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# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

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May 14, 2012 Vol. 45 No. 20

## FARM LENDER CULTIVATES PITCHES

The Farm Credit System, the federally backed network of lenders to the agricultural sector, is on the hunt for a PR firm to mark the centennial of its founding under President Woodrow Wilson.

FCS, which includes several entities like Farmer Mac,



Agricultural Credit Banks and AgriBank, on May 11 issued an open request for qualifications for the long-term PR project calling for several aspects of an integrated campaign to highlight its history and value to the U.S. Its communications team is based in Denver.

"Farm Credit has been serving rural America for nearly 100 years, and we are seeking the right partner to help us begin to prepare for this once in a lifetime milestone," said Leigh Picchetti, senior VP of communications for FCS, known as Farm Credit.

The system had assets of \$230 billion and loans of \$175B at the end of 2011. It was created in 1916 with the Federal Farm Loan Act, signed by Wilson a year later.

FCS said it wants to hear from firms or networks and collaborations of firms by June 29.

A conference call has been set for June 6. View the RFQ: <http://bit.ly/J4uXw1>.

## OCCIDENTAL ADDS PETROSKEY TO TEAM

Dale Petroskey, who headed the National Baseball Hall of Fame and led marketing for the Texas Rangers, has moved to Occidental Petroleum as VP of public affairs.

Fleishman-Hillard veteran Richard Kline stepped down as VP of comms. and PA for the Los Angeles-based oil and gas giant last year.

Petroskey, 56, has been running his Dallas-based consulting shop for the past two years. He was president of the Baseball Hall of Fame for more than eight years before taking an executive VP role with the Rangers.

Earlier, he worked PA and mission programs for the National Geographic Society and served in the Reagan administration as an assistant press secretary at the White House and assistant secretary for PA at the Dept. of Transportation.

Oxy Pete is the fourth largest U.S. oil company. First quarter profit hit \$1.56B on revenue of \$6.27B

Melissa Schoeb, senior director, comms. and PA, was promoted to VP of corporate comms.

She joined the company in 2007 after a stint as senior VP and senior partner at Fleishman-Hillard.

## WPP'S SORRELL GETS 30% PAY HIKE

WPP CEO Martin Sorrell received a 30 percent pay hike in 2011 to \$2M as reported earnings soared 43 percent to \$1.3B and revenues rose 7.4 percent to \$16B.

The pay hike marks Sorrell's first increase since 2007, according to the ad/PR conglomerate's annual report. The *Guardian* reported that last fall WPP proposed a 50 percent increase for Sorrell.

WPP's compensation committee, which is chaired by investment banker Jeffrey Rosen, determined that Sorrell merited a pay hike because since 2007 the company has "continued to grow in scale and complexity, with worldwide headcount increasing from fewer than 80,000 people in 2,000 offices to over 113,500 people in over 2,500 offices; revenues increasing by over 69 percent; and earnings per share increasing by over 61 percent by the end of 2011."



Sorrell

The boost also is due to factors such as business and personal performance, competitive pay levels and the extended time since the last review.

Sorrell's total compensation hit the \$21M mark last year. A good chunk of that package – \$8.8M – came from WPP's long-term incentive plan.

Rosen plans to meet with investors to make the case for Sorrell's pay hike.

WPP says it typically reaches out to shareholders after its annual report is published.

## BURKHART NAMED HOFFMAN GM/N.A.

The Hoffman Agency has named Steve Burkhart general manager/North America for the high-tech shop with \$9.1M in 2011 fee income.

Burkhart is a veteran of Weber Shandwick and Edelman. He served in Edelman's Seattle office, handling B2B and consumer tech accounts and co-founded the Portland outpost of the No. 1 independent firm.

At Interpublic's WS, Burkhart counseled Microsoft and became a top leader of its clean technology team, managing teams in New York, Seattle, San Francisco and Portland.

THA CEO Lou Hoffman said he got to know Burkhart through a consulting relationship at the San Jose firm.

Hoffman says Burkhart has a "can do better mentality" that will benefit THA clients.

## **BELL RINGS UP CHIME DEAL**

Lord Bell says he expects to iron out a deal with Chime Communications by the next of May to purchase part of its slumping PR operation.

The units include Bell Pottinger Sans Frontières, Bell Pottinger PR Bell Pottinger Middle East, Bell Pottinger PA and Chime's 60% stake in Pelham Bell Pottinger. They generate about 10 percent of Chime's profit.

Bell is leading the management buyout with BellPott co-founder Piers Pottinger. The terms of the deal are based on 2011 profits and subject to obtaining financing and the completion of due diligence.

Chime is expected to retain a 25 percent stake in the venture. Bell expects to finalize the deal next month after shareholders vote on the transaction.

Chime says the deal will enable it to shift focus from a diversified group with strong PR element to a communications and sports marketing business-orientation. Martin Sorrell, CEO of WPP, which owns a 20 percent Chime stake, called the PR sell-off a bad precedent, adding that "if it is a good deal for Tim, it is a bad deal for Chime," according to a report in the *Guardian*.

## **F-H'S STEVENSON TO B-M**

Michelle Stevenson, who was senior VP and global co-chair of Fleishman-Hillard's entertainment group, has joined Burson-Marsteller in Los Angeles.

As managing director of B-M's consumer and brand marketing practice, she is to expand client relationships via sponsorships, celebrity spokespeople, special events and media relations.

Assuming command of the Saban Brands U.S., San Diego Zoo and Konami accounts, Stevenson will report to Lisa Travatello, creative director and chair of the WPP unit's global brand and consumer marketing practice.

At F-H, Stevenson was day-to-day manager of Tourism Australia, where she did red carpet events and staffing for its "G'Day USA" program.

## **MWW TAPS INTO POP CULTURE**

MWW Group has joined Kevin Liles, ex-president of Def Jam Music Group and executive VP of Warner Music, to establish MWW Entertainment.

Liles, a good friend of MWW CEO Michael Kempner, now heads KWL Management, a talent and brand development firm that counts Nelly, Big Sean, Young Jeezy, Trey Songz and Shawn Chrys as clients.

MWW Entertainment will help clients become more relevant in today's pop cultural scene by integrating talent into programming and leverage "tastemakers" to drive business objectives.

The practice has been operating in beta mode. It linked MWW's AARP Foundation with Vietnam toy/robotics manufacturer Topsy, and arranged an appearance by Justin Bieber at the company's booth at the Consumer Electronics Show in Las Vegas in January.

At Def Jam, Liles worked with Jay-Z, Kanye, LL Cool J and Ludacris. He is the author of "Make it Happen: the Hip Hop Guide to Success."

MWW is the No. 7 O'Dwyer's ranked independent firm with 2011 fee income of \$38.6M.

## **SITRICK'S FAISON TO AIDS GROUP**

Seth Faison, head of Sitrick and Co.'s New York outpost, has been named communications director at the Global Fund to fight AIDS, Tuberculosis and Malaria.

The Pulitzer Prize winner *New York Times* veteran shifted to Sitrick in Los Angeles in 2006 and moved to New York the following year.

He is taking a one-year leave of absence from the crisis firm.

At the Times, he reported on Wall Street, legal affairs and Asian organized crime and won the Pulitzer as part of the team that covered the World Trade Center bombing in 1993.

Faison, who lived and worked in China for a dozen years, was Shanghai bureau chief for the NYT and covered the Tiananmen Square uprising while at the *South China Morning Post*.

Gabriel Jaramillo, who assumed the fund's helm in February, believes Faison has the "right background and skills" to communicate the fund's investment strategy.

Launched in 2002, the Geneva-based fund is a public-private partnership that has spent about \$23B for programs in 150 countries.



**Faison**

## **FISH & WILDLIFE SEEKS PR CONTRACTOR**

The short-staffed U.S. Fish and Wildlife Service is trolling for a firm to produce a strategic communications plan for its new tracking and reporting system dubbed Wildlife TRACS.

The system, which is set to be deployed in October, is aimed to provide greater accountability and transparency for the federal agency's grant dollars.

An RFP released by the FWS notes that while the new system will provide the bulk of information necessary to substantiate its programs, it needs a strategy to distill that info into a narrative and disseminate the information in the government and to outside stakeholders.

The FWS said it lacks the capability to produce a PR plan because of staff shortages.

View the solicitation: <http://bit.ly/JvFZt3>.

## **JFWBK SHOPS AT BARNEY'S**

Joele Frank, Wilkinson Brimmer Katcher handled the financial restructuring of Barney's New York, a move that enables the high-end retailer to avoid another bankruptcy filing.

Under the deal, Ron Burkle's Yucaipa Cos. and Perry Capital agree to swap \$540M in debt to gain control of the 89-year-old company founded by Barney Pressman.

Perry Capital, which was Barney's biggest bondholder, is now majority owner. The deleveraging, according to CEO Mark Lee, will provide Barney's increased cash flow needed to revitalize stores, improve online operations and its customer experience.

The chain reported a double-digit sales gain in 2011. It runs stores in New York, Boston, Chicago, Dallas, Scottsdale, Las Vegas, Beverly Hills, San Francisco and Seattle.

JFWBK's Dan Katcher, Meaghan Repko (partners) and Jim Golden (director) work the Barney's business.

## ABC NEWS LINKS WITH UNIVISION

ABC News is uniting with Univision News to create an English-language round-the-clock news, lifestyle and information programming TV/digital network in an effort to target the fast-growing 50M-plus Hispanic population.

The yet-to-be-named operation is slated to debut next year focused on hot button issues such as immigration, healthcare, jobs, education, and entertainment.

Cesar Conde, Univision president, said his company has been the leader in offering Spanish-language programming for the past five decades and now sees the venture with ABC as an "extension of our vision to deliver the most relevant news and information, regardless of language to all Hispanics."

The partners will announce a management team during the summer. The network will have its own anchors and correspondents in major cities and have access to talent at ABC and Univision.

## ATLANTIC NAMES BENNET E-I-C

*The Atlantic*, which was founded in 1857, promoted James Bennet to the editor-in-chief position. It's the first time a staffer has been given that title.



**Bennet**

Justin Smith, president of Atlantic Media Co., said Bennet has guided the magazine "through innovative, high-impact journalism on the web, in print and live events" to reach its largest audience in history "at time when other

legacy magazines have struggled to find their way."

Bennet embodies the magazine's "firm commitment to integrity and a generous and collaborative spirit," Smith wrote in a note to staffers.

Scott Stossel, who joined the Atlantic twenty years ago as an intern, is the new editor. He did a stint at *American Progress* before rejoining the Atlantic in 2002.

Bob Cohen has been promoted to the editor of the Atlantic's digital operations.

The former executive editor of *Wired* shifted to the Atlantic in 2009.

## Quartz Unveiled

Atlantic Media Co. announced that its new digital business news site will be called Quartz and reside at qz.com.

Kevin Delaney, editor-in-chief, said the site is named after the mineral that a key component of tectonic shifts. "We see the present world of business undergoing a seminal shift and Quartz will be there, providing the leaders of this new global economy with the information they need," he said in a statement.



**Delaney**

AMC says the web address is an easy-to-remember contraction since it is bookended by two of the rarest letters in the English language. Quartz is headquartered in New York's Soho neighborhood and will have offices in Europe and Asia when it launches by the end of the year.

## NELSON TO AMAZON

Sara Nelson, a former editor-in-chief at *Publishers Weekly*, is joining Amazon.com, as editorial director of its books operation.

The online retailer says Nelson will provide the "vision" for books in print and on its Kindle bookstore.

She is leaving the *O, The Oprah Magazine* book editor job for the Amazon post.

## HART EXITS YAHOO! BOARD

Patti Hart, chairman of Yahoo!'s search committee that recruited Scott Thompson for the CEO slot, has decided not to seek re-election in the aftermath of his credentials flap and resignation.



**Thompson**

Thompson, a former eBay executive, apologized via email on May 7 to Yahoo staffers for misrepresenting his academic record.

Yahoo's board on May 8 established a special committee to conduct a thorough review of Thompson's education history, as well as circumstances related to the disclosure of those credential in connection with being appointed CEO.

Thompson quit on May 13 after the scandal and a reported cancer diagnosis.

The Yahoo! panel is chaired by Alfred Amoroso, retired CEO of Rovi Corp. who joined Yahoo's board this year.

Hart, CEO of casino games maker International Game Technology, is leaving Yahoo because IGT has requested her not to seek re-election.

Yahoo has decided not to replace Hart.

## MYSPACE SETTLES WITH FTC

Myspace has ironed out a settlement with the Federal Trade Commission over charges that the social media company shared the personal data of users with advertising companies without their permission.

The FTC charged that Myspace provided advertisers with the Friend ID of users who were viewing particular pages on the site.

Advertisers could use the Friend ID to locate a user's Myspace profile to obtain personal information publicly available on the profile and, in most instances, the user's full name.

As part of the settlement, Myspace will develop a comprehensive privacy program and conducts audits every other year for the next two decades.

## MALONE MAKES MOVE ON SIRIUS

Liberty Media, which is the investment vehicle of media maven John Malone, is boosting his company's stake in Sirius XM Radio to 45.2 percent and plans to file for federal approval to take control of the satellite radio company.

LM CEO Greg Maffei told an analyst call that the company will file a motion with the Federal Communications Commission with 30 days.

He said Liberty once in formal control of Sirius may seek 100 percent ownership or could spin it off as it did with DirectTV, a satellite TV company.

**MEDIA NEWS continued****REP. THREATENS TO QUASH MILITARY PR OPS**

A Georgia Congressman last week questioned the effectiveness of the U.S. military's information operations and urged top brass to probe evidence that two *USA Today* reporters investigating propaganda contracts were targeted in a "reputation attack campaign."

Rep. Hank Johnson (D-Ga.), a member of the House Armed Services Committee, threatened to attach to a defense authorization bill for 2013 an amendment that would cut \$122M for military information operations.

"We face the disturbing possibility that a federal defense contractor that specializes in information and psychological operations may have targeted American journalists," said Johnson, referring to Leonie Industries. "And it may have done so using taxpayer dollars and tactics developed to counter the influence of adversaries such as al Qaeda and the Taliban."

The two reporters, Tom Vanden Brook and Ray Locker, in February found that Dept. of Defense information operations, including PR, psychological ops and other communications, lacked proper oversight and were ineffective. Despite handling a \$145M contract over three years, Leonie's owners had limited experience with the military and owed at least \$4M in federal taxes, the reporters found.

Johnson noted the journalists were targeted in a "disinformation and reputation attack campaign" that utilized fake Twitter and Facebook accounts, web domains in their names, "and the proliferation of false and damaging content attacking the journalists."

Johnson, a member of the House Armed Services Committee, made his critical remarks on May 9 during House debate on the National Defense Authorization Act for 2013.

The congressman said he will follow up his remarks with the Defense Dept. and "possibly the Dept. of Justice" to get a full investigation.

Federal law prohibits military information operations on U.S. soil.

**Leonie Mounts Defense**

Leonie, one of a number of Pentagon PR contractors in recent years, is working with Patton Boggs on its defense to the charges raised by *USA Today*.

PB defended the company in a March letter to the Dept. of Defense Inspector General, noting Leonie has worked with the U.S. government since 2004 and is made up of "highly experienced and decorated information operations military veterans."

"Furthermore, a key part of the Department of Defense's rationale for contracting out information operations was, to the extent possible, to distance the U.S. military itself from these activities so as to maximize message credibility and leverage professional information operations expertise," said the letter from PB's Clark Ervin, an attorney who specializes in corporate clients under investigation. Ervin was former IG at the



**Johnson**

Dept. of Homeland Security, Dept. of State and Broadcasting Board of Governors.

In a statement, Leonie said April 28 that it is conducting an internal probe of the allegations made by *USA Today* and condemns the reprisal activities described.

"While Leonie has no reason to believe that any employee was involved in this activity, an internal investigation is being conducted to determine whether any employee was so involved," the company said. "If that investigation determines that there was such involvement, appropriate action will be taken."

The company also said all tax obligations of its owners have been met, adding that it experienced "some financial challenges" in the last few years which resulting in the owners being "unable to meet their personal tax obligations on time."

**BAIER SIGNS LONG-TERM FOX DEAL**

Bret Baier, anchor of Fox News' "Special Report" since 2009, has re-upped and will lead political coverage of News Corp.'s network through the 2016 election.

Fox said that Special Report was the third highest cable news program during the month of April.

Baier has interviewed presidents Obama and Bush II, GOP presidential candidate Mitt Romney and Democratic National Committee chair Debbie Wasserman-Schultz.

In signing the contract, Baier said he was "humbled" by Fox News chief Roger Ailes' "trust and confidence."

**ESPN PROPELS DISNEY IN Q2**

Disney on May 8 reported second quarter fiscal revenues rose six percent to \$9.6B as net income jumped 21% to top \$1.1B.

Media networks, its top revenue generator, saw revenue climb 9% to \$4.7B, mostly from growth at ESPN and its Disney Channel properties, although broadcasting (ABC) inched up 2%.

Disney's film division slumped to a 12% decline to \$1.2B, hurt by the \$200M film flop "John Carter." The company is cheered by the blockbuster open this month of "The Avengers," which raked in \$207.1M in its opening weekend and \$702M globally through May 8.

Disney's parks and resorts unit also posted a strong quarter with 10% growth to \$2.9B.

**VIACOM PROFIT SOARS**

Viacom said fiscal second quarter revenues rose 2% to \$3.3B on the strength of income from its media network affiliates. Profit soared 56% to \$585M.

The company's media networks (MTV, Nickelodeon, Comedy Central, among others) saw a 5% increase to \$2.2B on higher revenues from affiliate and digital distribution agreements, as well as rate increases.

Filed entertainment slumped to a 5% decline to \$1.2B, a reflection of lower theatrical and TV license fee revenue. Its Q2 roster of films ("The Devil Inside," "A Thousand Words") didn't perform as well as previous year hits during the period, which included "Rango" and "Justin Bieber: Never Say Never."

## **NEWS OF PR FIRMS**

### **UTAH SEEKS CRISIS PR FIRM AFTER BREACH**

Utah is on the hunt for crisis communications support after the state's Department of Technology Services suffered a data breach last month that included personal health information from individuals and healthcare providers.

An emergency RFP was released May 11, open through May 21, for a contract worth from \$100K-\$200K to develop a crisis communications plan and provide "high-level crisis communication counsel" related to the breach.

An estimated 750K may have been affected by the breach. As many as 280,000 people had their social security numbers stolen and up to 500,000 were robbed of less-sensitive information in the incident.

The state is providing free credit monitoring and identity theft insurance to victims. But only a small percentage of people (about 25K as of May 8) have taken advantage of the emergency support.

View the RFP: <http://bit.ly/Jqtv8W>.

### **TRAVERS COLLINS GETS BACK IN IR**

Travers Collins, which lost its investor relations unit in a defection last fall, has aligned with start-up firm Park Avenue Investor Relations to provide IR services to clients.

TC principal Bill Collins said the firm plans to "not only re-engage past clients, but also work together to identify and secure new opportunities across multiple industries.

Park Avenue, based in Rochester, is led by Tom Morabito, a former analyst and IR vet of publicly traded companies like The TJX Companies, Developer's Diversified Realty and Paetec Communications.

Morabito noted a "scarcity" of experienced PR, advertising and IR firms in the Buffalo region, while adding that the partnership will extend beyond the area as senior IR counsel "is no longer geography-dependent."

The firms said each will retain its independent ownership structure and offices.

TC, which is part of the Worldcom network of PR firms, in October sued its departing IR staff of five and their start-up firm, Casteel Schoenborn, for violating non-compete agreements and misappropriation, among other charges. TC's IR practice was generating from mid to high six-figure revenue for the firm before the staffers' exit. The suit remains active.

### **ROTARY CAMPAIGN EARNS TOP TRUMPET**

Rotary's International's "This Close" campaign featuring public figures emphasizing the group's push to eradicate polio won top honors at the Publicity Club of Chicago's annual Golden Trumpet Awards today.

Rotary's PR unit, which is based in the Evanston, Ill., recruited participants from a range of cultures and industries, including Bill Gates, Queen Noor of Jordan and violinist (and polio survivor) Itzhak Perlman, for the public service campaign. Rotary, after 25 years, says it is on the brink of eradicating polio and is using the PR push for awareness and fundraising.

Full list of Trumpet winners: [www.publicity.org](http://www.publicity.org).

## **NEW ACCOUNTS**

### **New York Area**

**M Booth**, New York/Sur La Table, kitchenware retailer, as AOR for PR to generate media coverage and communicate the 40-year-old brand's heritage. Started in Seattle, SLT has 90 locations in the U.S.

**Krupp Kkommunications**, New York/Franco Carlotto, fitness expert and author of "Carb Cycle," for brand management and media relations for the Carb Cycle program.

**R&J PR**, Bridgewater, N.J./Asbury Partners, as AOR for PR for the subsidiary of iStar Financial and developer of the Asbury Park waterfront.



### **East**

**Version 2.0 Communications**, Boston/Acme Packet, publicly traded provider of IP-based voice, video and data communications technology, as AOR for North America; Sonicbids, social music marketing, for thought leadership, national business media outreach, and social media support, and NetProspex, B2B data services, for PR.

**Gregory FCA Communications**, Ardmore, Pa./Holy Spirit Hospital, for crisis communications support after a woman committed suicide after leaving the facility.

**Warschawski**, Baltimore/CustomInk, on-line custom t-shirt store, for strategic planning, marketing, media relations, interactive and community relations.

**Environics Communications**, Washington, D.C./Bend Research, 35-year-old drug-formulation development and manufacturing company, for a traditional and digital communications program.

**Hewar Social Communications**, Washington, D.C./Artisanal Brands, to manage and promote its new grocery retail division to consumers in the U.S.

### **Southeast**

**Windfall Communications**, Atlanta/Affiniti Golf Partners, golf management, marketing and development, to plan and execute PR efforts for its corporate operations 19 managed/owned golf course properties across the southeast and Caribbean.

**Fetching Communications**, Tampa, Fla./The Spectrum Group, allergy testing for pets; Red Hill Animal Health Center (Colo.), and Northeast Veterinary Dermatology Specialists (N.Y.), for marketing services including media relations outreach, website design, direct mail and social media.

### **Midwest**

**Leonard & Finco PR**, Green Bay, Wisc./Wisconsin Warriors Sled Hockey, statewide league for youth with disabilities, for PR.

### **International**

**Hill+Knowlton Strategies**, Singapore/World Cities Summit, Singapore International Water Week, and CleanEnviro Summit Singapore, for integrated communications campaigns. The three global events are co-located for the first time this year in the country from July 1-5.

**NEWS OF SERVICES****CISION U.S. ORGANIC GROWTH HITS 11%**

Cision reported first quarter revenue slipped 1.2% to SEK 245M (about \$35M), although organic growth hit 11% in the U.S. and 4% overall for the company.

Net profit climbed 32% to SEK 25M (\$3.5M).

“The 2011 investments we have made in our award winning CisionPoint PR software and in sales and marketing capabilities have been delivering good results,” said CEO Hans Gieskes. “Our core market in the U.S. experienced double digit growth, as it did in the fourth quarter last year and. ...Organic growth in Europe is now not far away.”

Cision said first quarter North America organic revenue rose 6% to SEK 195M. Europe fell 1% to SEK 53M.

**NAVY GIVES LOCKHEED BIG SOCIAL MEDIA PACT**

The Dept. of the Navy has awarded a unit of Lockheed Martin a \$9M, three-year contract to develop a system to “process” news forums, blogs social media and other online data in order gauge sentiment and analyze the information.

The pact is between the Naval Warfare Systems Center Pacific and Lockheed Martin Information Systems and Global Solutions and is an expansion of existing Lockheed technology called WISDOM focused on web data. According to a procurement notice, the effort will “mature the state of the art in social media collection, analysis and predictive modeling,” and conduct experiments with military operations in the Philippines analyzing violent extremism, among other tenets.

The project was not put out for bids as the Navy says no other source is currently capable of providing the required technology and bidding would delay for as many as 18 months. IBM was among a handful of vendors expressing interest.

**BRIEFS: Strauss Radio Strategies**, Washington, D.C., picked up two AVA Awards, including a Platinum Award in the Audio/Promotion category for Capital One Bank Radio Promotions, partnering with Porter Novelli. The firms developed a national, nine-market radio promotion campaign touting the bank’s Million Miles Sweepstakes. Strauss planned, managed, and executed 11 radio promotions for the effort and said it secured a total of 297 live and pre-recorded on-air mentions, equaling 128 minutes of on-airtime. Strauss also won a Gold Award in the Audio/PSA category for its USCM Prescription Drug Abuse PSA with Purdue Pharma. ...Research company **YouGov** has launched a new service that allows clients to reach both nationally representative and specialist samples in major cities in the U.S. and internationally. The omnibus service, called Citibus, is aimed to be a more targeted approach to getting specialist respondent groups in major zones. ...**PR Syndication**, a wholesale press release service, has introduced a line of multi-release bulk packages aimed at small to mid-size organizations. Co-founder Nelson Spoto said the pricing has previously only been available to larger corporations with “substantial PR budgets.”

**PEOPLE****Joined**

**Michael Oricchio**, adjunct professor and consultant, former managing editor of the New York Times Syndicate, to Pace University, New York, as executive director of media relations. He has been an adjunct professor at Pace for the past two semesters and faculty adviser to The Pace Press. Oricchio was ME of the Times Syndicate from 2001-09 after three years in editor posts at ZDNet and CNET Networks.

**Melissa Baratta**, managing director, Ricochet PR, to Affect, New York, as a VP. **Breanne Thomlison**, former VP at Publicis



**Baratta, Thomlison, Creaser**

Consultants, joins as A/D. **Katie Creaser** was promoted to VP. **Matt Benner**, senior PA office, Office of the Chief, Army Reserve, in Washington, D.C., to Cookerly PR, Atlanta, as an A/S. Benner handled strategic communications, booking speaking engagements, media outreach, tradeshow marketing and the first branded Army Reserve corporate statement.

**Elizabeth Robbins-Sabourin**, PR and marketing manager, Gas Station TV, to Lambert, Edwards & Associates, Detroit, as director in the firm’s health-care practice to manage its Blue Cross Blue Shield of Michigan account. She was previously a senior A/E at Weber Shandwick handling Onstar.



**Robbins-Sabourin**

**Rosemary O’Brien**, PR consultant, to Runyon Saltzman & Einhorn, Sacramento, as a media relations strategist.

**Valéria Café**, head of marketing, communications and sustainability for JPMorgan Brazil, to Andreoli MSL Brazil, São Paulo, as chief operations officer for the agency’s 60-staffer Latin American headquarters office. She was previously with HP, Whirlpool and Panamco.

**Promoted**

**Heath Fradkoff** to manager, digital and social media, Régine Labossière to A/M, and **Jennifer Brod** to senior A/E, Goodman Media International, New York. **Jennifer Marcus** returns to Goodman as a senior A/E. from Coyne PR.

**Kent Cassella** to assistant VP for communications and brand strategy and executive director of media communications, Michigan State University, East Lansing, Mich. He has been director of media comms. since 2007, when he joined after a stint as director of PR for the United States Military Academy at West Point. He is MSU’s primary spokesman.



**Cassella**

**Mark Schiffman** to VP of public affairs, ACA International, the Association of Credit and Collection Professionals, Minneapolis. He joined in 2010 after 14 years at Himle horner.

## **FTI PR REVENUE DECLINES 2.9% IN Q1**

FTI Consulting reported a 2.9 percent first quarter decline in its strategic communications operation as M&A-related projects and retainer fees overseas fell.

Overall, FTI said revenue rose 9.2% to \$395.2M while net income slipped 4% to \$18.4M across its business units, including restructuring, economic, technology and litigation consulting.

FTI's strategic communications unit, renamed from FD last year, saw retainer fees fall in Europe, the Middle East and Africa, while M&A projects slumped in the Asia Pacific region. Latin America, however, showed positive results for Q1.

Its first quarter PR work included Kodak's bankruptcy and "pink slime" crisis victim AFA Foods. FTI, which has 596 staffers in the PR division, counseled 14 M&A deals in Q1 worth \$2.B, according to mergermarket.

President and CEO Jack Dunn said uncertainty in the world economy makes it difficult to forecast results for the year. "In fact, with elections looming or just resolved in every major country, double dip recessions in Europe, the continuing debt crisis, and growing concerns about China, probably the only certainty is change," he said, adding that such issues can often be a chance for "great opportunities" at FTI.

FTI's economic consulting business, which caters to law firms, corporations and global businesses on issues like anti-trust and M&A, posted the strongest gains among its units with 34.7% growth (11% organically) to top \$100M in revenue.

Technology consulting joined strategic communications in the red for the quarter with a 2.7% decline to \$49.7M.

## **JAPAN PICKS PODESTA FOR \$180K PACT**

The Embassy of Japan has given Podesta Group a \$15K per month contract for lobbying and consulting services in connection with legislation and federal government policy matters of interests to Japan, according to the contract inked by PG CEO Kimberley Fritts and Hideaki Mizukoshi, minister and head of chancery.

The one-year agreement allows for the fee to be reconsidered if either the Embassy or PG concludes that the "volume of the work involved has changed significantly, and that such change is likely to endure for several months."

The party receiving such as request "will consider it in good faith and determine whether a change is warranted."

## **REEVE FOUNDATION SELECTS COYNE**

The Christopher & Dana Reeve Foundation has given agency of record duties to Coyne PR to promote its programs, marketing initiatives and research.

Kevin Lamb, VP in Coyne's health unit, said the shop is eager to highlight the foundation's work in curing spinal cord injuries and excited about spreading word about its latest medical advances.

Maggie Goldberg is senior VP-marketing and communications at the foundation.

Coyne has experience in the non-profit/advocacy category gained from work for Breastcancer.org, Sanford Foundation and the Valerie Fund.

## **EDELMAN'S GERMAN CHIEF TAKES ON ASIA**

Cornelia Kunze, CEO of Edelman's \$18M Germany operation, will take the new position of Asia Pacific vice chairman on Oct. 1.

The move reunites Kunze with David Brain, Edelman's Asia Pacific chief who previously ran the No. 1 independent firm's EMEA region.

He credits Kunze for tripling the German business during a seven-year period. She is a "great brands thinker, terrific corporate counsellor and one of the best managers and leader of a PR business that I've ever worked with," said Brain.

In Asia, Kunze will speed the development of the business of German companies such as BMW, BASF and Osram.

The Mumbai-based executive will also support Robert Holdheim, managing director of Edelman India.

In the wake of picking up the Tata business, Edelman is now the biggest firm on the subcontinent.

Edelman will soon announce Kunze's successor.



**Kunze**

## **WWE PR CHIEF EXITS RING**

World Wrestling Entertainment communications chief Robert Zimmerman has left the company after three-plus years.

"He has stepped down and no replacement has been named," WWE spokesman Kevin Hennessy told O'Dwyer's.

Zimmerman was senior VP of corporate communications, media relations and public affairs for the publicly traded professional wrestling juggernaut, handling the company's unique position as a target by opponents in the campaigns of former CEO Linda McMahon, who is running for a U.S. Senate seat in Connecticut. Her husband, Vince, is CEO of WWE.

Linda McMahon got a lift last month when a federal judge tossed a lawsuit against her by the widow of a WWE performer who said the company used her late husband's image without permission.

Prior to joining the company in 2008, Zimmerman held top agency posts at Middleberg Communications, DKC, Edelman and The Lippin Group, as well as a stint as VP at Fox News.

WWE in late March brought in a new senior VP of marketing, Brian Flinn, from the National Basketball Association. He works under CMO Michelle Wilson, who took that title last year overseeing PR among several functions.

## **CES ADDS BGR**

The Consumer Electronics Assn., which spent nearly \$3M in Washington lobbying outlays during the past year, has added Republican powerhouse firm BGR Government Affairs to its line-up.

The firm of former Mississippi Governor Haley Barbour handles recycling/energy efficiency legislation and federal appropriations for the 2,000-member strong trade group.

CES dropped Dutko Worldwide, which is now Dutko Grayling, from its lobbying roster last year.

## PR OPINION

**IBM, which has set a goal of boosting per share earnings** from \$13 to \$20 by 2015, aims to do so by a 78% reduction in U.S. employees, says IBM critic Robert X. Cringely, who has published a six-part series entitled, "Today's IBM, Rotten to the Core."

Cringely, who has been following IBM 35 years, says he obtained access to an "internal plan" that describes the U.S. staff reduction.

*New York Times* columnist Steve Lohr on Jan. 1, 2012 rapped IBM for withholding U.S. employment figures since 2008. U.S. staff declined 11% to 120,589 from 2003-07 while worldwide total grew 21% to 386,558. It is now 444,000. He writes that the company "nearly collapsed" in the mid-1990s when low-cost computers challenged its mainframe business. Employment fell to a low of 217,000.

"Offshoring" jobs has become a hot button issue with U.S. labor groups. They have created the website "Job Tracker" which follows which jobs are going where.

IBM, which generates \$106 billion in sales, is eyeing Apple, whose 60,400 employees generate \$142 billion in sales. Apple products are mostly made in China and other countries by contract laborers.

IBM has cash and investments of \$27B but debt of \$32B while Apple has \$110B of cash and no debt.

### **Iwata Gave False Image at IPR, PRS Foundation**

The picture of IBM employees as marching together in unison singing the IBM tune and serving as "brand ambassadors" of the company, drawn by SVP Jon Iwata at the Institute for PR in 2009 and the PRS Foundation in 2011, is at odds with the portrait drawn by Cringely who says U.S. employees are "heartsick" at the planned shift of most of their jobs abroad.

Cringely, who has a lot of contacts in numerous plant cities of IBM, says IBM is going about this shift in a furtive manner, bringing in a few foreign workers here and there to evade the Worker Adjustment and Retraining Notification (WARN) Act.

Astounding to Cringely is the "deafening silence" that has greeted this sea change at IBM in the U.S. business press. He feels biz papers are afraid to offend a major advertiser.

Iwata, by withholding IBM's U.S. employment figures, is not living up to the "Principles" of the Arthur W. Page Society which he heads as chair. "Tell the truth" and "Prove it with actions" are Page's main principles.

### **NYT Should Hire Cringely, Bartz, O'Dwyer Co.**

The NYT has not totally ignored this subject, as indicated by the Jan. 1 Lohr column above, but it could use the immense knowledge of IBM history and contacts with IBM employees in numerous plant cities that Cringely possesses.

He should be able to post some bone-rattling articles about IBM in the NYT. Another hire, even if as a contract worker, should be Scott Bartz whose 619-page *The Tylenol Mafia* has far more details on Johnson & Johnson than any reporter could ever dig up. No reporter

could match the nearly eight years that Bartz worked at J&J. The O'Dwyer Co. should be retained by NYT for our expertise on PR and especially (PR) Seminar, which Iwata headed in 2007 (the year "PR" was removed from the title after 55 years). We have 40 years of programs, membership lists and coverage of many of the presentations made. An 80-page booklet on Seminar was published by the O'Dwyer Co. in 1998.

NYT has no regular coverage of PR, which has a large influence on the flow of information, but it could rectify this by hiring the O'Dwyer Co.

The paper has successfully employed David Pogue as its tech columnist since 2000. Pogue continues to run his own thriving business while writing for NYT. It's time that major media recognized the expertise of specialists that can never be matched by their own reporters.

### **IBM's Interest in PRS Is for Its Awards**

IBM, which currently only has six employees who are members of the PR Society, has been actively courting PRS honors and awards to publicize its "Smarter Branding for a Smarter Planet" ad/PR campaign and its "IBM at 100" campaign.

The "Smarter Branding" campaign won a Silver Anvil in 2010 and this year IBM has the most finalists (six) for Anvils that will be awarded June 7. Five are for the "IBM at 100" campaign which a PRS release says "was conceived to define its place in the past and present in ways that reinforced its brand as an innovator shaping the future."

Iwata last year was honored with the Paladin Award of the PR Society Foundation which recognizes those who have been outstanding "advocates for PR."

Iwata, as head of PR Seminar in 2007, led the move to drop "PR" from its title. Paladins, in medieval times, were "heroic champions" who were "determined advocates of a noble cause," the Foundation says. Many Page members are also in Seminar.

E-mails and phone calls have been placed to Iwata, who heads IBM's marketing, communications and citizenship organization, and Edward Barbini, VP of external relations, who "heads strategies for dealing with the media, analysts and key influencers worldwide." No response has been received by press time from either.

Cringely says "today there's little difference between IBM, AOL or Yahoo except that IBM has better PR."

One manifestation of IBM's PR power was its ability to get the government and others to use the initials ICBM for intercontinental ballistic missiles when the initials should have been IBM since intercontinental is one word.

Current PR strategy includes giving Iwata a high profile in the PR community.

His biography notes that he is the 2012 chair Page, described as "a professional association dedicated to strengthening the management policy role of chief communications officers," and was chairman of Seminar in 2006-07, described as "a professional group consisting of chief communications officers."

— Jack O'Dwyer