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O'Dwyer's Newsletter

The Inside News of
PR and Marketing
Communications

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VIRGIN ISLANDS FLOATS U.S. PR REVIEW

The U.S. Virgin Islands tourism entity has floated an RFP review of its U.S. PR account ahead of the 2012-13 winter travel season.

M Booth is the incumbent. The scope of work includes national media relations, digital/social media management, news bureau press requests, media training and development of an annual PR plan, among other tasks.



The islands, including St. Croix, St. John and St. Thomas, draw nearly three million visitors each year. They were purchased by the U.S. in 1917 from Denmark. Tourism is 80% of the islands' economy.

PR proposals are due July 17.

Sal Griffith of the USVI Dept. of Tourism (sal.griffith@dpp.vi.gov; 340-744-0828, ext 230) is overseeing the RFP process. RFP: <http://bit.ly/M0p6G3>.

HAMP ROLLS TO TOYOTA

Julie Hamp, who left the top communications post at PepsiCo in March, is driving to Toyota North America as chief communications office, starting June 25.

She takes over for Jim Wiseman, who is retiring at the end of the month after 23 years at Toyota, the last two serving as its first CCO.

Hamp will be based in Torrance, Calif., reporting to Toyota Motor Sales president and CEO Jim Lentz.

Toyota has 1,800 dealerships in the North America, including Toyota, Lexus and Scion, with sales of 1.8M vehicles in 2011. It employs 37,000 people in the region.

Prior to PepsiCo, she worked marketing communications and PR at General Motors. PepsiCo in April tapped Brunswick and Bush administration alum Jim Wilkinson to head communications.

Ad man Michael Goldberg, who joined Porter Novelli earlier this year as senior VP and chief marketing officer, is going back to the advertising world. He is joining Interpublic's Deutsch in August. PN announced the hiring of Zimmerman Advertising executive VP Goldberg on Oct. 26. Chris Lynch, PN's executive VP/corporate business development, is filling in for Goldberg.



Hamp

WEBER SHANDWICK, H+K SETTLE LAWSUIT

Weber Shandwick and Hill+Knowlton Strategies on June 12 announced the settlement of a legal suit filed by WS earlier this year against H+K and former staffers Jody Venturoni/Ken Luce, who each headed its Texas operation before joining H+K, for allegedly misappropriating documents and improperly soliciting staffers and clients.

Terms of the settlement are confidential, but WS says the deal "protects its business interests, its clients' confidential data and its clients' confidential information."

As part of the settlement, Venturoni issued the following statement: "During my last year of employment with Weber Shandwick and immediately after my resignation, I took confidential information belonging to Weber Shandwick. I shared some of this information with employees at Hill & Knowlton.

"This information has since been returned to Weber Shandwick or destroyed. Weber Shandwick took justified legal action to protect its own business interests and those of its clients. We have reached a confidential settlement of this matter."

H+K regrets the circumstances that led to the filing of the suit but understands that Weber Shandwick "took this action to protect its business interests. We have reached a confidential settlement of these matters."

Elisabeth Rutledge, senior VP in H+K's Dallas office, says the WPP unit is glad the settlement is behind it because "our primary focus is our clients. We welcome a resolution to this distraction."

WPP SHAREHOLDERS NIX SORRELL PAY HIKE

WPP shareholders rejected a proposed 60% compensation hike for CEO Martin Sorrell at the conglomerate's annual meeting in Dublin on June 13.

In that non-binding vote, 59.5 percent of the proxies opposed WPP's remuneration report.

Philip Lader, WPP chairman, told the meeting that the board will take the "remuneration report very seriously." It's premature to determine if Sorrell's compensation will be adjusted, he added.

Sorrell argued in favor of the comp hike, saying he deserved to be compensated as an owner and entrepreneur. He founded WPP in 1985.



Sorrell

In the future, which is now,
everyone will have their 15 minutes of shame

Digital Assassination

PROTECTING
YOUR REPUTATION,
BRAND, OR BUSINESS
AGAINST
ONLINE ATTACKS



Richard Torrenzano
and Mark Davis



Two leading advisors to Fortune 500 corporations and high profile individuals look beyond the technology to examine what social media realities, history, pop culture and futuristic science tell us about how to deal with digital assassins.

Whether a board member, CEO or celebrity...small business owner, entrepreneur or manager...teacher, parent or child...doctor, lawyer, accountant, journalist or politician...all of us are at risk of Digital Assassination.

“Their *Digital Assassination* should be in the hands of anyone who has a good name -- or a good business -- to protect.”

Michael Hayden, former Director, Central Intelligence Agency and the ultra-secret National Security Agency



Richard Torrenzano is chief executive of The Torrenzano Group, a strategic communications and high-stakes issues management firm. For almost a decade he was a member of the New York Stock Exchange's Management and Executive committees. He has managed some of the most visible global crises of our lifetime.



Mark Davis is a former White House speechwriter and a senior director of the White House Writers Group, where he has consulted with the Defense Advanced Research Projects Agency, as well as with some of the nation's leading telecommunications, information technology and defense-aerospace companies.

DUBERSTEIN PREPS EMBATTLED ACCRETIVE

Accretive Health, the Chicago-based debt collection agency under fire for allegedly demanding pay from emergency room patients before treatment, has hired Duberstein Group for preparation for Congressional hearings.

The *New York Times* ran a blockbuster piece April 24 about Accretive's strategy of "embedding" debt collectors in hospitals, and other hardball activities, which have been under investigation by Minnesota Attorney General Lori Swanson.

Sen. Al Franken (D-MN) held a hearing May 30 at Minnesota's State Capitol in which he took testimony from patients; Swanson; Charles Mooty, interim CEO of Fairview Health Services, and Greg Kazarian, Accretive senior VP.

The author of the End Debt Collector Abuse Act, said: "When Minnesotans go to the emergency room, they should be able to get treatment without first being hassled for payment."

Ken Duberstein, chief of staff to former President Ronald Reagan, leads the Accretive Health lobbying team.

He's joined by Daniel Meyer, COS to ex-House Speaker Newt Gingrich and legislative affairs assistant to former President George W. Bush; Steven Champlin, former executive director of the House Democratic Caucus; Brian Griffin, aide to Sen. Bryon Dorgan (D-ND); Michael Berman, aide to former VP Walter Mondale, and Eric Ueland, COS to ex-Senate Majority Leader Bill Frist.

On May 15, Accretive hired Michael Leavitt, former Secretary of U.S. Dept. of Health and Human Services and three-term Utah Governor of Utah, to lead a panel to create a national standard to deal with hospital patient payments.

Members of that group include Frist, Donna Shalala, ex-Secretary of the U.S. Dept. of Health and Human Services, and Tom Daschle, ex-Senator from South Dakota and Majority Leader.

U.S. CUSTOMS PUTS OUT AGENCY FEELER

U.S. Customs and Border Protection has put out an agency feeler for communications and outreach services across categories like PR, advertising, media buying and marketing research.

The communications and outreach division of its office of public affairs released a request for information on June 11 in an effort to "refine" its agency needs for campaigns promoting policies, urging registration and compliance for enforcement programs, and other endeavors.

The CBP, based in Washington, D.C., wants to hear conceptual ideas from agencies by June 27 but stresses that no RFP yet exists.

More information is available at the government's procurement site fbo.gov.

The U.S. Citizenship and Immigration Service, also part of the DHS, in October tapped ECU Communications of Virginia to handle PR outreach for two initiatives.

UAE HIRES EDELMAN FOR CLIMATE WORK

The United Arab Emirates has hired Edelman to help its Directorate of Energy and Climate Change unit build in-house PR and research capability over the next 15 months

The effort for the Ministry of Foreign Affairs unit begins with interviews in the U.S. to gauge awareness and message clarity of the UAE's position on climate change and energy, according to Edelman's agreement with the UAE.

Edelman staffers will then provide formal training and a "how-to" manual will be developed during a Communications 101 course."

The Ministry of Foreign Affairs says facing the challenges presenting by climate change is a major priority for the UAE.

According to its website: "The UAE is a low lying coastal country with an arid climate and which already faces high temperatures. At the same time, we play a central role in the world's energy economy as a supplier of fossil fuels, which gives us an important stake in finding solutions to cutting emissions while still providing the world with the energy it needs."

Edelman reports to Thani Ahmed Al Zeyoudi, who heads the Directorate. The UAE's Abu Dhabi hosts the International Renewable Energy Agency, which was formed in 2009, to accelerate the growth of solar, wind and hydro power.

PR STAFFER EXITS MERCURY AFTER FLAP

A senior associate for Mercury Public Affairs handling its Wal-Mart account has left the firm after she posed as a journalism student at an event urging workers at the retailer to unionize.

Stephanie Harnett told warehouse workers at a June 6 press conference she was a journalism student and gave the name "Zoe Mitchell." A week later at another press conference, she revealed her identity, according to Warehouse Workers United, a union-backed group, which posted a picture of the 26-year-old PR staffer on its website.



Photo: WWU

"The action taken by Ms. Harnett was in no way approved, authorized, or directed by Walmart or Mercury," said a statement from Mercury. "Stephanie is a junior member of our team who made an immature decision. She showed very poor judgment and Mercury takes full responsibility. We are taking the necessary disciplinary actions. This is an isolated incident that has never happened before and will not happen again."

Wal-Mart tapped Mercury as it hopes to build a Los Angeles store in the city's Chinatown neighborhood, where opposition has sparked in the labor and political community.

Wal-Mart also criticized Harnett's conduct in a statement. "Our culture of integrity is a constant at Walmart and by not properly identifying herself, this individual's behavior was contrary to our values and the way we do business," said Steve Restivo, senior director of community affairs.

CARBONELL LEADS FORBES COMMS.

Mia Carbonell, who led corporate communications for HSN and Rodale, among other media entities, has moved to Forbes Media as senior VP of corporate communications.

She takes on a role vacated by Forbes' long-time PR head Monie Begley in May, reporting to Mike Perlis, president and CEO for the past year and a half since the company's restructuring.

Carbonell was VP/corporate comms. at home shopping giant HSN after three years leading corporate comms. at publisher Rodale.

Earlier, she was executive director, corporate comms., for Time Warner and directed external comms. at Vivendi Universal after stints at Hill & Knowlton and on-air for WPLG (Miami).

**WSJ REPORTER RESIGNS OVER RACY E-MAILS**

Gina Chon resigned her reporter job at the *Wall Street Journal* after racy emails surfaced this month that revealed a relationship with President Obama's nominee for the Iraq ambassador post.

"Gina Chon agreed to resign this afternoon after acknowledging that while based in Iraq she violated the Dow Jones Code of Conduct by sharing certain unpublished news articles with Brett McGurk, then a member of the U.S. National Security Council in Iraq," said Dow Jones in a statement.

The paper maintains that the relationship did not affect Chon's reporting. The pair is now married.

President Obama has nominated McGurk for the Iraq ambassador slot.

SHAREHOLDERS BACK AOL DIRECTORS

AOL shareholders voted to re-elect all eight members of the company's board, casting aside a takeover bid by investment firm Starboard Value, which owns 5.3 percent of AOL's outstanding shares.

"Today's outcome reaffirms our strong belief that AOL has the right strategy and team to successfully execute on our plan to continue to deliver enhanced value for all stockholders," AOL said in a statement.

Starboard, which got a boost this month with the backing of Institutional Shareholder Services, declared victory in saying AOL "adopted many of our suggestions, taking AOL stock from near an all-time low to near an all-time high."

Starboard put three directors up for election. ISS backed two of the Starboard candidates and six incumbents on the AOL board.

TIMES-PICAYUNE FIRES HALF ITS NEWS STAFF

Advance Publications is cutting 84 of the 173 staffers of the *Times-Picayune* as the 175-year old paper goes to a three-day a week schedule in the fall, leaving New Orleans as the biggest city without a daily paper. A total of 200 people are getting the boot.

Employees that survived the cut will work for Nola Media Group, which will oversee news coverage. NMG will have a staff of 275.

Other staffers will wind up at Advance Central Services Louisiana, an entity formed to produce the newspaper and provide support services.

The staff reductions are effective Sept. 30.

Steve Newhouse, chairman of Advance.net, said the layoffs are the best way to keep the T-P "going as a quality news operation."

Advance is cutting another 400 people in Alabama at *Birmingham News*, *Huntsville Times* and *Press-Register* in Mobile.

USA TODAY'S BLOCK TO KIPLINGER'S

Sandra Block, *USA Today* personal finance reporter and columnist, has moved to *Kiplinger's Personal Finance* as senior associate editor for the magazine and website.

Block covered topics like taxes, consumer banking, student loans, credit cards, insurance and retirement, and introduced her weekly "Your Money" column in 1998.

Janet Bodnar, editor of KPF, said, "We have always thought Sandy would be a valuable addition to our staff, and the time has finally come."

Block previously reported for Dow Jones and the *Akron Beacon Journal* and co-authored "The Busy Family's Guide to Money" and "Easy Ways to Lower Your Taxes."



Block

CAMERON DENIES NEWS CORP. FAVORITISM

British Prime Minister David Cameron denied showing any favoritism towards Rupert Murdoch's News Corp., saying that it was in his political interest to curry favor with the entire media after he became chief of the Conservative Party in 2005.

Cameron told the Leveson inquiry on June 14 that he met with media people 1,400 times, including 19 sessions with Rebekah Brooks (former editor of *News of the World*), 15 times with James Murdoch (ex-News International chief) and 10 times with Rupert.

He dismissed as nonsense talk of the existence of either a "covert or overt deal" with Murdoch's properties.

Cameron took issue with earlier testimony of predecessor PM Gordon Brown of the Labour Party, who said the Conservatives were in Murdoch's pocket.

Brown testified June 11 that the Conservatives adopted every one of the policies put forward by the Murdoch empire including reducing press regulation and cutting funding for the BBC. Cameron said of Brown's testimony: "He has cooked up an entirely specious and unjustified conspiracy theory."

The current PM said he would have fired former spokesman and of News of the World editor Andy Coulson had he had any inside information about the phone hacking scandal.

The Leveson panel demanded that News International release more of the communications between Brooks and Cameron.

MEDIA NEWS continued**SKOUT FLIRTS WITH PR AMID CRISIS**

Popular flirting application developer Skout is engaged in damage control after child rape charges were filed against users of its service for minors in three separate incidents.

Skout, which calls itself the “global network for meeting new people,” pulled the plug on its year-old service for teens ages 13-17 on June 12, a day before the *New York Times* ran a front-page piece about three rape cases involving adults who connected with teens as young as 12 through the app.

Lydia Chan, identified by the *Times* as a Skout spokeswoman, has been a staffer in Brunswick Group’s San Francisco outpost for the past few years, a possible indication the PR firm has taken on San Francisco-based Skout as a client.

Brunswick executives have not answered inquiries from this website.

Skout said earlier this month that tens of thousands of new users were signing up every day for the service, which uses geo-location technology to show the proximity of users to one another. The company started the popular teen network last year to supplement its offering for adults after realizing that underage kids were using its 18-and-over service.

Founder and CEO Christian Wiklund told the *Times* he is “disgusted” by the rape charges. “When you have three, it looks like a pattern. This is my worst fear,” he said.

Skout is backed by the influential venture capital firm Andreessen Horowitz, which pumped \$22M into the company in April.

“We are extremely sorry about this, but we don’t believe we have any other choice,” Wiklund said in a statement announcing the shut-down of the teen service posted to the Skout blog. He said the shutdown is temporary as the company plans to implement more safeguards. He called out “a few bad actors trying to take advantage of some of our younger members.”

The CEO’s blog post has drawn more than 600 comments, mostly lamenting the loss of the service and asking when it will be back.

Skout’s homepage includes safety tips for users who want to meet offline and the teen service only pinpoints users to within a half-mile of their actual location.

CNN PULLS PLUG ON KING

CNN, which is struggling in the cable news ratings war, has pulled the plug on the daily “John King, USA” and moving the titular correspondent to its 2012 presidential campaign coverage.

Wolf Blitzer’s “The Situation Room” will be extended an hour to cover the vacant 6 p.m. EST time slot.

King will contribute to that program as well as Anderson Cooper’s “AC360” and other programming.

King has been chief national correspondent for the news network since 2005. June 28 will be King’s last show.

CNN’s ratings have dropped more than 50 percent over 2011 and King was sitting behind Fox and MSNBC in his time slot.

BEHAR TO JOIN CURRENT TV

Joy Behar, co-host of “The View,” will host a one-hour primetime program on Al Gore’s Current TV beginning in September. It will feature social issues, politics and cultural topics and a rotating ensemble of journalists, analysts and satirists.

Behar is a “beloved veteran TV personality with her finger on the pulse of what viewers care about,” said Gore in a statement.

She will guest anchor Eliot Spitzer’s “Viewpoint” program for a week beginning June 18 while the former New York Governor takes a vacation. That program will be renamed “Joy Behar: One Week Only *Until the Fall.”

Behar has been with the View since 1997. She hosted the “The Joy Behar Show” on HLN until Dec. 15 of last year. She began her career in the early 1980s as a stand-up comedian.

OC REGISTER PARENT SOLD

Freedom Communications, parent company of the *Orange County Register*, has been acquired by 2100 Trust LLC, a Massachusetts-based equity company that has had its eye on the *Boston Globe*.

The deal also includes California papers Barstow *Desert Dispatch*, *Marysville Appeal-Democrat*, *Victorville Daily Press*, *Porterville Recorder* plus *The Sun* in Yuma, Ariz. and *The Gazette* of Colorado Springs.

“While providing the value that our shareholders have sought, this transaction also ensures Freedom’s communities that our newspapers serve will continue to receive the outstanding service that has been our hallmark,” said Freedom CEO Mitch Stern said in a statement. “Our employees will be able to continue the community journalism at which they so excel.”

The deal marks a two-year sell-off process by Freedom, which emerged from bankruptcy in 2010. Last November, Freedom unloaded its eight-member TV group to Sinclair Broadcast Group for \$385M.

Raymond Cyrus “R.C.” Hoiles bought what is now the *Orange County Register* in 1935 as the foundation for Freedom. Kushner, who was head of Marian Heath Greeting Cards, launched the 2100 Trust in 2009.

Kelly Mullens, who handled PR for Ryan Seacrest Productions while serving as executive VP at 42West, will join the company as its first PR executive on July 9. She will be in charge of communications, business development, marketing, community relations, sponsorship and philanthropy. Mullens will report to Seacrest and work closely with CEO Adam Sher.



NEWS OF PR FIRMS**B-M SETS UP INTERNET NAME UNIT**

Burson-Marsteller has established a unit to counsel clients on selection of a new Internet domain name (e.g., string) under the system being developed by the Internet Corp. for Assigned Names and Numbers group.

ICANN CEO Rod Beckstrom on June 13 said his group has received applications for 1,930 names, which begins a 60-day public comment and objection period.

Among companies/groups to pony up the \$185K per-name application fee were British Broadcasting Corp. (.bbc), American Bible Society (.bible), L'Oreal (.skin), Prudential Financial (.pramerica), MLB Advanced Media (.baseball), Chrysler (.ram), City of Paris (.paris) and Wal-Mart Stores (.grocery). Complete list is at <http://bit.ly/M11raS>.

ICANN, which used B-M to promote the domain expansion, expects to approve hundreds of strings that will go live next year. Nate Tibbits, B-M's U.S. public affairs chief, heads the new unit. The WPP property has introduced a microsite at www.bm.com/newgtlds for more name information.

FIRMS WORK BIDDING WAR FOR TECHNICOLOR

The three main entities in a bidding war for Paris-based video giant Technicolor have engaged PR counsel in the U.S. and abroad.

FTI Consulting is guiding strategic communications for Vector Capital in the U.S. and France as the San Francisco private equity firm squares off against JPMorgan Chase & Co. to acquire a large stake in Technicolor SA. Vector on June 13 upped its bid for Technicolor by 21.2 percent to more than 191M euro for a 17.5% stake.

Technicolor, which had revenue of more than 3.4B euro in 2011 and took the name of its well-known U.S. film subsidiary in 2010, last week rebuffed JPMorgan's 179M euro offer for a 30 percent stake.

Brian Maddox, senior managing director for FTI in New York, and Guillaume Foucault, a managing director based in Paris, are handling media for Vector. JPMorgan has engaged Euro RSCG C&O in France to handle PR for its pursuit of a deal.

Technicolor, which acknowledged the revised Vector bid last week, is working with Brunswick Group for media relations support and counsel. Brunswick director Marie-Laurence Bouchon in Paris is on the account. The company on June 10 said JPMorgan's revised bid was rejected by its board because new terms, including a 3.4M euro break-up fee, were deemed unfavorable. Technicolor shareholders consider the proposals at the company's general meeting June 20.

BackBay Communications, New York, won the ACG New York / M&A Advisor "PR/Marketing Firm of the Year" Champion's Award, given for achievement in the middle market M&A industry, edging Dukas PR, Gibbs & Soell, and Ruder Finn. The seven-year-old firm, based in Boston, won the award at a dinner at Sotheby's in New York June 12. It reps middle market clients like Bregal Sagemount, Graycliff Partners (formerly HSBC Capital), Lineage Capital, Nautic Partners and Pamlico Capital.

NEW ACCOUNTS**New York Area**

Laura Davidson PR, New York/The Thinking Traveller, Italian villa operator of the Think Puglia and Think Sicily brands; The Tryall Club, Jamaica, and The Mayflower Renaissance Hotel, Washington D.C., 87-year-old property undergoing a renovation of its lobby and dining areas with plans for a new restaurant and bar later this year, all for PR.

Aspectus PR, New York/EcoSys, enterprise planning and cost control software, as communications firm of record to raise its corporate profile via media relations across the energy, oil and gas, construction and engineering, and utilities sectors.

Coyne PR, Parsippany, N.J./Red Robin Gourmet Burgers, as AOR for PR, following a review. Linhart PR had the business for more than a decade but did not pitch.

Lisa Lori Communications, New York/Ron Wendt Design, floral event design company, for PR, including publicity, social media and marketing support.

East

Birnbach Communications, Boston/Unitrends, integrated and scalable backup, archiving and disaster recovery solutions, for media relations, social media marketing, product reviews and product awards in the U.S.

IMRE, Baltimore/American Silk Mills, as AOR for PR; Kwikset, adding integrated marketing duties to its previous PR work; Pfister, as AOR for major product launches and national media relations; Dryvit Systems, for marketing, PR, creative and digital services, and Ekornes ASA, for global PR for its Stressless brand.

Environics Communications, Washington, D.C./KCI Technologies, design, consulting and construction company, for PR in the telecommunications infrastructure market, including traditional and social media relations, and speaking engagements.

MMI PR, Raleigh/Carolina Ballet, for local PR.

Midwest

AutoCom Associates, Brighton, Mich./FORTECH Products, corrosion-resistant coatings, metal-forming lubricants and contract packaging services for the auto industry, for PR.

Lambert, Edwards & Associates, Lansing, Mich./Michigan Department of Education; HBO; Citizens for More Michigan Jobs; Count on Coal; Ottawa Area Intermediate School District; Vicksburg Public Schools; Partners for Parity; Northview Public Schools and Common Cause Michigan, for statewide public affairs, and federal work for North Carolina-based Industrial Piping, Inc.

Mountain West

GroundFloor Media, Denver/Similasan USA, eye-care, allergy and pediatric products, as AOR for PR.

Southwest

Rhino Marketing Worldwide, Houston/La Torretta Lake Resorts & Spa, Montgomery, Tex., for PR and marketing.

West

Allison+Partners, San Francisco/Pioneer Electronics, as AOR following a review. Atomic PR and Formula previously worked the business.

Gable PR, Carlsbad, Calif./Hot Dog on a Stick, chain of fast food outlets, for PR supporting regional, national and global expansion.

— Greg Hazley

NEWS OF SERVICES**WPP MOVES ON MEDIA MONITORING SHOP**

WPP has entered exclusive negotiations to acquire European media monitoring company Press Index in a deal valuing the company at 11.2M euro (\$14.1M).

The company, founded in 1997 and publicly traded on NYSE Alternext, has 250 employees across four offices in Paris, London, Milan and Madrid tracking print, digital, broadcast and social media.

Clients include Google, Kellogg's, Weber Shandwick, IBM, Havas and Lewis PR, among others. Revenue for 2010 was 16.3M euro.

WPP said it is in exclusive negotiations to acquire 87% of Press Index's outstanding shares from founders and other sellers at 6.81 euro in cash. If that deal is completed, it will kick off an all-cash tender offer for the remaining stake.

CISION REACHES SETTLEMENT WITH DJ

Cision AB has reached a financial settlement with Dow Jones after the U.S. publisher threatened the PR services company in March over alleged infringement of copyright.

The Sweden-based PR services company said that it reached a confidential settlement restricting Cision from redistributing original content from Dow Jones, which owns its own monitoring service, Factiva.

Peter Granat, CEO for Cision North America, said Cision's monitoring service will no longer provide content published by Dow Jones, which includes its newswires, newsletters, the *Wall Street Journal* and *Barron's*, among others. Cision subscribers will be directed to DJ to obtain such content.

Granat said Cision saw protracted negotiations as wasteful and expressed a desire to move forward and end litigation. He sees copyright issues bringing changes in the media monitoring and clipping space in the near future.

Dow Jones said Cision AB and its U.S. unit have paid a "significant sum" to settle a claim of "unauthorized reproduction, distribution and other misuse" of DJ content.

Mark Jackson, general counsel for DJ, said in a statement, "This settlement is another reminder that only paying customers enjoy full access to Dow Jones' highly valuable journalism, and anyone who free rides on our content will face serious financial repercussions."

Cision said its second quarter results will be affected by the deal, but did not disclose the settlement amount other than to note earnings previously forecast for around 35M SEK (about \$5M) will instead be 10M SEK (\$1.4M) loss.

Cision CEO Hans Gieskes said in March that the damages claim from a then-unnamed publisher would likely impact earnings, but he said it was impossible to quantify at the time.

Second quarter earnings will be released July 18.

Cision has brought in Dawn Conway, an attorney and former VP of global licensing for Lexis Nexis, to be senior VP of global content licensing.

Cision said she is responsible for acquiring and retaining all licensed content in support of its global businesses, including its news monitoring and media database services.

PEOPLE**Joined**

Gary Goldhammer, executive VP and head of West Coast client service at Velocidi, to

Hill+Knowlton Strategies, Los Angeles, as chief digital strategist for the U.S. He reports to Andrew Bleecker, global digital practice director. He was previously senior VP of digital strategy and development at Edelman on the West Coast handling eBay, HP and Adobe. He is also a former journalist for the Associated Press and United Press International and penned two books on media.

**Goldhammer**

Ozzy Farman, co-founder of digital agency Lolz LLC, to Weber Shandwick, New York, as senior VP, digital innovation. **Herb Sawyer**, senior VP, strategic planning director, Fleishman-Hillard and former digital strategist for Carmichael Lynch, joins as senior VP of strategy planning. **Kerry Lange**, co-lead of Yahoo!'s Social Marketing Center of Excellence, joins as senior VP and digital director for WS' Northern California operations.

Don McIver, chief operating officer, Beckerman, to 5W PR, New York as COO. The firm has more than 90 staffers. He was previously COO at MWW Group.

Promoted

Doug Hesney to VP and a member of the executive management committee at Dukas PR, New York. He continues to lead the firm's asset management group, serving clients like hedge funds, private equity firms and ETFs, and serves as in-house counsel. He began his career at the firm as a senior A/E in 2007.

**Hesney**

Amanda Merced to A/S and **Meredith Mandato** to senior A/E, MCS Healthcare PR, Bedminster, N.J. Merced handles Merck, MannKind and Qforma, while Mandato works Merck, Genentech, ParaPRO and The Head and Neck Cancer Alliance.

Lauren Melcher to senior A/E, digital, and **Sarah Rydland** to senior A/E, financial services, Weber Shandwick, Minneapolis. Melcher joined in 2001 and Rydland in 2007.

Mark Bilek to director of communications and technology, Chicago Automobile Trade Association, producer of the Chicago Auto Show. He joined CATA in 2006. **Tim McBride**, former director of marketing for the Phoenix Coyotes, joins as director of marketing. And **Jennifer Morand**, A/M at Foomix Marketing Communications, joins as senior PR and social media manager.

**Bilek****Elected**

Sharon Bare Cook, VP and director of corporate comms., Federal Home Loan Bank of Atlanta, and **Margaret Austin Lisi**, VP of comms. and account strategy, Object 9, were elected board members for the Partnership Against Domestic Violence, Atlanta. Terms run through June 2015.

KEKST REPS HORACE MANN SCHOOL

Prestigious Horace Mann School, where high school tuition hovers around the \$40K mark, turned to Kekst and Company to respond to the blockbuster *New York Times* story about former teachers allegedly sexually abusing students there.

The story ran as the NYT June 10 magazine cover after it was posted earlier on the paper's website.



In researching the story, author and HMS graduate Amos Kamil contacted Tom Kelly, current headmaster, many times before receiving a reply from Kekst, according to the piece.

That statement said that "as an educational institution, we are deeply concerned if allegations of abuse of children are raised, regardless of when or when they may have occurred."

It also noted that current leadership is not in the position to comment of events involving former and, in some cases now deceased, faculty members."

HMS released a letter to alumni, published on its website, in which Kelly promised to "develop and implement a thoughtful process that places the first priority on those alumni most in need."

The trustees will soon meet to discuss the abuse matter.

Kekst & Co., which is part of Publicis Groupe, has advised the Bronx-based school for several years, a staffer told O'Dwyer's.

OGILVY SECURES AVIGILON

Ogilvy PR has won a five-way competitive pitch to guide U.S. PR for Avigilon, the publicly traded, Vancouver-based video surveillance company which produces technology like facial and license plate recognition software and high-definition imaging.

Avigilon, which raised \$25M in an October initial public offering on the Toronto Stock Exchange, previously worked with Edelman/Canada.

Angela St. Amour, communications manager for Avigilon, told O'Dwyer's the company ended its relationship with Edelman in the first quarter and now works with Peak Communicators in Canada.

Ogilvy's San Francisco tech practice heads the work, which includes media relations, product PR, corporate communications and thought leadership.

Avigilon's technology is deployed for security at places like Target Field in Minneapolis, Slovnaft Arena in the Slovak Republic, and King Abdulaziz International Airport in Saudi Arabia, to name a few.

First quarter revenue was \$17.8M, up 77% over Q1 of 2011, as net income rose to \$600K.



CRESTON: DEALS OFFSET H-CARE MALAISE

Creston, the U.K.-based communications holding company, posted an 11 percent gain in revenue to 74.9M pounds for the fiscal year ended March 31, boosted by its healthcare sector PR acquisitions of Cooney/Waters and The Corkery Group.

Profit after tax was flat at 7.5M.

Among its three divisions, communications rose five percent to 43M, health jumped 53% on its Corkery and Cooney/Waters deals, and insight (marketing research) declined seven percent to 13.8M.

"Naturally, we remain cautious in these challenging macro-economic conditions," said CEO Don Elgie, who added that Creston is confident in its strategy of focusing digital and other high-growth areas, as well as international expansion to serve blue chip clients.

Creston said a revenue shortfall in the fourth quarter was caused by fewer new business wins and reduced client budgets, adding that reductions were made that caused a restructuring charge of 1.8M pounds. The moves were expected to save 3.1M pounds.

Uncertainty over healthcare reform in the U.S. and reduced spending in the healthcare sector saw revenue decline in the space, but Elgie said the long-term fundamentals are good in the U.S. and U.K.

Creston paid \$6M to add Corkery to Cooney/Waters in November but earn-outs are slated for 2013 and 2015 which are expected to fall in the \$5M realm with another \$1.8M likely in payments to "key employees."

PR clients of Creston include HTC, BBC and GSK.

MICROFINANCE NETWORK BANKS ON PR

The 30-year-old global microfinance network for women which once employed President Barack Obama's mother is on the hunt for a PR firm to elevate its profile in the U.S. and abroad as the "voice for women's financial security in underdeveloped countries."

Womens World Banking released an RFP June 13 for a multi-year contract to burnish its network of 39 institutions in 27 countries like Ethiopia, Peru, Bangladesh and Tunisia. The New York-based non-profit says it represents 27M clients, 80% of whom are women.



Microfinance involves lending relatively small sums as low as \$100 to low-income entrepreneurs typically excluded from the formal banking sector. The organization seeks strategic communications counsel, a PR program to raise its profile, thought leadership, brand "re-launch" support, and media relations.

Ann Dunham Soetoro, President Obama's mother, was policy coordinator for WWB starting in 1992.

Proposals are due July 6. The RFP can be viewed at swwb.org.

Julie Slama heads communications for WWB. Kay Madati, entertainment strategy lead for Facebook and a marketing vet of CNN and BMW, is on the group's board.

PR OPINION

New York Times executive editor Jill Abramson, addressing the Investigative Reporters & Editors conference in Boston June 16, said reporters in D.C. have told her that the Obama Administration is the worst ever in terms of withholding information and blocking investigations.

“Several reporters who have covered national security in Washington for decades have told me that the environment has never been tougher nor information harder to dislodge,” she said, adding that an NYT reporter “told me the environment in Washington has never been more hostile to reporters.”

As an indication of the administration’s tough approach she noted that it has six prosecutions underway involving leaks as barred by the 1917 Espionage Act which she said is double such actions in all other previous administrations.

People “fear legal retribution for even talking to reporters” and “reporters fear being hit with subpoenas or even prosecuted themselves,” she said.

Abramson cited the prosecution of Thomas Drake as an example of the type of legal attack that has a “chilling effect” on news sources.

Drake, an Air Force veteran charged with illegally keeping classified documents, lying and obstructing justice, faced 35 years in prison. He and others had criticized the “Trailblazer” National Security Agency project that was to have analyzed worldwide data. The critics thought a much cheaper program was better.

Drake pleaded guilty to one charge of unauthorized use of a government computer in June, 2011.

Abramson described NYT’s battles to obtain information and said reports published in the paper had never endangered national security.

Self-censorship by the paper of what it knew about the 1961 planned invasion of Cuba (“Bay of Pigs”) was harmful to the U.S., she noted.

President Kennedy later told NYT columnist “Scotty” Reston that he would have called off the invasion if the paper had printed what it knew, she said.

Abramson, describing numerous NYT investigative stories, said “all desks” at the paper are charged with doing investigations—from sports to science. She described “serious investigative reporting” as the defining attribute of good reporting and said it has never been more important.

Lawyers: Sources Can’t Be Protected

Adding to reporters’ fears of legal attacks were statements by two lawyers at an IRE legal panel to the effect that courts will not support claims of “confidentiality” for news sources. Attendance at the conference was more than 1,000

Andy Siegel, VP and assistant general counsel, CBS, said, “Think twice about promising absolute confidentiality. You can silhouette someone or mask their face, which helps. However, if it gets into court and you protect the source, the court can rule you don’t have a source. The best bet is to get two sources.”

Steve Chung, lawyer for NBCUniversal, said, “There is really no way to protect sources. Reporters should state right up front what they are willing to do for a source.”

Brian Ross, chief investigative reporter for ABC News

and a 40-year news veteran, described the growing power of lawyers in the newsroom at the panel called “Sue me: dealing with the threat of legal action.”

Ross noted he has won 13 Emmys for outstanding work but also has had “13 lawsuits against me.” IRE Panel Focused on Big Media

The legal panel, from our point of view, was a bust because it focused on the problems of major media in dealing with legal threats.

Panelists John Zucker of ABC, Andy Siegel of CBS and Steve Chung of NBC have deep corporate pockets when it comes to engaging in legal combat. Ross seemed to be bragging about the number of times his stories involved ABC in lawsuits.

Confronted with legal threats, smaller publishers and individual reporters often have no recourse but to cave. The freefall of ad and subscription revenues have cost tens of thousands of reporters their jobs.

The IRE panel should have been half major media and half small publishers and freelancers.

Questions for Abramson

Abramson spent most of a 16-minute talk extolling NYT coverage and saying all departments were now in an investigative mode. “Host” of the conference was the *Boston Globe*, a subsidiary of NYT.

I have a few for her since she is so concerned about legal prosecution of whistleblowers and demands investigations by all NYT news desks.

Isn’t it about time NYT investigated the PR Society, whose 21,000 regular and 10,000 student members are getting the lesson that the way to deal with critical press is boycott it, a ploy that has been rapped by the National Press Club?

PRS members include many government and military PR people.

The Society of Professional Journalists said a survey of 146 D.C. reporters found that seven of ten were dissatisfied with government disclosure practices.

Over-reliance on legal concepts to intimidate not only reporters but members has reached epidemic proportions at PRS.

Legal costs in the five years ended Dec. 31, 2010 totaled \$400,465 while spending on ethics was less than \$12,000 in the same period.

Ethics costs fell to an all time low of \$1,406 in 2011, down from \$2,649 in 2010. No staff time at all was spent on “ethics” in 2011.

Although NYT reporters pepper sources with questions, Abramson took none herself. I would have asked her to investigate the paper’s failure to write about the TJFR/O’Dwyer lawsuit of 1994 including its failure to report the landmark victory of the O’Dwyer Co.; the failure of the paper to mention the existence of The Tylenol Mafia, a 619-page piece of the highest quality investigative reporting by ex-employee Scott Bartz, and why NYT never wrote a single word of its own about the rape charges against three Florida International University students in 2010 when it wrote tens of thousands of words about such charges against Duke students in 2006?

— Jack O’Dwyer