



Kevin McCauley
Editor-in-Chief

O'Dwyer's Newsletter



**The Inside News of
PR and Marketing
Communications**

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

April 30, 2018 Vol. 51 No. 18

GERMANY SEEKS PR FOR \$2.5M PUSH IN US

The Goethe-Institut is seeking a firm to support a one-year public diplomacy “Deutschlandjahr (Year of Germany) USA” public diplomacy campaign that kicks off in October. Total budget falls in the \$2.5M range. Operating under the “Wunderbar together—Germany and the US” umbrella, the push will feature hundreds of projects, exhibitions and events covering economics, politics, science, sports, education and culture throughout the US.



Submissions are due May 9.

[Download RFP \(PDF\)](#)

For more information, contact deutschland-usa@goethe.de.

VIVENDI EX-CHAIR BOLLORE ARRESTED

Vincent Bollore, the 67-year-old French billionaire who unexpectedly stepped down from Vivendi’s board at its April 19 general meeting was put into police custody outside Paris as part of an investigation into bribing public officials in Africa, according to *Le Monde*.

The Bollore Group in 2017 sold its 60 percent stake in ad/PR conglomerate Havas Group to Vivendi for \$2.5B in 2017.

Yannick Bollore, 37-year-old son of Vincent, serves as chairman/CEO of Havas. He replaced his father as Vivendi’s chairman. Bollore Group owns a 20 percent stake in Vivendi.

The Bollore Group, according to a statement, “formally denies that its subsidiary company SDV Africa has committed irregularities. The services relating to this invoicing were carried out in full transparency.”

ASTRAZENECA’S PR CHIEF HEADS TO COTY

Esra Erkal-Paler, who heads global external communications at pharmaceutical giant AstraZeneca, is moving to Coty as worldwide corporate affairs officer.

The move reflects the return to the beauty products category for the one-time UK/Ireland internal/external communications staffer at L’Oreal Group. She left L’Oreal to serve as executive director of the UK’s Advertising Standards Authority.

Erkal-Paler, who began her career at Burson-Marsteller and Weber Shandwick, will be based in London when she joins Coty on May 21.



Esra Erkal-Paler

WPP SUFFERS 4% DIP IN Q1 REVENUES

WPP’s reported first-quarter revenues slipped four percent to \$4.9B, though like-to-like sales inched upward 0.8 percent.

The ad/PR giant stumbled in North America, where reported revenues dove 12.3 percent to \$1.8B and 2.4 percent on a like-to-line basis.



Robert Quarta

It reported strong growth in the UK and Asia-Pacific/Latin America and some slippage in Western Continental Europe.

WPP’s PR/PA group (Hill+Knowlton Strategies, Finsbury, Burson Cohn & Wolfe) posted a 6.7 percent drop in reported revenues to \$377M. Like-to-like revenues were up 1.5 percent.

Roberto Quarta, executive chairman, called the results in line with expectations and said the management tandem of joint COOs Mark Read and Andrew Scott “are providing the stability and leadership WPP requires” in the aftermath of Martin Sorrell’s exit.

Sorrell Took 71% Pay Cut

Sorrell, who resigned following a probe into financial misconduct, earned \$19.1M in last, down 71 percent from the \$66.3M earned in 2016, according to the ad/PR conglomerate’s annual report released April 26.

Quarta says there was no hesitation in immediately appointing Mark Read and Andrew Scott as joint leaders of WPP.

IPG POSTS 5.1% RISE IN Q1 REVENUES

Interpublic reported first-quarter revenues grew 5.1 percent to \$2.2, while operating income advanced 11.8 percent to \$38.8M.

Organic growth rose 3.6 percent, driven by a 4.3 percent gain in the US.

The ad/PR conglomerate posted a \$14.1M net loss during the period vs. a year ago \$24.7M profit due to charges such as a \$24M loss of the sales of businesses.

A range of agencies and marketing disciplines contributed to IPG’s performance, according to CEO Michael Roth, “including media, our three global creative networks, as well as digital, sports and experiential marketing.”

He said the “current tone of business” has IPG on track to meet its goal of hitting the high-end two to three percent organic growth.



Michael Roth

MALDIVES RFP TARGETS UK TRAVELERS

Maldives Marketing and Public Relations Corp, the national tourism body of the Indian Ocean island nation, is looking to hire a PR firm in the UK to entice travelers, according to its RFP.



MMPRC, which uses the slogan, “the sunny side of life” in its current promotional push, wants to make Maldives “the most preferred island destination of the world.”

Tourism is the driving economic force of Maldives. The number of international arrivals has soared from 42K in 1980 to more than 1.2M in 2015.

The UK, according to the tourism office, is one of its most valuable inbound markets. The number of visitors from the UK was up 17.5 percent in March and 12.2 percent to 33K during the first-quarter. That quarterly growth lagged the 17 percent rise in total visitors to 420K.

May 2 is the deadline to submit bids. They go to procurement@visitmaldives.com and copied to ib@visitmaldives.com and info@visitmaldives.com.

FTI'S PR UNIT SURGES 21%

FTI Consulting's strategic communications group reports a 20.7 percent jump in first-quarter revenues to \$52.8M, driven by gains in retainer and project-based business. Operating income jumped to \$8.4M from \$2.6M a year ago.

The upbeat performance of Mark McCall's strategic communications unit helped power FTI to record first-quarter results as revenues rose 11.5 percent to \$497.8M and net income advanced to \$38.9M from \$14M.

Steve Gunby, CEO, said the strong showing reflects “the enormous efforts our leaders and professionals have made in listening to clients and investing heavily to deliver on core client needs.”

FTI stock jumped nearly eight percent to \$55.02 on the earnings news and hit its 52-week high of \$56.39.

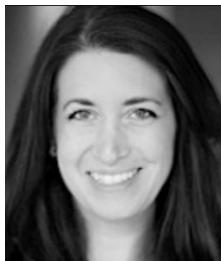
EDELMAN ALUM TO AEROSPACE TRADE GROUP

Caitlin Hayden, who was executive VP and director of the media group in Edelman's Washington office, has joined the Aerospace Industries Assn. as VP-Communications. She reports to CEO Eric Fanning.

Hayden promoted brands and helped clients navigate the DC regulatory and policy thicket at Edelman. She also did media and speech training work.

Prior to working at the No. 1 independent PR firm, Hayden was senior director for strategic communications & press at the National Security Council and special assistant to President Obama.

She also worked at the State Dept, focused on public/press outreach, speechwriting and South/Central Asia policy matters.



Caitlin Hayden

PEOPLE ON THE MOVE

Financial Profiles has hired **Rich Davis** as chief operating officer. Most recently, Davis was COO/CFO of several IPG agencies, including Rogers & Cowan and Frukt. He has also served as western region CFO for Weber Shandwick and CFO of Axis Agency.

Taft Communications has promoted **Alanna Jamieson** to senior communications manager. Jamieson, who has been with Taft since February 2016, manages projects in the environmental, sustainable business, and public affairs arenas. She is also account manager for the ReThink Energy NJ account, a campaign that seeks to make New Jersey a leader in clean, renewable energy.

4media Group has tapped **Jim O'Reilly** as executive producer in its US operations. O'Reilly, who has more than 40 years of broadcast news experience was hired to provide a “newsroom perspective” to the Bentonville (Ark) company. As video producer, O'Reilly has worked with clients such as Verizon Foundation, TGI Friday's, Nextel and Cartier.

Impact PR & Communications has named **Sandi Sonnenfeld** associate VP. Sonnenfeld comes to the firm after running her own company, Sonnenfeld Strategic Communications. She was previously director of PR & firmwide communications at law firm Kaye Scholer, where she spearheaded all firm messaging, print and on-line content development, thought-leadership, media relations, social media, internal communications and C-Suite communications.

ACCOUNTS IN TRANSIT

Brilliant PR & Marketing has formed a focused partnership with **Highlights for Children, Inc.** Best known for Highlights Magazine, the company produces magazines, books, websites, mobile apps and subscription clubs aimed at kids 12 and under. Brilliant's work for Highlights will focus on books from Highlights Learning and Highlights Press in addition to Hello magazine for babies and the Hidden Pictures mobile app.

RMD Advertising, advertising, PR and brand strategy shop, has added **McClure's Pickles** to its roster of challenger food brands. RMD will assist with raising awareness and knowledge about McClure's by providing tactical counsel on brand strategy, digital, social media and PR. McClure's has manufactured, prepared and distributed pickles, relishes and snacks since 2003.

FWV Fetching, the pet and veterinary division of French/West/Vaughan, has been named agency of **Bode-Vet**, a developer of advanced transfusion treatment options for the veterinary industry. The agency will provide PR and marketing services to promote what BodeVet says is the world's first injectable freeze-dried platelet derived product.



Rich Davis



TUSK PROMOTES DIGITAL LEGAL TENDER

Tusk Ventures is promoting the Republic of the Marshall Islands' plan to introduce the world's first legal tender cryptocurrency.

RMI has partnered with Neema Ltd, an Israeli startup that facilitates global money transfers via app and has used blockchain technology to create a digital currency called the Sovereign (SOV).



Bradley Tusk

The Pacific Ocean nation has passed a law making the SOV its official legal tender and is working with Neema to ensure a smooth roll-out.

The New York-based firm will educate the US Treasury, State Dept., Securities and Exchange Commission and Internal Revenue Service about RMI's strategy.

Tusk's compensation will be split 50/50 between US dollars and SOVs.

Bradley Tusk was New York Mayor Mike Bloomberg's campaign manager and New York Senator Chuck Schumer's communications director.

COMCAST TAPS TULCHAN IN BID FOR SKY

Comcast is using Tulchan Communications to handle its \$31B offer to buy Sky, European pay TV operator, setting up a potential bidding war with 21stCentury Fox.

Sky, which had agreed to a takeover by 21CF, has now ended that pact because of the superior Comcast offer. 21CF, which owns a 39 percent stake in Sky, says it's committed to acquiring the remaining shares.

Comcast sees Sky's 23M customers in the UK, Italy and Germany as a platform for further growth on the Continent.

Comcast CEO Brian Roberts pledges to preserve Sky's editorial independence and refrain from acquiring a majority interest in any British newspaper for five years to help ensure media diversity.

TIME WARNER PR CHIEF TAKES BIG PAY CUT

Gary Ginsberg, executive VP-corporate marketing & communications at Time Warner, took a 47.8 percent cut in total compensation to \$3.2M last year, according to a Securities and Exchange Commission filing made by the media giant.

Stock awards of \$3.2M bolstered Ginsberg's 2016 pay package to \$6.9M.

Ginsberg, who served in Bill Clinton's administration as White House counsel, joined TW in 2010 after eleven years at Rupert Murdoch's News Corp., where he was executive VP marketing & corporate affairs. He was Murdoch's liaison to the Democratic party.

Meanwhile, Jeff Bewkes, TWC's CEO, received a 50 percent boost in total comp to \$49M, a package that includes \$32M in stock awards.

AT&T has proposed an \$85B takeover of TWC, a move opposed by Donald Trump and the Justice Dept.



Gary Ginsberg

WHAT PR PROS SHOULD KNOW ABOUT AR, VR

Augmented Reality and Virtual Reality have been surrounded by major hype, particularly at January's Consumer Electronic Show and with Apple's updates to ARKit.

Once largely relegated to the gaming industries, these two technologies are now being more widely implemented by brands and, simultaneously, adopted by consumers.



Katy Hendricks

Given that this new "reality" is only likely to expand, what should PR pros know about AR and VR?

"VR allows you to experience a reality that is elsewhere, whereas AR augments the current reality you are in," said Jody Haneke of Tampa-based Haneke Design.

A third acronym to know is XR, or Extended Reality. This serves as an umbrella term over any experience that brings digital objects into the physical world or vice versa, including AR and VR.

With so much of our world now digitally-driven, consumers are starting to expect the immersive, "touch and feel" kinds of experiences via their phones or VR devices that they could get in the store. Or while on a road trip, they're expecting the kind of rich "digital overlay" of insights they can source on their web browser. This will soon become the new norm.

All marcomm disciplines – from PR to digital to advertising – have adapted and adopted social and influencer channels as core to our capabilities. XR will be no different. This is not about rushing out to hire gaming developers. This is about watching, learning and starting to experiment.

Like any aspect of the marketing mix, these technologies can be scaled up or down. As with any new tool or tech, it's all about how the investment will improve ROI. And if you don't start to jump in now, you'll never know the answer to that question.

Katy Hendricks is Director of Client Services at CooperKatz & Company.

UAE HIRES H+K FOR ENERGY BASH

The United Arab Emirates has hired Hill+Knowlton Strategies to handle strategic communications and global PR for the World Energy Council's 24th World Energy Congress slated for 2019 (Sept. 9-12) at the Abu Dhabi National Exhibition Center.



The Congress, headlined "Energy for Prosperity," will attract heads of state, energy executives, community leaders and members of academia who will discuss the "energy trilemma" of security, equity and environment sustainability.

H+K's offices in Abu Dhabi, Dubai and London will begin their PR work by showcasing the planning and progress made to put on the event.

The WPP unit will promote a flurry of announcements leading up to the Congress and conduct outreach to leading influencers in the energy sector.

OPC HONORS WOMEN CORRESPONDENTS

The 79th Overseas Press Club Awards Dinner celebrated the unprecedented work and risks taken by journalists to keep the public informed about conflicted zones throughout the world. Those journalists are often accused of spreading “fake news,” silenced, imprisoned and killed.



“There were at least 50 documented deaths of journalists last year, one of the worst years on record,” said keynoter Joseph Kahn, managing editor of the *New York Times*. “We need the OPC now more than ever to keep our attention focused on the risk that our colleagues are taking and to celebrate their best work.”

The April 26 black-tie affair was held at Cipriani's in New York. More than 400 attended the event, which was sponsored by Anheuser-Busch, Chevron Corporation, Edelman and Ralph Lauren.

The event featured the Dateline, #womenonthefrontlines theme and highlighted articles by women working as correspondents and photographers in some of the most dangerous spots in the world.

“Among the biggest international stories of the year were in large part by female correspondents who set a new benchmark for reporting about war and its aftermath,” said Kahn.

- I Want Justice, by Allison Joyce, covered the violence against the Rohingya in Burma;
- The Uncounted Dead, by Azmat Khan, examined the sites of airstrikes a by the U.S.-led coalition fighting ISIS in Iraq;
- In the Thick of it, by Melinda Liu, recorded her experiences on the frontlines in Kuwait, Iraq, Pakistan and Afghanistan.

• Moving to Mogadishu, by Christina Goldbaum, chased down the truth in Somalia as witnessed by the only foreign correspondent permanently based there.

Kahn spoke of a colleague: “Lindsay Crouse of the *NYT* wrote a story last week about what happened when frigid temperature, whipping wind and frozen drops of rain disrupted the Boston Marathon.

“In those conditions, men dropped out of the race at an 80% higher rate than usual. Women were more resilient. Their drop out rate rose by 12%.

“Protecting and promoting good journalism is a battle that may not be won any time soon. It’s looking a lot like running a marathon in lousy weather. We all need more women on journalism side,” he said.

Ingrid and Joachim Wall lit the OPC Candle of Remembrance honoring all the colleagues whose lives have been lost or imprisoned and in honor of their daughter Kim Well, a freelance journalist, who was 30 years old when brutally killed on an assignment in Denmark.

Ingrid spoke, “We wish we were proud parents sitting over at our table as our daughter received awards for some of her stories. We wish that every journalist could do their important work without risking their lives. And we wish for the next years that there won't be any need for a remembering candle.”

The President's Award went to Kath Gannon, Senior Correspondent for Pakistan and Afghanistan for the Associated Press, who was injured while covering the war and continues to report from the frontlines.

José Díaz-Balart, News Anchor of “Noticiero Telemundo” and NBC News, handed out numerous awards in 22 categories to honor the best of international journalism in Newspapers, News Services, Digital, Magazines, Radio, Podcasts, Television, Video, Cartoons, Books and Photography.

MATRIX AWARDS HONOR FEMALE ‘BADASSERY’

Ten women leaders in the communications industry were honored at the 2018 Matrix Awards April 23 before a crowd of nearly 1,000 at New York City’s Sheraton Times Square.

Savannah Guthrie, one of last year's honorees, emceed the event.

The “Today” show co-anchor put herself on the spot, mentioning a hot mic recently caught her swearing. She used that as a segue to say, “I feel safe that what we have before us today is a tour de force of female badassery.”

Guthrie referred to the award winners as “Women who performed. Women who produced. Women who pioneered. Women who pushed. Who persisted.”

New York Times reporters Jodi Kantor, Emily Steel and Megan Twohey received the first Matrix Incite Award for their

coverage of sexual harassment allegations lodged against movie mogul Harvey Weinstein and Fox TV’s Bill O’Reilly. “Today’s



(L-R): Jodi Kantor, Emily Steel & Megan Twohey

honorees managed to not only reveal abuses of power by two of the most prominent men in America, they helped spark the global reckoning that continues to reshape our society for the better.” said by A.G Sulzberger, publisher of the *New York Times*, in presenting the awards.

Guthrie stressed that the winners are, “Reporters whose writing and reporting were nothing short of an earthquake in our industry and then in every industry in the battle against sexual misconduct in the workplace.”

The Matrix Awards is a key fundraiser for New York Women in Communications. Proceeds from sponsors and supporters go towards a full range of scholarships and educational programs for women.

“For the past 48 years, New York Women in Communications has recognized extraordinary women whose achievements and leadership have made a remarkable impact on the lives of those around them,” explained NY-WICI president Meredith Long, who is also Chief Revenue Officer, North America, Quantcast. “They are truly women who connect the world.”

Guthrie summed up the evening. “Because you know what good women working together is? Pretty much unstoppable. May we do so with the right combination of firmness, kindness, gentleness, pushiness and grace.”

COMMENTARY

SUBSCRIPTION-BASED NEWS IS THE FUTURE

Despite what you may have heard about the “failing *New York Times*,” the newspaper had a bang-up year in 2017. Digital-only subscriptions to the *Times* jumped 46 percent in 2017 and overall subscription revenue eclipsed \$1 billion for the year. In fiscal 2017, meanwhile, the *Wall Street Journal* added 300,000 digital subscriptions.

On the other hand, we’ve seen the public perception of some newer media properties slide. A University of Missouri survey of consumers last year found that Occupy Democrats, BuzzFeed and Breitbart were the least-trusted news sources. Atop the list of the most-trusted was *The Economist*, whose subscriptions rose 30.8 percent in 2015.



Todd Barrish

What we’re seeing is a flight to quality. Facebook’s latest “friends and family” algorithm tweak has watered down the effect of clickbait headlines. Though there’s still a market for such fare on Google News, Google itself has announced a \$300 million commitment to support quality news outlets.

The earliest American newspapers were subscription based because they were outgrowths of political parties. But mass printing technology after the Civil War prompted the rise of cheap newspapers distributed in the cash-and-carry method by newspaper boys.

In this environment, the most sensationalistic headlines sold the most papers. Truth was irrelevant, because the

idea was to win the day’s sales. Such yellow journalism led to the Spanish American War. In the 1890s, the Adolph Ochs-led *New York Times* countered the spread of yellow journalism by promoting itself as the opposite: a sober publication that emphasized truth over sensationalism.

Once again, our news sources appear to be party-run, if not in name then in spirit. Democrats don’t trust Fox News and Republicans don’t trust MSNBC. In truth, most of us understand that both outfits tend to present a biased interpretation of events rather than objectivity.

One offshoot of the fake news crisis is that there’s more skepticism for unknown news brands. While the *New York Times* and the *Wall Street Journal* make mistakes, people tend to realize that stories from both are much more likely to be true. But people are now less willing to give the benefit of the doubt to stories from news organizations they don’t recognize. In 2015, you might have seen a headline in your news feed from an obscure source and thought “great story.” In 2018, the default is “Great story. But is it true?”

Most of us no longer take any web-based news at face value unless it’s attached to a brand we trust. This, of course, tilts the advantage to incumbents, but newcomers can make their mark with accurate reporting and great storytelling that’s uninfluenced by click-through and share rates. The good news is that we’re working towards a baseline of truth that will curtail the corrosive atmosphere of fake news. The bad news is, if you want that truth, you’re going to have to pay for it.

Todd Barrish is founder and president of Indicate Media, a digital PR agency located in downtown NYC.

TRUMP TRIES AGAIN TO FIND VA CHIEF

The “Candy Man” withdrew his nomination to lead the Department of Veterans Affairs after current and former members of the White House medical team accused Ronny Jackson of promoting a toxic work environment, distributing unprescribed sleeping pills and opioids, drinking on the job and smashing a government car.

A right-on-cue President Trump raged against these “false accusations” designed to destroy “an incredible man.” Fake news. Fake news.

Trump also threatened to take down Montana’s Democratic Senator Jon Tester, who coordinated opposition to Jackson, for apparently putting care of America’s veterans over loyalty to him.

Much was written about Jackson’s lack of experience in managing a behemoth like the VA, the federal government’s second largest agency with a \$200B budget, 370K employees, 145 hospitals, 1,200-plus outpatient sites and 9M veterans enrolled in its programs.

Rivers of ink and countless pixels were wasted on the White House’s vetting of Rear Admiral Jackson.

The lack of experience and scant vetting is irrelevant in Trump World, where feeding the ego of the tweeter-in-chief is all that matters.

Jackson pleased the president by declaring after his physical that our less-than-svelte leader is in “very, very good” health with a shot of living to 200 if he decided to lay off a little on the cheeseburgers, cake and ice cream.

There may have been a darker reason for nominating Jackson. Privatizing the VA is a goal among conservatives, such as the Koch Brothers, who fund a group called Concerned Veterans for America.

While CVA denies that it supports outright privatization, it does push for greater healthcare choices for vets, which some view as the first step toward going private.

An inept leader like Jackson could result in trouble for the VA and more support for privatization.

Trump says he already has selected a new nominee for the VA, someone with “political capability.”

That’s exactly the problem. The VA doesn’t need a savvy political operative in charge. It needs a strong manager.

—Kevin McCauley