA	\$8,873,415	59	+36.0
2. Formula PR.....	San Diego	11,565,878	102	+31.1
3. LaunchSquad.....	San Francisco	7,573,405	66	+30.0
4. Black Twig Communications.....	St. Louis	10,040,000	49	+28.0
5. Development Counsellors Int'l.....	New ork	7,242,953	43	+22.0
6. Airfoil PR.....	Southfield, MI	8,127,627	54	+19.0
7. Jackson Spalding.....	Atlanta	10,465,757	70	+19.0
8. Sparkpr.....	San Francisco	10,396,043	33	+17.0
9. Merritt Group.....	Reston, VA	7,169,638	36	+15.7
10. The Hoffman Agency.....	San Jose, CA	9,150,000	26	+11.6

Firms Ranked 51 Through 100

Firm	City	2011 Net Fees	Employees	% Change from 2011
1. Jones Public Affairs.....	Washington, DC	\$4,272,403	25	+149.0
2. Borders + Gratehouse.....	San Francisco	2,982,627	14	+66.3
3. Morgan & Myers.....	Waukesha, WI	5,497,316	28	+42.0
4. Nyhus Communications.....	Seattle	3,321,305	20	+29.0
5. Bateman Group.....	San Francisco	2,337,557	14	+28.0
6. Dodge Communications.....	Georgia	3,602,980	26	+25.3
7. Gibraltar Associates.....	Washington, DC	4,918,650	19	+25.0
8. O'Malley Hansen Communications.....	Chicago	2,950,000	15	+23.7
9. Intermarket Communications.....	New York	4,937,425	18	+23.1
10. Dukas PR.....	New York	3,389,000	16	+22.1

Firms Ranked 101 Through 125

Firm	City	2011 Net Fees	Employees	% Change from 2011
1. J Public Relations.....	San Diego	\$1,714,992	15	+63.8
2. Capapult PR-IR.....	Boulder, CO	1,044,924	6	+24.0
3. Red Sky PR.....	Boise, ID	1,239,978	13	+23.0
4. Harrell Group.....	Dallas	639,767	2	+22.2
5. WordHampton PR.....	East Hampton, NY	978,833	10	+19.2
6. Furia Rubel Communications.....	Doyelstown, PA	783,025	4	+18.4
7. Phillips + Co.....	Austin, TX	713,351	8	+15.7
8. Open Channels Group.....	Ft. Worth, TX	1,271,243	10	+21.5
9. Guthrie/Mayes & Assocs.....	Louisville, KY	1,251,504	7	+5.8
10. Cashman & Katz.....	Glastonbury, CT	1,485,000	20	+4.0

NYTC REPORTS BIG RISE IN NET

The New York Times Co. April 19 reported a \$42M first-quarter net profit, bolstered by a \$29M gain from the sale of its regional newspaper group.

Operating profit slipped 24 percent to \$19.6M on flat revenues of \$499M.

CEO Arthur Sulzberger said in a statement the NYTC faces challenges in the advertising marketplace due to “uneven U.S. economic environment and uncertain global conditions.”



On the digital front, paid subscriptions to the *New York Times* and *International Herald Tribune* rose 16 percent to 454K from the fourth quarter. Paid subs to the Boston Globe rose 13 percent to 18K.

Sulzberger was buoyed by that performance. “Our readers have embraced our digital strategy, which has provided a successful model for the industry,” he said in a statement.

Digital ad sales slipped 10.3 percent to \$71.1M, largely due to a lackluster performance from the About Group.

Sulzberger predicts a modest improvement from About during the current quarter.

MEREDITH RECRUITS AOL VETERAN

Meredith Corp. has named Jon Werther, an AOL alumnus, chief strategy officer, to plot new initiatives at the publisher of women’s magazines such as *Better Homes and Gardens*, *Ladies’ Home Journal*, *More* and *Everyday with Rachel Ray*.

Werther helped guide AOL’s transition from dial-up service to a web-based media company. As executive VP-integrated operations, Werther was in charge of process improvement, acquisitions, strategic development and global growth.

Most recently, he held the president position at Simulmedia, an audience-targeted TV ad network that reaches more than 100M U.S. households.

Werther will report to Stephen Lacy, Meredith’s chairman and CEO, when he joins the company April 30.



Werther

TNR PUB SHIFTS TO MACNEIL-LEHRER

Michael Rancilio, publisher and COO at *The New Republic*, is joining MacNeil-Lehrer Productions on May 1 as VP-development and chief revenue officer.

He will be in charge of corporate underwriting, foundation relations and individual giving for the company and the PBS NewsHour.

Rancilio, 40, handled consumer marketing and sales at AOL and *The Atlantic* before joining TNR.

Bo Jones, president at MacNeil-Lehrer Productions, says Rancilio’s track record in building revenue streams and appreciation of quality journalism makes him a good fit at the company.

SUN'S ROYAL EDITOR ARRESTED

Scotland Yard arrested Duncan Larcombe, who covers British royalty for the *Sun* tabloid, as part of its investigation in the hacking scandal.

He has written extensively about Prince William, his wife Kate Middleton and her sister, Pippa.

The arrests came a week before News Corp. CEO Rupert Murdoch and deputy COO and son James are to give further testimony in the ethics probe of the now-defunct *News of the World* tabloid.

Scotland Yard said the arrest of Larcombe was based on information provided to it by News Corp’s management and standards committee that was established to probe the scandal.

Police have arrested 45 people in connection with hacking at News Corp. properties.

SCHLOSSER EXITS NBC FOR SHINE PR

Joe Schlosser, senior VP of communications at NBCUniversal, is moving to rival News Corp. to lead communications for its newly combined Shine America unit.

Shine, the U.K.-based TV production company led by Elisabeth Murdoch, was acquired by News Corp. last year. Shine Americas’ first CEO, Emiliano Calemzuk, stepped down in January after a year and a half. News Corp. last month merged three units – Shine Americas, Shine USA and Reville Productions – together to form Shine America under CEO Carl Fennessy. It co-produces TV series in the U.S. like “The Office,” “Ugly Betty” and “The Tudors.”

Schlosser takes the title senior VP of communications overseeing corporate branding, programming publicity, trade and consumer media relations, events and talent relations.

He joined NBC in 2002 after moving into PR a year earlier as VP of publicity for Hallmark Channel. He previously was Los Angeles bureau chief for *Broadcasting & Cable*.

PAYPAL PRO TAKES KEY YAHOO! POST

Yahoo! CEO Scott Thompson has hired PayPal veteran Sam Shrauger to run the newly created consumer commerce business unit with senior VP Mollie Spilman.

He had served as VP for PayPal’s global product and experience unit, where he helped build the nearly \$80B merchant services sector and develop products to push into the traditional offline payment arena.

Shrauger joins Spilman, who was Yahoo!’s Americas marketing chief and a 22-year veteran of media companies such as Time Warner, Meredith Corp. and Discovery Networks, on Yahoo!’s executive leadership team.

Thompson, the former president of PayPal, called the duo “extremely talented and experienced leaders who bring unique and complementary skills to our tremendous commerce opportunity.

Yahoo! announced the cut of 2,000 workers as part of its most recent restructuring.



Shrauger

NEWS OF PR FIRMS**W20 GRABS BIG DATA FIRM**

W20 Group, parent to WCG and Twist, has acquired Austin “big data” analytics company Ravel, including numerous software assets and pending patents.

W20 president Bob Pearson said the acquisition of Ravel, which develops technology that allows users to analyze large sets of data, will enhance W20 agencies’ ability to predict trends based on historical info and real-time data. “The future of ‘pre-commerce’ and the emerging discipline of social commerce will be largely shaped by an organization’s ability to see the playing field with more clarity than its peers,” he said.

Ravel co-founder and VP of engineering Stave Blackmon, along with its development team, join W20 full-time and will consult with clients.

C&W OPENS 2 OUTPOSTS IN INDIA

Cohn & Wolfe has opened two new offices in Mumbai and Delhi in a bid to meet what it says are growing client needs for a presence in India.

The firm said it is in the final stages of selecting a CEO for the country to report to C&W Donna Imperato.

“We see enormous potential in India for current and prospective clients seeking global communications support,” said Imperato.

Irfan Khan, a former VP of corporate comms. for Unilever, is chair for C&W in the country. Prema Sagar, an Indian PR pro, sits on C&W India’s board and plays a mentoring role for the new agency, the firm said.



Imperato

SV&C, ICR WORK GREAT WOLF BIDDING

Sard Verbinnen & Co. and ICR handled the bidding war for Great Wolf Resorts, the nation’s No. 1 operator of indoor water parks.

The Madison, Wis.-based company threatened to terminate a \$6.75 a-share bid that it received in March from Apollo General Management by April 20 unless it gets an offer to top the \$7 a-share bid from KSL Capital Partners.

Apollo raised its offer to \$7.85 per share, an 87% premium to the price before the initial bidding began. KSL has told Great Wolf that it does not plan to increase its offer.

Great Wolf stock is currently trading at \$7.83, off its 52-week high of \$8.11.

SV&C’s George Sard, David Reno and Carrie Bloom are handling media inquiries about the takeover battle, while ICR’s Brad Cohen works the investor beat.

BRIEF: Brownstein Group, a 48-year-old Philadelphia agency, has formalized a B2B marketing practice after working the space for several years with clients like Microsoft and Siemens. Marc Brownstein, president and CEO, said his firm will blend of branding, PR, digital and creative expertise to impact companies “who aim to rise above the ocean of ordinary that currently exists in the B2B market.”

NEW ACCOUNTS**New York Area**

Lou Hammond & Associates, New York/Pommery, French champagne producer with brands including Cuvée Louise and POP, as AOR for PR, social marketing and positioning.

Stuntman, New York/The Anchor, SoHo nightclub, for media relations and event marketing.

East

Schulte Sports Marketing & PR, Woodstock, Md./SigningsHotline.com, sports collectibles, for media relations, brand identity, new business strategies and social media.

CRT/tanaka, Richmond, Va./Wilsonart International, kitchen design and creation, for a PR campaign to support Wilsonart HD, the company’s premium countertop surface product.

Southeast

Cohn & Wolfe, Atlanta/Pete & Gerry’s Organics, New Hampshire-based cage-free egg producer, as AOR for PR, after a competitive review as the company expands into new U.S. markets and looks to recruit new famers.

Arthur Douglas & Associates, Orlando/Eco Building Products, to launch and execute a national PR and awareness campaign to increase investor awareness and market support among professional investors and securities analysts.

Midwest

FoodMinds, Chicago/American Heart Association; Can Manufacturer’s Institute; OnVu, Almond Board of California, and Micropharma.

Walker Sands Communications, Chicago/HarperCollins UK, to launch a series of new iPad apps in the U.S. The first PR push was the launch of Brian Cox’s “Wonders of the Universe,” an astronomy app.

Mountain West

Communication Infrastructure Group, Amélie Company, Heinrich Marketing, Denver/Colorado Dept. of Transportation, for \$400K pacts covering advertising, marketing and PR, following an RFP process.

West

Sterling Communications, Seattle/Mantra Venture Group, as AOR for corporate comms. for its Mantra Energy Alternatives unit.

Allison+Partners, San Francisco/Adopt-A-Classroom, national nonprofit, to develop and implement a communications plan. The two worked together on a campaign with OfficeMax last month to raise funds for a school in Henryville, Ind., that was destroyed by a tornado.

MAYO Communications, Los Angeles/Operation Blankets of Love, for a national campaign, and Junior Wright, R&B singer and songwriter, for PR.

Hayes Martin Associates, Newport Beach, Calif./City of Garden Grove, to rebrand a section of the community.

International

Bell Pottinger, London/Juvela, gluten-free food brand, to manage a communications campaign targeting those with celiac disease.

— **Greg Hazley**

NEWS OF SERVICES**DOW JONES CARRIES PHONY BOA RELEASE**

A phony Bank of America press release was carried by Dow Jones Newswires on April 18 before the wire realized the error and removed it.

The release purported to be a call for help from the high-profile bank acknowledging financial pitfalls and referring to a website, yourbofa.com, which carries a letter from CEO Brian Moynihan expressing the inevitability that taxpayers will eventually own the company.

Welcome to your Bank of America.



Brian T. Moynihan
Chief Executive Officer
President
Your
Bank of America

“And when the day comes that you, the American taxpayer, own this Bank, you will be ready to make it a Bank for America – one that brings benefits not to the privileged only, but to all of our customers, and to all of our stakeholders too,” read the faux Moynihan letter.

The release said it was issued by Business Wire, but the company said it did not release the document.

Dow Jones said it mistakenly published the release after it was sent to a number of DJ and *Wall Street Journal* recipients. It ran via DJ at 9:15 a.m. April 18.

After the Wall Street Journal reported in a blog post that the release was fake at 10:52 a.m., DJ removed the release from its archives.

Bank of America told DJ it does not plan to take action against the sender of the email.

The stunt came a day before the bank was set to release its first quarter earnings.

The media contact on the release is listed as Bengo Guenther with a San Francisco phone number.

Despite efforts to verify the authenticity of news releases, the sheer volume of releases and fewer newsroom staffers have likely contributed to a number of fake releases carried in media and via newswires over the past two years.

CISION CREATES PORTAL FOR CREATORS

Cision has created an online community for collaboration among content creators like journalists and PR pros.

The site, SeekorShout.com, lets users find sources to interview, products for review, and story ideas, in addition to sharing content like stories and blog posts with followers.

Users can create profiles to define topics of interest, background info, deadlines and other needs, which Cision sees as a bid to “take back” their inboxes and “reduce unwanted and irrelevant story pitches or proposals.”

Peter Granat, CEO of Cision North America, said the “social web” is blurring the lines between journalists, bloggers, and other content contributors. “Seek or Shout is designed to offer this creative community the easiest and most productive way to find sources and information, develop ideas into stories, seek freelance opportunities, and share successes,” he added.

Users can also exchange private messages with followers.

Granat said the site is aimed at the “new breed of content creators for whom sharing and collaborating is second nature.”

PEOPLE**Joined**

Alan Araujo, senior VP, Porter Novelli, to MWW Group, New York, as director of social strategy, managing the firm’s Dialogue Digital practice. In 12 years at PN, he handled clients like Absolut, Consumer Electronics Association and Baxter.

**Araujo**

Richard Grenell, director of communications and public diplomacy at the U.N. during the two terms of the Bush administration, has joined Mitt Romney’s presidential campaign as its national security and foreign policy spokesman. Grenell worked on the corporate communications side for kidney care giant DaVita and set up Capitol Media Partners in 2009.

Ray De Lorenzi, communications director, American Association for Justice, to Chlopak, Leonard, Schechter & Associates, Washington, D.C., as managing associate. He was previously comms. director at the Association for Trial Lawyers of America, now the American Assn. for Justice.

Linda Saindon, general manager, online business unit and director, social media, Sears Holdings Corp., to Social@Ogilvy, Chicago, a new social media unit of Ogilvy & Mather, as senior VP. She handled the Sears and Kmart brands at SHC. She reports to Ogilvy PR managing director Nathan Friedman. Previous stints included Kraft Foods, ConAgra Foods, and J. Brown & Assocs.

**Saindon**

Maureen Omrod, director of corporate comms. for global engineering and construction company Day & Zimmerman, to Balfour Beatty Capital Group, Newtown Square, Pa., as corporate comms. director. She was previously manager of marketing comms. for staffing company Yoh.

Paul Salfen, music and entertainment journalist, to Aria, Dallas, as principal as the digital marketing firm launches a publicity and promotion unit with PR client Rock-N-Roll Allstars. Salfen is managing editor for Flavorpill and former editor-in-chief for *Envy*.

Brooke Shepard, who built a consumer tech unit at Current Lifestyle Marketing, to sister Interpublic firm Weber Shandwick, Seattle, as executive creative director. He reports to Seattle GM Tim Fry.

Promoted

Mike Kuczkowski to general manager of Edelman’s 100-staffer San Francisco office, effective May 1. He succeeds **Jay Porter**, who became Edelman’s global client relationship manager for Starbuck’s this month. Kuczkowski is a 10-year veteran of the firm, founder/president of Edelman Consulting, and once led the Pfizer account. Edelman/S.F. generated \$8.5M in 2011 net fees from clients such as ebay, Norton, Levi Strauss, Shutterfly and North Face as clients. He reports to Curt Kundred, president of Edelman’s western region.

**Kuczkowski**

BUSINESS MUST EARN 'LICENSE TO LEAD'

The collapse of trust in the private sector combined with the rise of consumers as content creators has put an end to the traditional “license to operate” business model, according to Richard Edelman, who believes successful companies need to adopt a “license to lead” approach.



Edelman at Marquette April 20.

Photo: Christian Whitman

“Business must gain the informed consent of constituents, provide value beyond its traditional performance objectives and be held accountable through a new level of transparency,” he said April 20 at Marquette University’s first corporate communications summit.

The CEO of the top independent firm said business should substitute principles-based leadership for rules-based leadership.

“Rather than driving the car next to the guard rail, business needs to operate in the center of the lane-to tune out the high-priced lawyers or brilliant financiers who advise hugging the guard rail to make a bit more money,” he said. “There’s more to gain from a motivated workforce and confident customer base that far outweighs any benefit derived from operating at the edge.”

Edelman urged business to take the lead on issues that are central to their operation and stakeholders.

He gave the firestorm surrounding fracking as an example where energy companies failed to lead, resulting in dozens of stories about pollution of water supplies and laws banning that technique to extract natural gas.

Embrace 'radical transparency'

The Edelman CEO sees the need for companies to embrace “radical transparency” and let the voices of “regular people” be heard.

“Employees in mid- to lower levels of the organization are more credible than the chief executive-and they are out there communicating already,” said Edelman. “Progressive corporations can serve their own best interests by supporting the process, encouraging informed engagement with Twitter or Facebook because that’s where discussions are taking place.”

The corporate communications officer, to Edelman, is the right person to drive the license to lead model: “Gone are the days when senior communications executives could lean toward their CEOs and whisper advice in their ears, then step aside, assured they’d done their job. The CCO must partner now with CEO on both strategy and execution. It needs to be the closest relationship in the corporation.”

Edelman’s dream is that future students will forgo the temptations of Wall Street, consulting and tech start-ups for a career in communications. “CCOs are the future of organizational transformation,” he said. “We’re the next-generation power brokers.”

TEXAS CANCER GROUP SELECTS H+K

The Cancer Prevention and Research Institute of Texas has selected Hill + Knowlton Strategies to handle its effort to bolster national awareness of the Lone Star State’s effort to fight cancer.

In December, Austin-based CPRIT issued an RFP with a \$375K budget through the base year to August 2013 and \$250K per-year on three option years.

The four-year-old program cancelled an earlier search in 2011 due to budget constraints.

Established after a statewide vote, the Institute is charged with investing up to \$3B for cancer research programs in Texas. The goal is to expedite innovation and commercialize promising research.

MOFFETT HELPS OUT ON MALAWI

The firm of former Connecticut Congressman Toby Moffett has inked a “strategic services subcontract” with Whitaker Group to provide counsel to Malawi, a business that it signed up earlier this month.

The Moffett Group will work to build Washington partnerships to advance the economic and social goals of that southern African nation, according to the pact.

The agreement remains in effect in the event that TMG is merged or consolidated with another firm as long as Moffett remains “principally responsible” for the representation of Malawi.

Moffett was part of the PLM Group combination with Tony Podesta’s Podesta Group and Bob Livingston’s Livingston Group that worked on the lucrative \$1.1M a-year Egyptian account.

Egypt’s new government ended that four-year relationship in January.

GLAXO, HGS ADD PR SUPPORT IN HOSTILE BID

Human Genome Sciences and GlaxoSmithKline have brought in PR counsel as Glaxo pursues a \$2.6B hostile bid for the biotechnology company and longtime drug development partner.

HGS, based in Rockville, Md., has engaged Joele Frank, Wilkinson Brimmer Katcher to support its PR strategy under VP of corporate comms. Jerry Parrott. The company went public April 19 in announcing and rejecting Glaxo’s \$13-per-share offer. It has engaged legal counsel and financial advisors to explore “strategic alternatives in the best interest of shareholders.”

Glaxo and HGS have collaborated for two decades on several drugs including the lupus drug Benlysta.

U.K.-based Glaxo brought in Sard Verbinnen & Co. to support its U.S. PR. After HGS revealed the Glaxo bid on Thursday, Glaxo confirmed its unsolicited offer made April 11, which CEO Sir Andrew Witty described as the “evolution” of the relationship reflecting the “full and fair value” of HGS. The company is playing up the bid as an 81 percent premium on HGS shares.

“We are disappointed that Human Genome Sciences has rejected our offer without discussion and are confident that our offer is in the best interest of shareholders of both companies,” Witty said.

SV&C CEO George Sard heads the firm’s work for Glaxo while JFWBK CEO Joele Frank leads her firm’s team for HGS.

PR OPINION

The PR Society is searching for two new PR people, indicating the new board is rejecting the PR policies of the previous board.

But merely adding two new PR people is not going to cure anything. It is like re-arranging the chairs on the deck of the Titanic.

What should be done is to make the current PR staff (Arthur Yann, Keith Trivitt, Diane Gomez) do their jobs, namely face the facts and face the press.

Even better would be the Society hiring a PR firm for the first time in its history. A PR firm could not stiff the press.

Symptomatic of the staff's inability to handle information is its failure to post the minutes of the 2011 Assembly.

Yann and his boss Bill Murray should apologize for blocking O'Dwyer press coverage of the 2011 Assembly and conference and should open the floodgates of information to members by publishing transcripts of the 2011 Assembly and previous Assemblies; publishing the list of 2012 delegates; publishing names and titles of all staffers, and restoring the single list of the 110 chapter presidents so they and members can easily reach the presidents.

Hiring New People Is Not the Answer

PRS staff, based on past practice, are likely to hire those who are not members and who can easily be pushed around. Examples are Janet Troy, who told the Bergen Record she was "clueless" about PRS when she joined in 2004, and Joe DeRupo (2007) who also was not a member.

Given the blatant anti-press, anti-New York and anti-information policies of PRS h.q., what PR person of any weight would join this organization?

Two PR staffers, Steve Erickson and Richard George, quit in 1996 and 1999, respectively, just before the national conferences when they were most needed. They were fed up with PRS leadership and staff. Libby Roberge lasted from 2001-2003, not returning after having a baby. Others quitting were Cedric Bess, now with the New York Yankees, and Troy, whose resume on LinkedIn lists PRS as her last job.

Talk to Past Staffers, Search Web

Candidates for the two advertised posts should talk to the past occupants named above and also search odwyerpr.com where there are 2,930 stories, blogs and news items about PRS. Most of the mentions are in the free part of the site but free sample user/pass codes will be given to anyone wishing to research the Society.

A custom Google function recently added to odwyerpr.com allows any topic mentioned in the O'Dwyer NL or website since Jan. 1, 2000 to be found in less than a half second.

Information is now king, not PR nor even journalism. Anyone can search through records and come up with theories and explanations of why things are so.

The PR Society's gambit of the last 20 years, which is to duck the press, members and facts, is a strategy that

no longer works. It's easy, with the help of bitly and tinyurl, which compress long URLs to 6-7 characters, to fully document a position. PR people have yet to learn how to cope with the tsunami of facts and analyses that regularly engulf them.

More Gumption Needed by PRS Board

The new board of PRS is showing some guts but it needs more.

Some major leaguers have joined the board-Diane Lofgren, senior VP of the \$47 billion Kaiser Foundation Health Plan; Elizabeth Peci, head of executive communications at \$3.85B Unisys; Mark McClennan, SVP at Schwartz MSL, a unit of Publicis, and counselor Jane Dvorak, 2003 president of the 500+ member Colorado chapter and 2006 Western district chair.

Kaiser, Unisys, Publicis and Dvorak don't want their names dragged through the PRS mud. All four came in as at-large directors beholden to no section of the country. Lofgren, Peci and Dvorak are from the West and McClennan (one of the most outspoken of Assembly delegates) is from the Northeast. They have apparently wrested control from the Southern bloc that has dominated PRS for so many years.

That bull-headed, wrong-headed group shifted New York h.q. all the way downtown in 2004 with no input from the Assembly; it cancelled the printed members' directory in 2005, again with no Assembly input and refuses to discuss a PDF alternative; it voted in 2005 to let the executive committee act in place of the full board, castrating the board, and it boosted Cheryl Procter-Rogers from a director to chair-elect in 2005 without the seasoning of being secretary and then treasurer. Anthony D'Angelo should have been chair-elect.

The new board must realize that hiring PR people will not solve anything and will only waste many months. No one of any merit will show up. PR people know they will be ugly ducklings in a flock of assn. types. The four new directors and other allies on the board must start barking orders now.

Significant is that the 2012 board is the first in PRS' history to have a female majority (8-7). Aren't women the fairer and gentler sex? Prove it!

UN Blasts Press Intimidation

Item No. 1 is removal of the formal boycott against the O'Dwyer Co. that has been condemned by the National Press Club.

Coincidentally and highlighting this issue is that the United Nations on April 13 approved the "UN Plan of Action on the Safety of Journalists" that says journalists covering local news as well as those in combat zones should be free of any type of harassment or intimidation.

A 2011 UNESCO report on the "Safety of Journalists and the Need for Impunity" said most of the complaints received did not involve reporting on armed conflicts but reporting on local crime, corruption and illegal activities.

PRS' behavior toward the O'Dwyer Co., including barring staffers from the 2011 Assembly and conference, is exactly what UNESCO is talking about. — Jack O'Dwyer